



WAIFEM

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT



2012

ANNUAL REPORT

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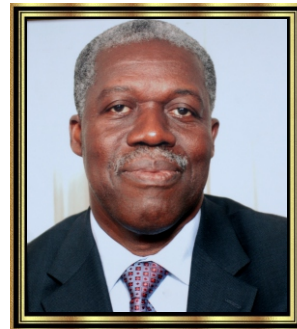
board of governors



Hon. Amadou Colley
Governor, Central Bank of The Gambia
Chairman, Board of Governors, WAIFEM



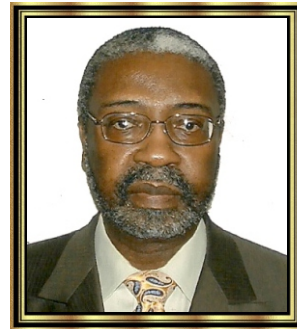
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Prof. Akpan H. Ekpo
Director General, WAIFEM
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foreword

Making informed macroeconomic policies in the sub-region requires the development of professionals with the requisite skills and knowledge that meets the 21st century challenges in macroeconomic management. This means that public and private sector officials with macroeconomic management responsibilities must constantly be trained and retrained to master the tools and techniques needed for informed policymaking.

Towards this end, the West African Institute for Financial and Economic Management has, since 1997, organized several training programmes to enhance the knowledge and skills of public and private officials in the sub-region and beyond for the implementation of sound policies. In 2012, WAIFEM organized and executed high quality training programmes at its headquarters in Lagos, Nigeria and other locations in the sub-region including Banjul, The Gambia; Accra, Ghana; Monrovia, Liberia; Abuja, Nigeria; and Freetown, Sierra Leone. The training was offered with technical and financial support from partners such as the International Monetary Fund (IMF), United Nations Economic Commission for Africa (UNECA), African Capacity Building Foundation (ACBF), and the World Bank among others.



This year's training activities are cataloged in the Annual Report and Statement of Accounts of WAIFEM for the year ended December 31, 2012. The report covers the programmes and activities of the three core departments of WAIFEM, namely Debt Management, Financial Sector Management and Macroeconomic Management. It also contains an overview of the economic performance of member countries of WAIFEM and Africa as well as developments in the international economy.

The training covered an impressive array of topics on macroeconomic and financial management in which the Institute has developed practical expertise over the years. The facilitators have been carefully selected based on their practical experiences and academic backgrounds. Facilitation has been through lectures, case studies and hand-on exercises. In 2012, one thousand two hundred fifty (1,250) public and private sector officials from West Africa and beyond were trained by WAIFEM.

It is worth noting that authorities of the member central banks of WAIFEM continue to appreciate the effectiveness of the training courses as evidenced by the oversubscription to the training programmes and the positive feedbacks we received regarding immense improvement in staff performance at their respective institutions. Over the years, participants have been able to establish professional networks through which they have benefited from experience sharing.

Sustaining this level of capacity building has come with huge financial and material costs. The Institute is grateful for the overwhelming financial support from the Board of Governors even in the face of dwindling budgets in their respective institutions. I am also pleased to acknowledge the generous financial, logistical and technical support of our cooperating partners, whose contributions have ensured that WAIFEM maintains its status as a center of excellence.

I would like to assure the sponsors of participants to the WAIFEM programmes that you will continue to receive value for money. I know that participants have enjoyed inspiring and fruitful experience as did their predecessors. The Institute looks forward to a sustained collaboration for accelerated capacity development in the sub-region in the years ahead.

Hon. Amadou Colley,

Governor, Central Bank of The Gambia and

Chairman, Board of Governors of WAIFEM.

December, 2012

preface

It is with great pleasure that I present to you the 2012 WAIFEM Annual Report and Statement of Accounts. The objective of our training programmes over the years has been to build a bridge between economic theory and practical macroeconomic policy formulation, implementation and management in WAIFEM member countries. The practical approach with which these programmes are delivered distinguishes WAIFEM from the knowledge acquired from tertiary institutions. Additionally, our training programmes are structured in such a way that they reflect the emerging priorities in the ever changing macroeconomic policy environment as well as new ideas and developments in the economics and finance professions. Collaborating with appropriate authorities in the sub-region as well as our external partners, WAIFEM has been able to respond in a timely fashion thereby making the content of our training programmes very attractive and relevant during these times of turbulence in the global macroeconomic environment.



In the aftermath of the 2008 economic meltdown, emphasis has been placed on building economies that would withstand external shocks. In order to enhance the monetary, financial and fiscal policy reforms in our various economies, the Institute's traditional programmes in banking supervision, financial stability, debt sustainability analysis and macroeconomic forecasting, analysis and modeling, among others were strengthened in 2012 to achieve the overall goals and objectives of maintaining a stable macroeconomic environment in WAIFEM member countries.

The number of programmes executed in 2012 increased to 39 from the 34 organized in 2011 with participation rate increasing by 27.3 percent to 1,250. The programmes executed in the three departments in 2012 were as follows:

In debt management, a total of 346 officials (an increase of about 31.6 percent over the previous year) were trained in the areas of debt management reform plans, sub-national debt management strategies, the use of CS-DRM 2000+, and compilation of public sector debt statistics, among others. These programs and missions have enhanced the capacity of the participants in conducting debt sustainability analysis, national debt management and debt recording among others.

In financial sector management, a total of 396 officials (an increase of about 10 percent over the previous year) benefitted from the training programmes. The participants acquired vital skills in tracking money laundering and financial crimes, banking supervision, international financial reporting standards, and payments systems operations in developing countries among others. These courses have equipped participants to be better bank examiners and advocates of effective risk management and good corporate governance practices within the banking sector.

In the area of macroeconomic management, a total of 499 officials (an increase of about 39 percent over the previous year) were trained in financial programming and policies; techniques of economic analysis; and international trade, taxes and negotiations among others. These programmes have upscale the skills of participants in macroeconomic forecasting, modeling and management as well as increase their capacity in the conduct of economic analysis.

The newly established Business Development Unit (BDU) is making steady progress. It is designed to address the capacity needs of the private sector. In 2012, the Unit executed its maiden course which was attended primarily by private sector officials from WAIFEM member countries.

We are gratified and motivated by the interest and engagement of the participants at our training programmes. We appreciate the positive feedbacks we regularly receive and we are determined that going forward, we will strive to meet the ever increasing demands and high standards that are necessary in managing the economies of WAIFEM member countries.

