

**AGENCE MONETAIRE DE
L'AFRIQUE DE L'OUEST (AMAO)**



**WEST AFRICAN MONETARY
AGENCY (WAMA)**

**STATUS OF THE IMPLEMENTATION OF ROADMAP
ACTIVITIES FOR THE ECOWAS SINGLE CURRENCY
ASSIGNED TO WAMA**

Freetown, November 2011

I. INTRODUCTION

At the end of its Summit held on 15th June 2007, the ECOWAS Authority of Heads of State and Government had instructed the ECOWAS Commission to review the current approach geared towards the achievement of monetary integration in the region, and examine the possibility of adopting a new approach for the establishment of the single currency in the ECOWAS sub-region.

In implementing this mandate, the ECOWAS Commission had convened a technical meeting in Accra from 25th -27th September 2007, which brought together the regional Institutions involved in the ECOWAS Monetary Cooperation Programme (EMCP). Thereafter, a series of technical meetings including that of the Technical Committee of the Convergence Council were held in Ouagadougou from 8th- 9th November 2007, to consider the Report of the Accra meeting. After extensive discussions, the Convergence Council invited the Commission to conduct a detailed study that would map out a new strategy and identify the quickest and most effective ways of establishing the ECOWAS single currency.

As part of its contribution to the implementation of this directive, the West African Monetary Agency (WAMA), at the 36th Ordinary Meeting of its Committee of Governors held on 21st November 2008, submitted a Strategic Plan outlining the ways and means of achieving, within a reasonable period, the ECOWAS single currency.

After its review by the Committee of Governors, this document was submitted to the Convergence Council which, at its ordinary session held in Abuja on 22nd November 2008, endorsed the Committee of Governors' recommendation to set up an Inter-institutional Task Force mandated to map out a concrete and realistic strategy, taking into account all studies previously carried out on the single currency issue.

In implementing this mandate, the ECOWAS Commission organized, from 16th to 18th February 2009 in Abuja, Nigeria, a retreat with regional institutions and Central Banks involved in the ECOWAS Monetary Cooperation Programme. This retreat ended with the drafting of a report proposing a new deadline and a Roadmap outlining the various stages of the implementation of the proposed single currency programme.

The report of the Inter-institutional Task Force was considered by the Meeting of the Technical Monitoring Committee held from 21st to 22nd May 2009 and approved by the 5th Session of the Convergence Council held in Abuja on 25th May 2009.

Following this approval, it was deemed imperative to regularly monitor and brief the relevant Authorities on the progress made in the implementation of the various activities included in the Roadmap through an annual evaluation report.

The evaluation report of the Roadmap for the establishment of the ECOWAS single currency seeks to provide the relevant Authorities with a reference document containing the necessary information relating to the progress made in the implementation of the various stages; constraints and difficulties encountered; solutions or measures that need to be undertaken to address these hurdles and the number of tasks that are yet to be accomplished. It will also help to evaluate the assignments of the various Institutions involved in the implementation of the Roadmap and, where necessary, draw their attention on any inadequacy observed in the execution of their individual and collective assignments. This report highlights the activities that have been completed by WAMA up to end of November 2011.

II. STATUS OF THE IMPLEMENTATION OF ACTIVITIES

2.1 Decision of the 40th meeting of the Committee of Governors of ECOWAS member states Central Banks.

During its statutory meetings held in Conakry in July 2011, WAMA had pointed out the difficulties faced by the Agency in relation to completing some activities of the roadmap. These difficulties were particularly relating to the consultant's fees to carry out some studies. After considering the issue, the Committee of Governors requested WAMA to draw on, where possible, the expertise of central banks when conducting certain studies of the roadmap. To this end:

- a. The study on monetary policy harmonization should be conducted by WAMA, with the support of Central Banks;
- b. The study on the liberalization of current and capital accounts within ECOWAS must be conducted under the auspices of a joint Committee of Experts comprised of WAMA and the Central Banks.
- c. The study on the harmonization of regulatory and supervisory schemes of banking and other financial institutions and the one relating to the harmonization of the accounting and reporting frameworks of banking and

other financial institutions must be carried out by a Committee of Experts with the support of the College of Supervisors;

