



**WEST AFRICAN MONETARY AGENCY**  
**60<sup>TH</sup> ORDINARY MEETING OF THE COMMITTEE OF GOVERNORS**  
**Virtually, Chaired from Abuja, Nigeria 25 August 2022**  
**Remarks by Momodou Bamba Saho**  
**Director General of WAMA**  
*(As Prepared for Delivery)*

- Chairman and Members of the Committee of Governors
- The Commissioner for Economic Affairs and Agriculture of the ECOWAS Commission
- Representative of the UEMOA Commission
- The Director General of WAMI
- The Director General of WAIFEM
- Secretary General of WABA
- Chairman and Members of the Technical Committee
- Delegates from the Central Banks and Ministries of Finance of ECOWAS Member States
- Representatives of Regional and International Institutions

It is my pleasure to welcome you to the 60<sup>th</sup> Ordinary Meeting of the Committees of Governors of central banks of ECOWAS Member States. The Committee of Governors' Meeting is being held in a virtual format for the fifth time.

Let me start by thanking the Chairman of the Committee of Governors, Mr. Godwin I. Emeziele, Governor of the Central Bank of Nigeria, and his staff for their constructive leadership. With their guidance, we were able to narrow our differences on several key aspects of the *Roadmap for the Launch of the ECO*.

I extend my warmest congratulations and welcome to **Dr. Jean Claude Kassi Brou** on his appointment as Governor of the BCEAO. I also congratulate **Dr. Abdoulie Sireh Jallow** and **Dr. Paul J. Mendy** on their appointments as Deputy Governors of the Central Bank of The Gambia.

A special welcome and congratulations to **Dr. Omar Alieu Touray** on his appointment as the President of the ECOWAS Commission. My congratulations also go to the new Commissioner for Economic Affairs and Agriculture at the ECOWAS Commission, **Mrs. Massandjé Touré-Liste**. We look forward to continued collaboration with the ECOWAS Commission to implement the Roadmap successfully.

I also thank the WAMA staff for their contributions to the organisation of these meetings.

The WAMA Technical Advisory Committees completed their meetings on 25 August 2022. Today, the Committee of Governors shall consider the outcome of the deliberations of the Economic and Monetary Affairs Committee and the Operations and Administration Committee as well as the report of the Audit Committee.

We are meeting during one of the most uncertain and severe periods in the implementation of the ECOWAS Monetary Cooperation Program (EMCP). There continues to be significant uncertainty for the global and regional economies. The ECOWAS economy was relatively resilient during the Asian Financial Crisis and the Global Financial crisis. However, the impact of the COVID-19 pandemic was more extensive and wide ranging. In 2020, the ECOWAS economy contracted by 0.8 percent, its deepest decline in over two decades. In 2021, the ECOWAS economy returned to the path of recovery with regional growth at 4.2 percent, with uneven recovery paths for Member States.

Inflation remained high, however, due to rising food and pump prices of fuel, and the collapse of supply chains, as well as the pass-through effects of exchange rate depreciation. The region's average inflation rate reached 13.1 percent in 2021, from 11.1 percent in 2020.

Despite the improvements in some fiscal indicators, the public debt stock increased from 27.7 percent of GDP in 2020 to 33.3 percent in 2021, mainly due to the measures implemented by some governments to support key sectors of the economy.

Policy makers in our region are faced with difficult choices of balancing between short term needs of supporting businesses and households and the long term risks of costly unsustainable debt. In addition, the effects of rising inflation are especially going to be painful for the lowest income households in our economies. Further widening inequalities and increasing poverty in our countries. This is of prime importance to our central bankers as you continue to closely monitor inflation expectations and appropriately calibrate the pace of monetary policy tightening so as not to jeopardize the recovery.

Continued strong policy action will be necessary to shield our economies from the headwinds and keep the EMCP on track. Member States will need to comply with the convergence criteria in 2022 as the declaration by the Authority of 2021 and 2022 as exceptional years expire. Compliance with the macroeconomic convergence criteria will continue to be a challenge moving forward in the context of the risks to the global growth outlook which include the war in Ukraine, heightened inflationary pressures, rising debt, insecurity, climate related risks and pressures to maintain policy support.

Our most recent assessment of the economies of the Member States, which shall be presented to you at these meetings, indicate that none of the Member States met all the four primary convergence criteria at the end 2021, the same performance as at end 2020.

Since our last meeting in March 2022, WAMA has worked to implement the directives of the Committee of Governors and the activities outlined in our Work Program for 2022. We have worked with a subcommittee of central bank experts to determine the size and distribution of the capital and the pooled external reserves of the CBWA. The Technical Committee has reached broad agreement on key elements of this work which will be presented to the Committee of Governors at these meetings.

We also presented to the Technical Committee an update on the implementation of the ECOWAS Payment and Settlement Systems project. The Authority of Heads of State and Government, at its 61st Ordinary Session on 3 July 2022, adopted the Additional Act on the legal framework of the EPSS bringing to closure several years of consultations on that issue. In furtherance of the EPSS project objectives, WAMA is in constant communication with the AfDB and the World Bank as regards possible funding for implementation of the technology solutions for the EPSS. We shall keep you updated on developments in this regard.

Several other workstreams are ongoing to implement other aspects of the 2022 Work Program. We shall report to you on those activities at the End-Year Statutory Meetings.

As regards internal institutional matters, we continued the consultations with WAMI and WAIFEM, as directed by the Committee of Governors at its 59th Ordinary Meeting in March 2022 to harmonize staff benefits and provident fund policies in the three institutions. The Technical Committee will report to you on the status of this activity at this meeting.

The WAMA staff and myself appreciate the guidance of the Committee of Governors. We look forward to your continued support as the Member States work to address the challenges of meeting the objectives of the ECOWAS Monetary Cooperation Program.

Thank you.