On behalf of the Management of WAIFEM, our heartfelt thanks and appreciation go to the Board of Governors, the African Capacity Building Foundation (ACBF), the Institute for Capacity Development of the International Monetary Fund, the World Bank, Commonwealth Secretariat, and United Nations Economic Commission for Africa (UNECA), among others for the level of support accorded WAIFEM during this year.

Professor Akpan H. Ekpo

Director General, WAIFEM

and Secretary, Board of Governors

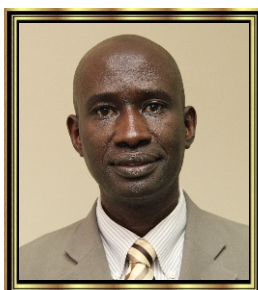
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Director General



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Mr. Johnson Asiamah
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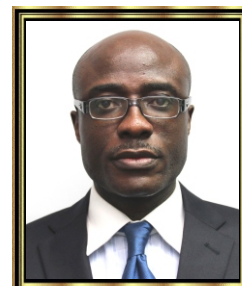
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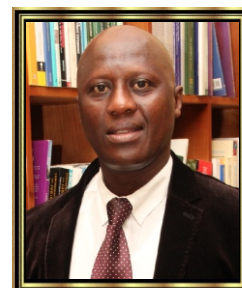
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Mr. Alvin G. Johnson
Research Manager



Mr. Samuel J. Sepha
Library and Publications Officer

1.0 OPERATIONS OF WAIFEM

1.1 OVERVIEW OF PROGRAMME OF ACTIVITIES

The West African Institute for Financial and Economic Management executed a total of 39 capacity building and related activities in 2012 benefitting 1,250 participants, an increase in the number of participants by 27.3 percent over last year. In terms of country representation, Nigeria accounted for 42.6 percent of the total number of participants, followed by Ghana (19.4 percent), Liberia (12.3 percent), Sierra Leone (10.3 percent), The Gambia (9.5 percent), Guinea (2.8 percent) and others (3.0 percent).

In terms of institutional representation, the statistics shows that central banks accounted for the largest number of attendees representing 48.3 percent of the total; ministries of finance and economic planning (25.7 percent); other public sector agencies (22.1 percent) and the private sector (3.9 percent).

An analysis of departmental programmes and activities show that the Macroeconomic Management Department executed a total of 17 programs that

benefitted 499 participants (about 39.2 percent of the total number of Participants) in 2012. This compared to 2011 reveal an increase in the number of participants by nearly 40 percent. The Debt Management Department executed 8 programmes, 2 less than the number executed in 2011. Despite this decrease in the number of programmes, participation increased by 13.6 percent to 34.6 percent. The Financial Sector Department conducted a total of 13 programmes during the period which benefitting 396 participants compared to 11 courses in 2011 with 360 participants. The Business Development Unit conducted its maiden programme during the year with 9 persons in attendance. The participants were from The Gambia (1), Ghana (1), Liberia (4), Nigeria (1) and Sierra Leone (2). The participants were mainly from central bank, commercial banks and port authority. The details of the capacity building programmes in 2012 are in the next section of this annual report.

1.2 DEBT MANAGEMENT DEPARTMENT

1.2.0 INTRODUCTION

In 2012, the Debt Management Department executed a total of 8 capacity building programmes which benefitting 346 public and private sector officials from WAIFEM countries and beyond. The number of programmes is two less than the number implemented in 2011 but nonetheless; with higher number of participants (13.6 percent increase). In terms of country breakdown, the majority of the participants attending the debt management programmes were from Nigeria accounting for 39.6 percent of the total followed by Ghana and Liberia with 22 and 21.4 percent respectively.

In terms of gender, analysis of the executed debt management programmes shows that 77.5 percent of the participants were males and 22.5 percent females. The number of female participants increased significantly over the previous year due to ACBF supported programmes under the current WAIFEM III Grant Agreement intended to enhance the skills of female policy analysts. Considering user institutions, 18.8 percent of the participants were from the central banks, 52.6 percent from the ministry of finance and economic planning, 25.1 percent from other public agencies, while 3.5 percent came from the private sector. Traditionally, the ministry of finance

and economic planning has dominated the number of participants because of the critical role they play in debt management of countries in the region. Details of specific debt management programmes executed in 2011 are as follows:

1.2.1 WAIFEM/WORLD BANK/LIBERIA DEBT MANAGEMENT REFORM PLAN, MONROVIA, LIBERIA. JANUARY 11-20, 2012

In response to a request from the Government of Liberia (GOL), a joint WAIFEM/World Bank mission visited Monrovia from January 11 20, 2012 to work with the Ministry of Finance (MOF) team in the design of a public debt management reform plan. The mission comprised Elizabeth Currie Lead Financial Officer, World Bank Treasury, Mizuho Kida Economist, PRMED World Bank, and Baba Musa Director, Debt Management Department, West African Institute for Financial and Economic Management (WAIFEM).

The commitment of the Government of Liberia (GOL) to improving its public debt management is reflected in its 2010 request for a World Bank/WAIFEM DeMPA evaluation and a subsequent 2011 request for World Bank and WAIFEM

assistance in the design of a reform plan aimed at further strengthening this important area of public policy. The GOL is seeking to move its debt management closer to international sound practice, within a framework of strong accountability and transparency.

The mission team noted the progress achieved during 2011, including: the acquisition of the Commonwealth Secretariat debt recording software (CS-DRMS) along with some initial training; the publication of a high-quality quarterly publication with a complete profile of the debt portfolio and accompanying risk indicators; the creation of the Debt Management Committee; improved reporting to the President, the National Legislature and multilateral entities; and drafting of external borrowing procedures and guidelines for the issuance of government guarantees. Many of these initiatives result from the 2009 Public Financial Management Act. In spite of the significant progress made, the mission team made some recommendations on debt management to be addressed by the GOL.

In the process of the assessment, the mission team met and discuss with 51 relevant officials dealing with public debt management in Liberia specifically from the Ministry of Finance's Debt Management Unit, Macro Fiscal Unit, Budget Unit, Aid Management Unit, Project Financial Management (PFMU), Human Resources, Information Technology Unit, Comptroller and Accountant General, Treasury & Accounting, and Data Centre. The mission also met officials of the Central Bank of Liberia (CBL), Ministry of Justice, Ministry of Planning and Economic Affairs, African Development Bank (AfDB) country office, Liberia Bank for Development and Investment (LBDI), United Bank for Africa (Liberia) Ltd, General Auditing Commission, World Bank country office, IMF country office, Donor (Embassy of Sweden).