The Committee of Governors had also recommended that member countries should take all necessary measures in order to comply with international standards in the areas where harmonization is required, in particular the International Financial Reporting Standards (IFRS) and the Basel Core Principles;

2.2 Harmonization of Balance of Payments Statistics

In a bid to enhance the multilateral surveillance mechanism and consistent with the spirit of the Roadmap, WAMA was mandated by the meeting of ECOWAS Institutions on the ECOMAC database held in Lomé in May 2010 to map out a scheme for the harmonization of public finance and balance of payments statistics. In September 2010, WAMA submitted its proposals to the ECOWAS Commission whilst a project was already being implemented on public finance statistics within the Multilateral Surveillance Department. This is in fact what led WAMA and the Statistics and Research department of the ECOWAS Commission to concentrate on the proposed harmonization of the Balance of Payments. The ECOWAS Commission made all necessary arrangements with the European Union which accepted to finance the activities scheduled for 2011.

The workshop for the validation of the project was held in Dakar from 18th- 22nd April 2011. In keeping with the timeline adopted at the end of this workshop, it was agreed that the following activities be undertaken in 2011:

- Appointment of focal points;
- Implementation of circular missions for the intensive diagnosis of current practices;
- Preparation of the methodological Guide;
- Organization of a regional workshop for the validation of the Guide.

a. Nomination of Focal Points

With the exception of Cape Verde, all ECOWAS countries have designated their focal points. The nominees have worked with the ECOWAS consultants for the intensive diagnosis of current practices.

b. Circular Diagnosis Missions

In line with the recommendations of the Dakar workshop, a circular mission composed of resource persons and representatives of the ECOWAS Commission or WAMA visited all ECOWAS countries between August and September 2011. The main objective of the circular missions for the diagnosis of current practices was to thoroughly examine the differences in the way the balance of payments statistics were compiled within ECOWAS in order to propose a harmonization scheme. Specifically, the missions had to perform the following tasks:

- Analyze the organizational framework established for the production, validation and dissemination of balance of payments;
- Conduct a diagnosis of data collection mechanism;
- Examine in detail the methodology for compiling the balance of payments data;
- Analyze the key challenges in developing the balance of payments;
- Examine the scope of projection of the balance of payments;
- Highlight the peculiarities of the country in the process of developing the balance of payments.

In each country, the mission interacted with the structures involved in the development of the balance of payments and the producers of basic statistics. These include mainly the following:

- Central Bank;
- National Statistics Department/Institute;
- National Customs Directorate;
- National Debt Agency;
- National Directorate in charge of Planning and forecasts.

The mission collected information on the organization set up for the production and validation of data, the mechanism for data collection and compilation, and forecasting techniques and underlying challenges.

c. Preparation of methodological Documents

Based on information gathered during the circular missions, three documents were drafted. The first focuses on the intensive diagnosis of current practices, particularly in terms of methodology, source and data collection. The second document includes a proposal to harmonize concepts, sources and methodology. The third document

proposes a timeline for achieving the desired harmonization. All these documents will be submitted to the committee of experts for consideration at the next regional workshop.

d. Regional Workshop

Given the time required for the preparation of these basic documents and the necessity to allocate member countries sufficient time to review the various documents, the regional validation workshop, originally scheduled in December 2011, has been postponed to January 2012. In fact one of the recommendations of the workshop in Dakar (April 2011) was to send all relevant documents to countries one month prior to the workshop.

2.2 Harmonization of Monetary Policy Frameworks

WAMA prepared the Terms of Reference for the study in 2010. The proposal has already been subjected to a review by the meeting of “*Coordinating Institutions on the Roadmap*” held in Dakar in November 2010 and attended by WAMA, WAMI, and BCEAO. The terms of reference adopted by the meeting were distributed to stakeholders and several proposals were made.

In line with the recommendation of the Committee of Governors, the terms of reference were submitted to the central banks for consideration. Some central banks have already provided their comments to WAMA.