1.2.2 WAIFEM/WORLD BANK SUB-NATIONAL DEMPA MISSION TO ONDO STATE, NIGERIA. FEBRUARY 29 - MARCH 7, 2012

A Joint WAIFEM/World Bank team undertook a sub-national DeMPA mission to Ondo State Government (ODSG) of Nigeria from February 29 to March 7, 2012. The mission involved comprehensive assessment of debt management (DeM) functions and practices, using the new methodology of the World Bank's Sub-national Debt Management Performance Assessment tool (DeMPA).

The sub-national DeMPA tool evaluates strengths and weaknesses in public debt management, through a comprehensive set of 14 performance indicators covering six core areas of public debt management: (1) governance and strategy development; (2) coordination with macroeconomic policies; (3)

borrowing and related financing activities; (4) cash flow forecasting and cash balance management; (5) operational risk management; and (6) debt records and reporting.

The mission team was comprised of Mr. Ryuta Takahashi, Mr. Tomas Magnusson, Mr. Per-Olof Jonsson, Ms. Olayinka Olufunke Babalola of the World Bank and Mr. Baba Musa of WAIFEM. In the process of the assessment, the mission team held meetings with relevant officials dealing with public debt management in ODSG from the Debt Management Office (DMO), the Ministry of Finance (MOF), the Ministry of Economic Planning and Budget (MEPB), the Offices of the Auditor General and the Accountant General, Head of Service, as well as the First Registrars and RADIX Capital Partners. In addition, the team met Federal Debt Management Office (FDMO) in Abuja.

The DeMPA assessment which focused on government debt management activities and closely-related functions, such as the issuance of loan guarantees, on-lending, cash flow forecasting and cash balance management, shows that in ODSG, there are room for improvement in most of the 14 DeMPA indicators through capacity building in debt and macroeconomic management. This is primarily because the ODSG is still in the first phase of building up debt management capacity, which started with the enactment of the fiscal responsibility law which provide for the establishment of the Debt Management Office.

Sub-national government debt has been growing in importance, owing to worldwide decentralization that has given sub-national governments (SNGs) certain spending responsibilities, revenue-raising authority, and the capacity to incur debt. The rising importance of sub-national debt is not limited to federal countries; decentralization has been ongoing in many unitary countries since the 1990's.

1.2.3 JOINT WAIFEM/WORLD BANK DEMPA MISSION TO NIGERIA. ABUJA, NIGERIA. MARCH 26 30, 2012

A Joint WAIFEM/World Bank mission visited Abuja from March 26-30, 2012. The joint mission conducted a comprehensive assessment of debt management operations using the Debt Management Performance Assessment tool (DeMPA). This was the second DeMPA mission to Nigeria; the first was held in 2008.

The Debt Management Performance Assessment Tool (DeMPA) is a methodology for assessing debt management performance through a comprehensive set of performance indicators spanning the full gamut of government debt management functions. The set of indicators is

intended to be an internationally recognized standard in the government debt management field and may be applied in all developing countries. The DeMPA highlights the strengths and weaknesses in government debt management practices in each country. Performance assessment facilitates the design of plans to build and augment capacity and institutions tailored to the specific needs of a country. It is modeled after the Public Expenditure and Financial Accountability (PEFA) framework for performance measurement of public financial management.

The mission team comprised of Baba Musa and Karamo Jawara (both of WAIFEM), Lars Jessen (BDM, World Bank), Mona Prasad and Tu Manh Doan (both PRMED, World Bank) and Olayinka Olufunke Babalola (World Bank country office, Nigeria).

During the assessment mission, the team met with 88 senior and executive officials of the Debt Management Office (DMO), various departments of the Ministry of Finance and the Central Bank of Nigeria responsible for external and domestic debt management, the Office of the Accountant General, and the Office of the Auditor General. In addition, the team had conference calls with participants in the market for government securities, and met with the Department for International Development (DfID).

The assessment offered an opportunity to take stock of progress of debt management reforms from 2008 to 2012. Areas with very high scores include the managerial set-up, evaluation of debt management operations, as well as domestic and external borrowing practices. The assessment of these areas was very much in line with the 2008-assessment. There have been substantial improvements in management of operational risks, demonstrated by the availability of procedure manuals, data security and back-ups, and debt reporting.

1.2.4 JOINT WAIFEM/WORLD BANK REGIONAL TRAINING ON DEBT MANAGEMENT PERFORMANCE ASSESSMENT (DeMPA) TOOL FOR FRANCOPHONE COUNTRIES IN AFRICA. DAKAR, SENEGAL. JUNE 4 - 8, 2012

WAIFEM in collaboration with the World Bank organized a regional training on Debt Management Performance Assessment (DeMPA) Tool for Francophone Countries in Africa from June 4 - 8, 2012 in Dakar, Senegal. The opening ceremony was presided over by the Director General of Inter-Governmental Action against Money Laundering in West Africa (GIABA), Dr. Abdullahi Y. Shehu who was represented by Head of Conference Services of GIABA, Amadou Lamine Sene. Among the dignitaries present were the Director General of WAIFEM, Prof. Akpan Ekpo, represented by the Director of Macroeconomic Management Department of

WAIFEM, Dr. Johnson Asiana and course facilitators from the Economic Policy and Debt Department (PRMED) and Treasury of the World Bank and Debt Relief International (DRI).

The objective of the course was to provide comprehensive training in the DeMPA tool for the countries participating at the workshop. The course was also designed to enhance networking and sharing of experiences among debt managers in Africa. It thus targeted the senior/executive level officials who are involved in debt management operations and formulation of macroeconomic policies in francophone African countries. The delivery methodology included presentations and special interactive session at plenaries. The plenaries covered the 15 Debt Performance Indicators (DPI). In addition, there were sessions on design of reform plan including case studies and practical hands on exercises and country presentations.

The course was facilitated by a team of experienced practitioners namely Paul Moreno-Lopez, Aslan Cigdem and Marie-Helene, all of the Economic Policy & Debt Department, Poverty Reduction and Economic Management Network and Treasury of the World Bank and Apollinaire Houenou of the Debt Relief International (DRI). The training was attended by twenty-seven (27) executive/senior /middle level officials drawn from debt management offices and ministries of finance from Senegal (3), Benin (3), Togo (3), Gabon (3), Code D'Ivoire (2), Mali (2), Guinea Conakry (2), Niger (2), Central African Republic (2), Comoros (2), Burundi (2) and Guinea Bissau (1).

1.2.5 Ghana Debt Management Performance Assessment (DeMPA). Accra, Ghana, June 4 - 8, 2012

At the invitation of the Government of Ghana, WAIFEM in collaboration with the World Bank conducted an assessment of the government's debt management capacity and institutions using the Debt Management Performance Assessment Tool (DeMPA) from June 4 - 8, 2012. The first time the tool was applied in Ghana was in 2007, when a pilot study of DeMPA was carried out. The mission team was composed of Baba Musa (Director, Debt Management Department, WAIFEM), Elizabeth Currie (Lead Financial Officer, World Bank) and Mizuho Kida of the World Bank PRMED).

The mission met with the officials of the Ministry of Finance and Economic Planning as well as staff from entities involved in government debt management, including, among others, Bank of Ghana, Comptroller and Accountant General Department, Audit Service office and the Central Securities Depository (CSD). The mission also met participants in the market for government securities, namely, Ghana

Commercial Bank, Barclays Bank and Stanbic Bank.

The mission noted substantial progress in the debt management in Ghana. The assessment noted that in the areas of Governance, Legal Framework; the Loans Act of 1970 provides clear authorization to the Minister (MoFEP) to approve borrowings and guarantees; all public sector entities must obtain his/her authorization to borrow. Loan guarantees are normally prepared/issued by one entity (MoFEP) to public sector. The debt office is in place as well as the Bank of Ghana's fiscal agent and Good Debt Management Strategy (MTDS). In addition, Legal advisors are involved from the beginning of the negotiation. Borrowing guidelines exist for external debt (including on-lending and guarantees); improvement in the transparency of domestic debt; and complete and up-to-date records of central government debt secure registry system at the Central Depository.

However, there are challenges with regards to the need to update legal framework to incorporate developments in public debt management (e.g. include debt management objectives, purposes, need for a debt management strategy, annual reporting to Parliament, etc.) and limited reporting.

1.2.6 WAIFEM/ACBF TRAINING ON COMMONWEALTH SECRETARIAT DEBT RECORDING AND MANAGEMENT SYSTEM (CS-DRMS 2000+) FOR POST CONFLICT COUNTRIES. MONROVIA, LIBERIA. AUGUST 6 -14, 2012

The West African Institute for Financial and Economic Management (WAIFEM) with financial support from the African Capacity Building Foundation (ACBF) organized a training on Debt Recording using Commonwealth Secretariat Debt Recording and Management System (CS-DRMS) for Post conflict countries of West Africa (principally Liberia and Sierra Leone) from August 6 - 14, 2012 in Monrovia, Liberia. The Course was opened by the Executive Governor of Central Bank of Liberia, Dr. Joseph Mills Jones, who was represented by the Director of Research, Mr. Boima Kamara. The opening was also graced by principal officials of the Ministry of Finance of Liberia and Central Bank of Liberia. In his keynote address, Dr. Jones thanked the ACBF for supporting WAIFEM over the years.

He pointed out that the support has enabled many public sectors officials in West Africa and Liberians in particular, to improve on their job performance through the training programmes offered by WAIFEM. He thanked WAIFEM for choosing Liberia as the venue of the course. In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo, reminded the audience that back in September 2009, a WAIFEM and World Bank team visited Monrovia

and conducted a comprehensive assessment of debt management functions applying the World Bank's DeMPA tool. It was found that much of the debt documentation of the country was destroyed during the civil conflict and the debt database of Liberia was kept in excel, built from creditor records including accepted domestic claims and the debt structuring agreements conducted by the government. There were no documented procedures for debt recording. At that time, the debt management unit of the Ministry of Finance had just acquired the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS). In January 2012, WAIFEM and the World Bank team worked together with the Ministry of Finance (MOF) team to design a public debt management reform plan. One of the critical short term reform pillar recommendation of the team was the consolidation of the DMU's back office.

The main objective of the course was to upscale the capacity of participants (principally Liberians and Sierra Leoneans) by providing hands-on training on CS-DRMS software for debt recording, analysis and policy-making. The course specifically provided practical training on loan administration including the interpretation of loan agreements. It also covered recording and projection of debt stock, interest rate (fixed, variable) maturity, sensitivity analysis, etc. Participants were exposed to the modalities of coding and recording debt data in the CS-DRMS 2000+ and analysis and forecasting of the debt data using the CS-DRMS 2000+.

The course was facilitated by experienced resource persons and consultants from the Ministry of Finance and Economic Planning, Ghana, Debt Management Office, Nigeria and CS-DRMS regional consultant who was former staff of ComSec, London. The course was attended by Twenty-Six (26) executive/senior/middle level officials drawn from central banks, ministries of finance and economic planning and office of Accountant Generals Departments: The Gambia (2), Liberia (18) and Sierra-Leone (6).

The participants indicated that they found the workshop very relevant and timely given the fact that the CS-DRMS 2000+ is important for front office, middle office and back office. The system is also relevant in exporting debt data for analytical tools like Medium Term Debt Strategy (MTDS), Debt Sustainability Analysis (DSA)/Debt Sustainability Framework (DSF). They expressed satisfaction for the delivery and competence of the facilitators, including the materials presented. The participants also applauded the administrative arrangements for the training and expressed appreciation to WAIFEM and the African Capacity Building Foundation.

1.2.7 JOINT WAIFEM / WORLD BANK TRAINING ON SUB-NATIONAL DEBT MANAGEMENT PERFORMANCE ASSESSMENT (DeMPA) TOOL. ACCRA, GHANA. SEPTEMBER 17 - 21, 2012

A joint West African Institute for Financial and Economic Management and World Bank training on Sub-national Debt Management Performance Assessment (DeMPA) for African countries was conducted from September 17 - 21, 2012 in Accra, Ghana.

The opening ceremony was chaired by the Deputy Governor, Bank of Ghana, Mr. Millison Narh who represented the Governor of the Bank, Dr. Henry Kofi Wampah. Mr. Narh thanked the World Bank for deepening its focus on strengthening debt management practices to include not only debt management practices at national but also at sub-national jurisdictions. He pointed out that in the wake of globalization and decentralization of functions, many sub-national jurisdictions are faced with need to borrow to finance their increased responsibilities.

The Governor, on behalf of the Board of WAIFEM expressed profound gratitude to the World Bank, particularly Mr. Jeffrey D. Lewis and his team at the Economic Policy and Debt Department for the excellent relationship that WAIFEM has enjoyed over the years and look forward to the continuation of the partnership.