Moreover, following the directive of the 40th Ordinary Meeting of the Committee of Governors held in Conakry on July 14 2011, WAMA held a regional workshop on the harmonization of monetary policy frameworks in ECOWAS in Accra, Ghana from 21 to 23 November 2011. The workshop was attended by all the Central Banks of ECOWAS with the exception of the Cape Verde, as well as representatives of the ECOWAS Commission, the West Africa Monetary Institute (WAMI), the African Development Bank, WAIFEM, the UEMOA Commission, the Bank of Kenya and other senior experts.

The workshop was used as an opportunity to conduct a comparative analysis of existing monetary policy frameworks in ECOWAS. It was observed that most Central Banks have set price stability as their primary objective. In some cases, the objective of financial sector stability and/or economic growth comes to supplement the main objective. The monetary policy framework is based on the targeting of monetary

aggregates for the Central Banks of the Gambia, Guinea, Liberia and Sierra Leone; the Bank of Ghana practices inflation targeting, whilst BCEAO and the Central Bank of Nigeria have a hybrid system that relies on a combination of both. The instruments that are used are open market operations, interest rates, reserve requirements and the foreign exchange market. All central banks have undertaken institutional and operational reforms in recent years to improve the effectiveness of their monetary policies.

After mapping out the context, the workshop took the stance of determining the appropriate monetary policy framework for the region. The analysis took several aspects into consideration, namely theoretical references, the benefits and limitations of each framework, the macroeconomic context of the region, the level of financial sector development, the prerequisites for the adoption of some frameworks such as inflation targeting, the institutional and technical capacities of Central Banks and the imperatives relating to the timeline of the roadmap for the creation of the ECOWAS single currency.

In addition, the workshop identified the main structural constraints that undermine the effectiveness of monetary policy in ECOWAS. These concern in particular:

- The quality of institutions and regulatory provisions
- The lack of independence of the Central Bank
- The limited-size of the formal financial sector
- The underdevelopment of interbank and money markets
- Excess liquidity and ineffectiveness of monetary policies
- Lack of secondary market for government securities
- The low level of competition in the financial sector
- Superficial stock exchanges deprived of liquidity
- Capital control
- Fiscal dominance.

Based on observations made during the workshop, participants recommended that:

a. WAMA:

- i. makes a proposal of monetary policy harmonization on the basis of an evaluation of existing systems within the region;

- ii. proposes an operational framework for the use and acceptability of ECOWAS national currencies in intra-regional transactions drawing mainly on the experience of East Africa;

b. Central Banks

- i. Conduct a study on the transmission mechanisms of monetary policy decisions within ECOWAS;
- ii. Strengthen their technical capacities mainly in terms of forecasting inflation, liquidity, and econometric modeling through training, technical assistance and exchange of experience;
- iii. Take the necessary measures for the development of financial sector integration and the modernization of payment systems in order to ensure improved efficiency of monetary policy instruments;
- iv. Strengthen the coordination between monetary policy and financial sector supervision through the adoption of the macro-prudential approach.

c. Member States:

- i. Strengthen the operational independence and instruments of central banks;
- ii. Improve the quality of statistical data by building capacity of Statistical Institutions and fast-tracking the harmonization process;
- iii. Strengthen macroeconomic stability and convergence in particular through fiscal discipline and the implementation of structural reforms;
- iv. Scale up coordination between monetary and fiscal policies to ensure effectiveness of public policy decisions.

2.3 Harmonization of the Accounting and Reporting Framework of Banking and other Financial Institutions

WAMA prepared the Terms of Reference for the study in 2010. The proposal had already been reviewed by the meeting of the “Coordinating Institutions on the Roadmap” held in Dakar in November 2010 and attended by WAMA, WAMI and BCEAO. The terms of reference adopted by the meeting were distributed and several recommendations formulated. In line with the recommendation of the Committee of Governors, the terms of reference were submitted to the central banks for consideration. Some central banks have already provided their comments to WAMA. Moreover, arrangements have been made to collect from central banks basic information to enable the completion of the preliminary diagnosis of current practices.