He called on the World Bank and WAIFEM to broaden the DeMPA training in West Africa specifically to include key stakeholders like auditors, officials of the Comptroller and Accountant General's Departments and Parliamentarians to allow for broader understanding of debt management issues. He also urged sub-national entities that would receive DeMPA mission to make their result public as it would promote transparency and attract Technical Assistance.

In her remarks on behalf of the World Bank team, Ms. Abha Prasad underscored the objective of the sub-national DeMPA tool and the training programme. She pointed out that globally, sub-national debt management is emerging as an important public policy agenda especially for developing countries following the increasing trend towards decentralization. Consequently, in many low income countries, the responsibility for infrastructure financing and service provision was being transferred from central to sub-national governments. However, sub-national entities rarely have enough capacity to fulfill these new roles due to weak policy frameworks, inadequate institutional capacity, evolving regulatory environments, and thin local capital markets.

The rationale for the training was to acquaint participants with the inter-governmental relations in sub-national and debt sustainability and convey the

scope and methodology for the application of the sub-national DeMPA tool. The course was also designed to enhance networking and sharing of experiences among sub-national debt managers in Africa.

The course format included presentations and hands-on case studies with group discussions on operational application of the tool. The course was attended by twenty-four (24) executive and senior officials drawn from Central Banks, Ministries of Finance and Economic Planning, and National and Sub-national Debt Management Offices in The Gambia (1), Ghana (7), Sierra Leone (1), Nigeria (8), Ethiopia (3), Sudan (2), and Tanzania (2).

The participants found the training programme very relevant and timely in view of the growing importance of sub-national debts in the management of countries' economies. They indicated that the course was well organized; the logistics were perfect and the delivery excellent.

1.2.8 WAIFEM/ACBF/COMSEC/IMF REGIONAL COURSE ON PUBLIC SECTOR DEBT STATISTICS GUIDE FOR COMPILERS AND USERS. BANJUL, THE GAMIBA, NOVEMBER 26 - 30, 2012

A regional course on Public Sector Debt Statistics Guide for Compilers and Users was jointly organized by the West African Institute for Financial and Economic Management (WAIFEM), the Commonwealth Secretariat and International Monetary Fund from November 26-30, 2012 in Banjul, The Gambia with funding from the African Capacity Building Foundation (ACBF) for participation of Liberians and Sierra Leoneans.

Presiding over the opening ceremony was the Governor, Central Bank of The Gambia, Mr. Amadou Colley, who was represented by the Second Deputy Governor, Mrs. Oumie Savage-Samba. In his keynote address, the Governor applauded the relevance and timeliness of the course against the backdrop of the recent international financial crises and the challenges of public debt management being experienced by many countries. He stressed the importance of comprehensive, comparable, and reliable data on public debt for informed policy decision-making. He pointed out the need to promote a convergence of recording practice of public debt in West Africa. The Governor recalled the economic and financial crises of the 1990s and that of 2009 that was caused among others by inadequate statistics on public sector debts and rendered many economies of the world vulnerable to solvency and liquidity problems. She pointed out that experience from the recent debt crisis in the Euro area and the large fiscal deficits and debt levels in many countries in recent times, underscored the importance of reliable and timely statistics on general government and, more

broadly, public sector debt as a critical element in countries' fiscal and possibly external sustainability.

The Governor averred that compilation of public debt statistics using the "Public Sector Debt Compilers Guide will foster consistencies and comparability among public debt statistics of WAIFEM member countries. In addition, it will also allow for monitoring of the evolution of the public debt and its debt service obligations over time and the monitoring of cross boarder private sector capital flows especially cross border financial borrowing activities of the non-bank private sector Public debt statistics. She indicated that if comprehensively compiled, public debt statistics will provide an early warning signal of possible debt servicing problems over time.

To enhance comparability across time and across countries Governor Colley highlighted some basic principles that should guide the compilation of debt statistics which included residence criterion, ownership (i.e. time of recording), accrued interest liability, treatment of arrears and valuation. The Governor concluded by expressing appreciation on behalf of the Board of Governors of WAIFEM to COMSEC, the IMF, and the ACBF for their support to WAIFEM and pointed out that the support massively helped in strengthening capacity of public and private sector workers/institutions in WAIFEM member countries.

In his opening remarks, the Director General (DG) of WAIFEM, Prof. Akpan H. Ekpo, who was represented by Baba Y. Musa, Director, Debt Management of WAIFEM, gave background of the establishment of the Institute and its mandate. He also gave the background of the course, pointing out that recent evaluation of debt management practice in countries of the West African region largely through Debt Management Performance Assessment (DeMPA) missions indicated divergences in the methodology adopted by different countries in the compilation of their debt statistics. He pointed out that one priority component of the economic integration process in West Africa involves harmonization of concepts, definitions, and statistical measurements to facilitate policy coordination. Mr. Musa highlighted the broad themes of the course and also thanked the COMSEC, IMF and ACBF for their support to WAIFEM over the years.

In her remarks, Mrs. Phebbly Fambiremwo Kufa of IMF underscored the importance of good data in policy and decision making. She mentioned some of the efforts the IMF is making in assisting countries to strengthen and produce a reliable data which would help in macroeconomic analysis.

Mrs. Kufa pointed out that the course was designed to provide participants with understanding

of the conceptual framework including the compilation and dissemination of public sector debt statistics in line with the Public Sector Debt Statistics Guide for Compilers and Users. She expressed the IMF readiness to assist countries improve their macroeconomic data and urged participants to maximize the opportunity offered by the course to learn. She indicated that the line of communication with IMF is opened and countries can always seek clarification on issues they do not understand.

The Objective of the Course was as follows:

- (i) strengthen the capacity of participants in public debt statistics compilation and the practical application of and compliance with the Public Sector Debt Statistics Guide for Compilers and Users;
- (ii) provide participants with a comprehensive guidance for the measurement, quality assessment and presentation of public sector debt statistics;
- (iii) provide insight into the definitions and accounting principles, Identification of debt instruments and institutional sectors of the counterparties, and advice on the compilation of these data and on their analytical uses with the view to contributing to both an improvement in, and a greater understanding of public sector debt statistics and its dissemination;
- (iv) discuss ways of improving on the existing practices of reporting debt statistics particularly reporting of GFS (and debt statistics) to IMF for GFS Yearbook & IFS; and that of the World Bank by the respective WAIFEM member countries;
- (v) discuss the capacity building needs and challenges confronting West African countries with respect to debt statistics compilation and reporting;
- (vi) discuss Commonwealth Secretariat's Debt Reporting and Management System (CS-DRMS).

The broad themes included:

- Overview of the Government Finance Statistics system
- Public sector debt definitions and accounting principles
- Coverage and sectorization of the public sector
- Identification of debt instruments and institutional sectors of the counterparties
- Selected issues: debt reorganization
- Selected Issues in Compilation and Dissemination of Public Sector Debt Statistics

- Debt reporting to International Institutions and including Data Quality Assessment Framework
- Commonwealth Secretariat's Debt Reporting and Management System

The course was facilitated by team of resource persons from the International Monetary Fund, the Commonwealth Secretariat and WAIFEM faculty. Thirty-seven (37) executive and senior officials drawn from central banks, ministries of finance, and debt management offices in The Gambia (9), Ghana (6), Liberia (5) Sierra Leone (4) and Nigeria (12) were in attendance.

The following observations were made by participants:

1. Some of the participating countries do not have standardized method of compiling and presenting debt statistics in sync with the public debt statistics guide;
2. That the Public debt statistics compilers guide provides comprehensive conceptual framework for the management of public sector debt,
3. That one week course is too short to fully digest and understand the public debt statistics guide;
4. That there is weak coordination and information flow among the various agencies involved in debt data management;
5. That many debt management offices in the sub-region lack the required capacity (train skills) and manpower;
6. Some countries in the sub-region are not up-to-date with their reporting to the IMF/World Bank such as updated methodological information under the General Data Dissemination System (GDDS) arrangement, GFS, PSDS, etc;
7. That institutional arrangement for collection of debt statistics in many countries is either weak or non-existence
8. That there are no comprehensive record of contingent liabilities in many countries
9. All countries of WAIFEM region do not compile their debt data on a net basis thereby not reporting the net worth of their countries compared to countries that report on a net basis;
10. Meta Data update is necessary;
11. Some countries do not publish their debt data on time and on consistent basis either on their website or statistical bulletin or its equivalent; and
12. Participants thanked ComSec for providing some functionality in CS-DRM for capturing data and reporting the format required by the PSDSG and the System of macroeconomic Statistics.

The participants made the following recommendations for consideration and or implementation by authorities:

1. There is need for West African countries to harmonize the concepts, definitions and statistical measurements of debt statistics in line with the public debt statistics guide. This will surely facilitate integration process in the region;
2. There is need for countries to regularly update their General Data Dissemination System (GDDS) tables to meet expected standards; in addition, all countries should endeavor to meet contractual reporting requirements and also report to the IMF Government Finance Statistics Yearbook and IFS; and that of the World Bank DRS and PSDS;
3. There is need for each country to strengthen its institutional arrangement for collection of debt statistics and establish a central database covering public and publicly guaranteed, State debt including provision for contingent liabilities;
4. The participants called on all WAIFEM member countries to start making efforts to produce debt statistics on both gross and net basis to enhance analysis of their debt vulnerabilities;
5. There is need for countries to strive to update regularly their methodological information in line with the General Data Dissemination System and consider subscribing to Special data Dissemination Standard (SDDS);
6. ECOWAS and WAIFEM should organize regional forum and study aimed at harmonizing debt data and ways of disseminating debt information in the 15 member countries;
7. That the course on public sector debt statistics guide be offered in future for at least two (2) weeks, so as to fully understand and digest the content of public sector debt statistics compilers guide;
8. There is need for WAIFEM, COMSEC and IMF to organize a follow-up activity possibly, within the next 12 to 15 months to review progress in data harmonization, compilation and dissemination of public sector debt statistics in the sub-region;
9. There is also need for similar training for sub-national entities and stakeholders involved in the production of debt statistics to enhance

their understanding of international recognized concepts, accounting principles, and reporting requirements, etc

10. There is an urgent need for countries to compile contingent liabilities as defined in the public sector debt statistics compilers guide; and
11. That CS-DRMS should be extended to sub-

national entities to assist them in debt data compilation, consolidation, accuracy and consistency of debt records.

The participants indicated that they found the workshop very relevant and timely. The delivery of the course was excellent, the course materials were exceptionally good and the logistics for the course was perfect.

1.3 FINANCIAL SECTOR MANAGEMENT PROGRAMMES

1.3.0 INTRODUCTION

During the period under review, the Financial Sector Management Department organized a total of 13 programmes of which 9 were regional programmes, 3 demand driven programmes and 1 national programme. The total number of attendees to these programmes amounted to 396 from central banks, ministries of finance and economic planning, and other relevant public and private sector agencies primarily from WAIFEM member countries.

A country-wise distribution of the total number of participants revealed that 71 participants (17.9 percent) came from The Gambia; 82 participants (20.7 percent) from Ghana; 25 participants (6.3 percent from Guinea); 45 participants (11.4 percent) from Liberia; 99 participants (25.0 percent) from Nigeria; 73 participants (18.4 percent) from Sierra Leone and others 1 participant (0.3 percent).

A breakdown of participation according to institutions showed that central banks accounted for 191 participants (48.2 percent); ministries of finance and economic planning recorded 37 participants (9.3 percent); other public sector agencies had 135 participants (34.1 percent), and the private sector had 33 participants (8.3 percent). In terms of gender distribution, there were 230 males (or 58.1 percent) and 166 females (or 41.9 percent). The details of the courses conducted by the Financial Sector Management Departments are as follows:

1.3.1 REGIONAL COURSE ON MANAGING HUMAN RESOURCE FOR ORGANIZATIONAL EFFECTIVENESS. FREETOWN, SIERRA LEONE. MARCH 12 - 16, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Managing Human Resource for Organizational Effectiveness in Freetown, Sierra Leone from March 12 - 16, 2012. The opening ceremony was presided over by Ms. Andrina Coker, Deputy Governor, Bank of Sierra Leone. Also present were Mr. Ousman Sowe, Director, Financial Sector Department and some of the resource persons for the course, namely, Mr. Job Olorunshola,

Head, Central Bank of Nigeria Learning Centre, Ms. Jenneh Jabarti and Ms. Hawa Kallon, Head and Assistant Director respectively, Human Resource Department, Bank of Sierra Leone, and Mr. Chris Obi, Managing Partner, Blue Pearl Konsult.