2.4 Harmonization of the Regulatory and Supervisory Framework of Banking and other Financial Institutions

WAMA prepared the Terms of Reference for the study and the draft had already been considered by the meeting of the “Coordinating Institutions on the Roadmap” held in Dakar on 2nd March 2011, attended by WAMA, WAMI and BCEAO. The terms of reference were amended and finalized taking into account the comments of the Central Banks. This activity will be conducted by a Committee of Experts with the support of the College of Supervisors pursuant in line with the decision of the Committee of Governors. Additional arrangements are envisaged in the 2012 work programme for the effective implementation of this activity.

2.5 Harmonization of Regulation Governing External Financial Relations

WAMA prepared the Terms of Reference for the study. The proposal was considered by the meeting of the “Coordinating Institutions on the Roadmap” held in Dakar on 2nd March 2011. Participants suggested that at this point in time, it would be prudent to limit the scope of the study on transactions within ECOWAS, pending the introduction of the single currency. Thus, the topic of the study was reformulated as follows: *“Harmonization of Regulations Governing Current and Capital Account Transactions in ECOWAS”*. The terms of reference have consequently been amended and finalized. Based on the decision of the Committee of Governors, this activity will be conducted by an expert committee composed of WAMA and the Central Banks. WAMA has made a proposal on the operational modalities of the committee.

2.6 Stabilization of Exchange Rates

On a daily basis, WAMA computes the exchange rates of ECOWAS currencies in relation to the WAUA as well as the cross rates among the various currencies. The Agency also publishes periodic reports on exchange rate movements. The Agency has also completed a study on exchange rate misalignment of ECOWAS currencies. This study, which identified the determinants of exchange rates and the level of misalignment of REER, was considered at a regional workshop and is currently being finalized.

Furthermore, WAMA intends to undertake another study on the modalities for the establishment of the ECOWAS Exchange Rate Mechanism.

2.7 Payments Systems Development

In 2009, WAMA conducted a diagnosis of all payments systems in ECOWAS. This diagnosis focused on a review of the legal, regulatory and infrastructural aspects. Based on this diagnosis, an inter-connection scheme was proposed. After consideration of WAMA's proposal, the Committee of Governors suggested that the interconnection of payments systems could be done in the second phase, after the establishment of the mechanism for the convertibility of member States' domestic currencies.

2.8 Quoting and Trading in ECOWAS Currencies

In 2010, WAMA completed a study on *"The Convertibility and Utilization of Domestic Currencies in Intra-regional Transactions"* which reviewed the modalities for the achievement of convertibility in ECOWAS. The purpose was to promote the use of domestic currencies in intra-Community trade and financial transactions. The study concluded that it was appropriate to proceed with the convertibility of domestic currencies as significant progress has been recorded on the relevant pre-requisites particularly with the adoption of Article VIII of IMF, the relaxation of exchange controls and liberalization of capital account. The study thus proposed two schemes to achieve this convertibility. The first was based on an arrangement between commercial banks whilst the second involved the Central Banks.

The Committee of Governors, which reviewed this proposal at its July 2010 session in Banjul, deemed it necessary to adopt a prudent approach because of the existing misalignments in the real exchange rates of several currencies and the potential speculative effects such as those observed with the ECOWAS Travelers' Cheques. The Committee of Governors requested WAMA and WABA to work together on this issue and come up with new proposals. Both institutions are currently working in that direction.

2.9 Integration of Financial Markets in ECOWAS

In 2010, WAMA completed a study on the integration of financial markets in ECOWAS. The main purpose of this study was to identify ways and means of integrating the capital markets in the region. It first took stock of the various financial markets in the sub-region, before evaluating their degree of integration. It then highlighted the opportunities, challenges and prospects of Capital Market integration in ECOWAS. After considering the findings of this study, the Committee of Governors made a certain number of recommendations including, among others, enhancing the capacity of stakeholders of financial markets with a view to fast-track markets integration, strengthening information and communication technologies in order to improve the inter-connectivity and interoperability of markets and expand the study to other financial market stakeholders such as banks and insurance companies.