The course was designed to examine the role efficient human resource management play in organizational effectiveness and economic development. Specifically, the course was to prepare participants to appreciate the need for change management; organizational culture as well as gender issues at the work place; reel out strategic and policy issues in human resource management and their linkages to national/regional economic development.

The broad themes covered included:

- evolution and overview of human resource management;
- strategic and policy issues in human resource management;
- the role of IT in human resource management;
- organizational culture;
- development and appreciation of human resource value proposition to firms in the 21st century;
- diversity and inclusion in the work place;
- change management and employee effectiveness;
- competence based interview methods;
- recruitment/resourcing and talent management: a key to succession and career planning;
- gender issues at the work place: effects of the African culture and the way forward;
- overcoming the challenge of sub-optimal utilisation of human resources;
- learning needs analysis (LNA);
- staff training and organizational effectiveness;
- planning and management of retirement and retrenchment in an organization;
- managing performance and reward for

organizational success; and

- group work exercise.

The course was attended by thirty-four (34) senior/executive level officials from central banks and commercial banks, ministries of finance and economic affairs, revenue authorities, statistics offices, West African Monetary Agency, parliamentary administrators and private organizations from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. The course was facilitated by experienced resource persons and practitioners from the private and public sectors in the sub-region.

The analysis of the evaluation questionnaires filled out by the participants at the end of the course, revealed the following:

- About 62 percent of the participants rated the course content as excellent, while 36 percent saw it as good;
- In terms of its relevance and applicability in the day-to-day work, over 93 percent of the participants affirmed that it will enhance their job performance;
- An overwhelming majority asserted that the course met the overall objective of upgrading their knowledge in the role efficient human resource management play in organizational effectiveness and economic development;
- All the participants expressed the view that the course met their expectations.
- The quality of training materials and documentation was rated as very good by about 97 percent of the participants.
- Over 86 percent of the participants found the overall administration and coordination of the course by WAIFEM to be very effective.
- The substantive impact of the resource persons as a team was acclaimed to be very good by 89.7 percent of the participants.
- Two-thirds of the participants were of the opinion that the time allotment for the delivery of some sessions was inadequate.
- About 80 percent of the participants averred that the blend of plenary sessions and group exercises was very good, while 17 percent saw it as 'fair'.
- The presentations were rated to be very good by 92.8 percent of the participants.
- In the wrap-up session, the participants suggested that the course should be organized on a regular basis.

It was also suggested that more time should be allotted for practical sessions. The participants requested for an extension of the course duration to

at least two weeks.

A communiqué was issued by the participants at the end of the course with the following observations and recommendations:

Observations:

- That some member institutions have not fully grasped the transition from personnel management to human resource management;
- That the concept of diversity and inclusion in the work place with a lot of potential benefits has not been introduced in most of institutions in the sub-region;
- That the user institutions lack the necessary ICT infrastructures that incorporate needed HRM software applications;
- That the public sector has no competitive advantage in recruiting and retaining competent employees compared to the private sector;
- That most institutions in the public sector do not have appropriate performance management systems in place;
- That lack of effective talent management and succession planning in most institutions has resulted in high attrition rates;
- That most institutions compromise standards due to political interference and poor organisational culture;
- That most public sector institutions do not have specific human resource policies, and those that have them fail to implement such policies, as well as, their accompanying procedural manuals;
- That investment in human capital in the form of education, training and development is highly inadequate; and
- That the time allotted for the duration of such an important course is too short.

Recommendations:

In the light of the above observations, the participants recommend as follows:

- That institutions should introduce policies that will compel attendees at training programmes to make presentations and share the knowledge they have acquired from such trainings to other members of staff;
- That member institutions that have not graduated and transitioned from the old personnel management to human resource management system are urged to create the means of facilitating a smooth process towards establishing such system for organizational effectiveness;

- iii. That the concept of diversity and inclusion in the work place should be introduced and incorporated in the human resource policies ;
- iv. That the public institutions proliferate the use and establishment of human resource specific ICT infrastructures;
- v. That the public sector develops competitive recruitment and retention policies and programmes as a means of competing with the private sector for excellence;
- vi. That most institutions in the public sector should put in place appropriate performance management systems;
- vii. That a comprehensive and effective talent management and succession planning policy/programme be put in place in institutions to minimize staff turnover;
- viii. That undue political interference be discouraged to enhance good organisational culture;
- ix. That specific human resource policies and their accompanying procedural manuals be instituted;
- x. That investment in human capital in the form of education, training and development be highly considered and adequately prioritized; and
- xi. That the duration of the course should be extended to two weeks to ensure that presentations made are fully assimilated by the participants.

The participants expressed their gratitude to WAIFEM for the course which they found to be very relevant and timely. They rated the delivery of the course highly and the material rich in content and the logistics for the course was perfect.

1.3.2 REGIONAL COURSE ON SPECIALISED REPORT WRITING SKILLS AND PRESENTATION TECHNIQUES, BANJUL, THE GAMBIA, APRIL 16 - 24, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Specialised Report Writing Skills and Presentation Techniques in Banjul, The Gambia from April 16 - 24, 2012. The opening ceremony was presided over by Hon. Amadou Colley, Governor, Central Bank of The Gambia. Also present were Prof. Akpan H. Ekpo, Director General of WAIFEM, Mr. Ousman Sowe, Director, Financial Sector Department and Prof. Ebum Clark, Lead facilitator, Lagos School of English and Mathematics (LASEM).

The course was designed to enhance participants' competence in the writing and presentation of effective economic, financial and other technical

reports. Specifically, it was aimed at enhancing participants' competence in the following areas:

- the organization of information in logical and professional forms for both oral and written presentations;
- the effective use of the dictionary; and
- the acquisition of knowledge and skills in presentation techniques.

The following broad themes were covered during the course:

- Communication process;
- Grammar in writing;
- Style in writing: The five Cs of good communication'
- Features of technical report writing;
- Guidelines/formats for preparing financial and economic reports;
- Legal issues in report writing;
- Computer applications in report writing;
- Report writing practical; and
- Techniques and skills of report presentation.

The analysis of the evaluation questionnaires filled out by the participants at the end of the course, revealed the following:

- All the participants affirmed that the course had met its overall objective of empowering them with the capacity to use communication as a powerful tool for job effectiveness;
- In terms of course content and its relevance to their day-to-day work, about 96 percent of the participants stated that the topics covered were appropriate;
- Over 97 percent of the participants strongly agreed that the course had helped them to improve on their understanding of grammar in writing, and the use of dictionary as a tool in report writing and the spoken English.
- The participants unanimously concurred that the quality of facilitation assisted them in understanding the concepts;
- An overwhelming majority found the course materials very useful and of high quality.
- About 95 percent of the participants found the overall administration of the programme by WAIFEM to be effective.
- The substantive impact of the resource persons as a team was acclaimed to be very good by 57 percent of the participants, while about 43 percent averred that it was good.