All these aspects have been taken into account in the new version which will be presented at the next meetings of its governing bodies which will take place in January 2012 in Freetown.

3 PROSPECTS FOR 2012

Following the recommendations of the regional workshop on the harmonization of monetary policy frameworks, WAMA will prepare a proposal for harmonization in the first quarter of 2012. This proposal will be submitted to the Committee of Experts composed of Research and Monetary Policy Directors of ECOWAS Central Banks. This committee of experts will also be expected to conduct a feasibility study on the proposed framework.

Regarding the harmonization of regulatory and supervisory schemes of banking and other financial institutions, WAMA will organize, in the second quarter of 2012, a regional workshop to review current practices similar to the one on monetary policy framework. A Committee of Expert will also be set up to review the proposals for harmonization that will be developed after the workshop. The same procedure will be applied for the liberalization of current and capital accounts within ECOWAS as well as the harmonization of accounting and reporting systems of banking and other financial institutions.

Regarding payment systems, WAMA intends to work closely with WAMI and BCEAO in order to devise a proposal for harmonized regulations between UEMOA and WAMZ from 2012.

Vis-à-vis the quoting and transactions in the ECOWAS national currencies, WAMA will draw on the experience of East Africa to put forward an operational scheme for the acceptability of national currencies in the settlement of intra-Community transactions.

WAMA intends to rely on the expertise of international institutions mainly the IMF for the implementation of these various projects. Requests for assistance have been sent to the IMF and other institutions such as ACBF.

4 CONCLUSION

The roadmap is a coherent framework for setting the necessary conditions for the establishment of a strong and viable single currency. Regional institutions in charge of implementing this roadmap have demonstrated a high degree of commitment. However, WAMA has been faced with a lot of challenges, particularly financial, in the execution of the activities assigned to her. To overcome the challenge, central banks have pledged to assist the Agency in carrying out some aspects of the roadmap. This support from central banks has triggered a new impetus in the implementation of activities outlined in the roadmap. This situation brings about positive prospects for the successful completion of the project within the specified deadlines set by the authorities of the region.

APPENDICES

I- EVALUATION OF IMPLEMENTATION LEVEL OF THE ROADMAP FOR THE PROPOSED ESTABLISHMENT OF THE ECOWAS SINGLE CURRENCY

Nos	Activities	Periods	Institutions involved	IMPLEMENTATION STATUS
1	Implementation of multilateral surveillance (ECOWAS single currency project)		ECOWAS/WAMA Joint Secretariat , WAMI, UEMOA Commission, Ministries of finance	<ul style="list-style-type: none"> - Pursue half yearly surveillance missions; - Prepare half yearly reports ; - Organization since 2010 of joint WAMA/ECOWAS COMMISSION /WAMI missions ; - Operationalization of the ECOMAC data base in September 2010 - Preparation of the ECOBASE data base
O	➤ Operationalization of National Coordinating Committees	2009	ECOWAS Commission, member States	<ul style="list-style-type: none"> - Establishment of NCCs in all countries except Cape Verde. ; - Preparation of Guide for drafting of half yearly reports; - Increase of subsidies to NCCs (from 7500 to 30.000 dollars a year) - Ongoing preparation of framework for the elaboration of multiannual reports.
1b	➤ Formulation and harmonization of convergence criteria	T2-T4 2009	ECOWAS/WAMA Joint Secretariat , Central Banks , WAMI , UEMOA Commission, Ministries of Finance	<ul style="list-style-type: none"> - Recruitment of Consultant ; - Consideration of first draft in November 2010 ; - Submission of second draft by Consultant in march 2011 - Review of the Consultant's draft in may 2011 in Abuja and June 2011 in Dakar
1c	➤ Adoption of harmonized convergence criteria	T2 2010	Every regional institution, Ministries of Finance, Central, Banks	<ul style="list-style-type: none"> - Review of convergence criteria by the Committee of Monetary Affairs in October 2011 in Lomé - Adoption of the new convergence criteria by the Convergence Council in October 2011 in Lomé
2	Harmonization of			
2a	➤ Statistics	Before fourth quarter 2014	ECOWAS Commission (pilot structure), WAMA, WAMI, UEMOA Commission, AFRISTAT	<ul style="list-style-type: none"> - Strengthening of ongoing price and national accounts harmonization process; - Launching of balance of payments statistical harmonization project in April 2011; - Pursuit of efforts for the harmonization of balance of payments statistics - Opening of harmonization projects for public finance statistics ;
2b	➤ Domestic taxation	End 2014	ECOWAS Commission (pilot structure), WAMA, WAMI, UEMOA Commission Ministries of finance	<ul style="list-style-type: none"> - ECOWAS has commissioned a certain number of studies on this aspect.
2c	➤ Legal, accounting and statistical framework of public finance	End 2014	ECOWAS Commission (pilot structure), WAMA, WAMI, UEMOA Commission, Ministries of Finance	<ul style="list-style-type: none"> - Recruitment of Consultant to diagnose current practices ; - Consultant's report under consideration - Harmonization process is ongoing

Nos	Activities	Periods	Institutions involved	IMPLEMENTATION STATUS
3	Harmonization			
3a	➤ Regulation and supervision of banks and other financial institutions	T2 2009 –t2 2011	WAMA, WAMI, Central Banks, WABA, UEMOA Banking Commission, securities and exchange Commission, Insurance Commission	<ul style="list-style-type: none"> - Terms of reference prepared by WAMA ; - Consideration and adoption of terms of reference by the WAMA, WAMI, BCEAO sub-committee ; - Committee’s decision requesting the use of central banks and the college of supervisors expertise; - Compilation of comments made by central banks on the terms of reference - Important project planned for 2012
3b	➤ Regulation governing external relations	T2 2009 – T2 2011	WAMA, WAMI , Central Banks, WABA, UEMOA Commission	<ul style="list-style-type: none"> - Terms of reference prepared by WAMA ; - Consideration and adoption of terms of reference by WAMA, WAMI, BCEAO sub-committee ; - Committee’s decision requesting the use of central banks and the college of supervisors expertise; - Compilation of comments made by central banks on the terms of reference - Important project planned for 2012
3c	➤ Accounting and reporting framework of banks	T1 2010 –T4 2013	WAMA, WAMI, central banks, WABA, UEMOA Commission	<ul style="list-style-type: none"> - Terms of reference prepared by WAMA ; - Consideration and adoption of terms of reference by WAMA, WAMI, BCEAO sub-committee ; - Committee’s decision requesting the use of central banks and the college of supervisors expertise; - Compilation of comments made by central banks on the terms of reference - Important project planned for 2012
3d	➤ Monetary policy framework	T1 2010 – T4 2013	WAMI, WAMA, Central Banks	<ul style="list-style-type: none"> - Terms of reference prepared by WAMA ; - Consideration and adoption of terms of reference by WAMA, WAMI, BCEAO sub-committee ; - Committee’s decision requesting the use of central banks and the college of supervisors expertise; - Compilation of comments made by central banks on the terms of reference - Organization of a regional workshop in Accra in November 2011 - Development of a harmonization scheme in 2012 - Important project planned for 2012
3e	➤ Payments systems infrastructure (transfer of huge and small amounts) for cross-border transfers in ECOWAS	T1 2010 –T4 2013	WAMI, WAMA, WABA, central banks. Ministries of Finance	<ul style="list-style-type: none"> - WAMA is working on the legal aspects concerning the interconnectivity of the UEMOA and WAMZ systems

Nos	Activities	Periods	Institutions involved	IMPLEMENTATION STATUS
4	Complete establishment of payments systems in Sierra Leone, Guinea and The Gambia	2009 – T4 2012	WAMI, Central Banks	<ul style="list-style-type: none"> - Ongoing process ; - Considerable progress
5	Dismantling of all tariff and non tariff barriers to ensure free movement of goods, persons and services in ECOWAS	Continuous process	ECOWAS Commission, WAMA, WAMI, UEMOA Commission, member States m	<ul style="list-style-type: none"> - Ongoing construction of juxtaposed border posts - Sensitization ; - Ongoing discussions on ECOWAS CET particularly the fifth band
6	Stabilization of exchange rates	Continuous process to be finalized two (2) years before launching of single currency	Central Banks, WAMA, WAMI	<ul style="list-style-type: none"> - Daily computation of bilateral exchange rates ; - Drafting of periodic reports - Ongoing studies for the establishment of the ECOWAS Exchange rate mechanism
7	Capital account liberalization in ECOWAS member States	2011	WAMA, WAMI, Central Banks	<ul style="list-style-type: none"> - Terms of reference prepared by WAMA ; - Consideration and adoption of terms of reference by WAMA, WAMI, BCEAO sub-committee ; - Tender for bids to be launched later
8	Integration of financial markets (capital, Insurance, Banks, Provident Funds, etc.)	Continuous process	ECOWAS Commission, WAMA, WAMI, UEMOA Banking Commission, WABA, Central banks, ICIM (Inter-African conference of Insurance Markets), CREPMF-UEMOA, Securities and Exchange Commissions, Insurance, Commissions CIPRESS, Pension and Provident Funds	<ul style="list-style-type: none"> - Study conducted by WAMA on capital market and first draft already submitted to the Authorities ; - Ongoing improvement on study taking into account banks, insurance and other financial companies ; - Study will be presented later at statutory meetings
9	Quotations and transactions in ECOWAS domestic currencies	Continuous process	WAMA, WABA, WAMI, commercial banks, central banks	<ul style="list-style-type: none"> - Study conducted by WAMA on the issue - Recommendation of Committee of Governors requesting WAMA to work with WABA and commercial banks on the practical modalities for implementation
10	Ratification of WAMI legal instruments	Latest 1st July 2014	Member States, WAMI	Activities to be carried out at a suitable time
11	Establishment of WAMZ common Central Banks, WAMZ Secretariat and West African Financial Supervision Agency	Before 1st January 2015	WAMI, WAMZ member States	
12	Launching of WAMZ monetary union	Before 1st January 2015	WAMI, WAMZ member States	
12a	➤ Introduction of common WAMZ currency (Eco.)	1st January 2015	WAMI, WAMZ member States	
12b	➤ Withdrawal of domestic currencies	1st January 2015 – 30 th June 2015	WAMI, WAMZ member States	

Nos	Activities	Periods	Institutions involved	IMPLEMENTATION STATUS
14	Contribution to WAMZ stabilization and cooperation fund	Before end 2014	WAMI, WAMZ member States	
15	Cape Verde and Liberia officially become members of one of the two zones	Continuous process to be fast-tracked	ECOWAS Commission (Group Head), WAMA, WAMI	
16	<p>Institutional framework The various stages in the proposal and validation of the institutional framework include the appointment of an eminent personality and the setting up of an experts committee (2014) that would propose an appropriate institutional framework, meetings of the Committee, the meeting of the ECOWAS Council of Ministers, the ECOWAS Parliament, the Summit of Heads of State and Government and eventual consideration by national Parliaments.</p>			
16a	➤ Introduction of a draft supplementary Act to the ECOWAS Treaty on the monetary union.	Three (3) years before the launching of the ECOWAS single currency	ECOWAS	
16b	➤ Technical design and preparation of common currency denominations		Based on proposals formulated by the Experts Committee under the supervision of an Eminent Personality	
16c	➤ Irrevocable fixing of exchange rates between the currencies			
16d	➤ Determination and declaration of the exchange rate of the ECOWAS single currency to the IMF			
16e	➤ Consultation for the establishment of the common Central Bank			
16f	➤ Consultations on merger between the two currency zones			
16g	➤ Launching of the ECOWAS Monetary Union	2020		
16h	➤ Commencement of operations of the ECOWAS Central Bank			
16i	➤ Sensitization campaign	Continuous process to be initiated as early as possible		
16j	➤ Introduction of ECOWAS common currency	2020		
16k	➤ Withdrawal of domestic currencies			