- More than half of the participants were of the opinion that the course duration was inadequate, while others viewed it as 'fair'.
- The presentations were acclaimed to be very good by 91.2 percent of the participants.

In the wrap-up session, the participants suggested that the course should be organized on a regular basis. In addition, they requested for an extension of the course duration to at least two weeks.

A communiqué was issued by the participants at the end of the course with the following observations and recommendations:

Observations

- (i) That many top, senior and middle level managers lack the competence to prepare technical reports and the confidence to make presentations;
- (ii) That the essence of report writing and presentation skills which contribute significantly to organizational effectiveness, is often not given due consideration;
- (iii) That effective writing skills can be achieved when officials are more mindful of their use of the English language by fully utilizing the language dictionaries and grammar books;
- (iv) That many technical reports could not receive due attention because of poor presentation;
- (v) That ineffective communication could be partly blamed for the failure of previous economic reform programmes in the sub-region; and
- (vi) That due to the short duration of the course, the time allotment to topics like grammar in English, computer application, PowerPoint presentations practical, as part of report presentation was inadequate.

Recommendations

- (i) Organizations should understand and value the importance of effective report writing in attaining organizational goals;
- (ii) There should be continuous capacity building in report writing and presentation skills for organizational effectiveness;
- (iii) Governments and the private sector should institutionalized training in report writing and communication, and that all senior staff should undergo a refresher training at least once in every 2 (two) years;
- (iv) Given the over-subscription of the course, WAIFEM should consider running the course more regularly, for example twice in the year;
- (v) The duration of the course be extended to 2 (two)

weeks to allow adequate time for detailed discussions and internalization of the concepts; and

- (vi) Given the usefulness of the resource materials e.g. the Longman dictionary, the course package should also include a grammar book.

The course was attended by forty-four (44) senior and middle level staff of central banks, ministries of finance and economic planning, revenue agencies, ECOWAS and other institutions from The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. The course was facilitated by an expert team from LASEM, experienced practitioners from the private sectors in the sub-region as well as WAIFEM staff.

1.3.3 THE REGIONAL COURSE ON COMBATING MONEY LAUNDERING AND OTHER FINANCIAL CRIMES. ACCRA, GHANA, MAY 7 - 11, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a Regional Course on Combating Money Laundering and other Financial Crimes in Accra, Ghana from 7th - 11th May, 2012. The course was organized against the backdrop of the growing concern regarding the dangers posed by money laundering and other financial crimes to the stability and integrity of the fragile financial systems in the sub-region.

Money laundering evolves from a number of predicate offences, such as, illicit trafficking in narcotics and humans, corruption, terrorism, prostitution, illegal mining, tax evasion and other nefarious activities as well as financial crimes such as foreign exchange malpractices, bank fraud, etc.

Given the devastating effect this menace could have on the financial systems and national economies in the sub-region, the need to institute counter measures for money laundering cannot be over emphasized. With globalization, crime transcends national boundaries so easily that the fight against the scourge calls for absolute collaboration at the national and international levels.

Counter measures taken by the national authorities to contain these crimes have met with limited success because crime is no respecter of national boundaries. This calls for stronger inter-country and inter-agency collaboration to combat the menace. Thus, the need to strengthen capacity of agencies involved in combating this monster cannot be over-emphasized.

The objective of the course was to develop critical skills in combating money laundering and financial crimes perpetrated through the financial system in the sub-region. The following were the specific objectives:

- To enable participants understand the concept and techniques of money laundering and its effects on the financial system;
- To expose participants to the tools for tackling the menace in the sub-region; and
- To enable participants become familiar with the revised FATF Standards and the implication of a robust AML/CFT regime in West Africa.

The course was declared open by the Governor, Bank of Ghana, Mr. Kwesi Amissah-Arthur, who was represented by Mr. Franklin Belnye, Director of Banking Supervision. In his Keynote address, Mr. Amissah-Arthur defined money laundering as “the processing of criminal proceeds in order to disguise their illegal origin.” He said that in today's open and globalized financial world characterized by strong mobility of funds and the rapid development of new payment technologies, there has been an upsurge in cases of financial and economic crimes thereby placing the integrity of the financial system in jeopardy.

He added that the effects of money laundering and related economic and financial crimes are enormous, causing distortions in the financial market through misallocation of investments and negating the old adage that “crime does not pay”. The Governor opined that money laundering has deleterious macroeconomic consequences such as inexplicable changes in money demand, prudential risks to bank soundness, contamination effects on legal financial transactions and increased volatility of

international capital flows and exchange rate due to unanticipated cross-border asset transfers.

Mr. Kwesi Amissah-Arthur asserted that the activities of money launderers are borderless and form part of a large network operating across agencies and across borders. This, according to him, has exerted more pressure on governments in the sub-region to put in place adequate measures to combat this menace. Finally, he suggested that the fight against money laundering in West Africa cannot be won or even undertaken, unless attention is paid to; the political will, a robust legal framework, adequate structures to ensure the implementation of the legislative requirements, training and capacity development, domestic and international co-operation and mutual legal assistance and funding of the relevant agencies.

The course was attended by forty-one (41) senior/executive level officials from the central banks, core ministries, commercial banks, revenue authorities, sub-regional institutions, securities and exchange commission and other security and related agencies (Customs, Drug Law Enforcement, etc.) from The Gambia (8), Ghana (15), Guinea (1), Liberia (3), Nigeria (8), and Sierra Leone (6). A country-wise breakdown of participation by institution is as follows: The course was facilitated by a team of experts from West Africa. The broad themes covered at the course included:

- Overview of money laundering and other financial crimes;
- Effects of money laundering on the financial system;

S/N	INSTITUTIONS	COUNTRY							TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	SIERRA LEONE	GUINEA	OTHERS	
1	CENTRAL BANK	2	5	2	1	3	1	-	15
2	MINISTRY OF FINANCE	2	-	-	-	-	-	-	1
4	PRIVATE SECTOR	1	1	1	1	2	-	-	6
3	OTHER PUBLIC AGENCIES	3	9	-	6	1	-	-	19
TOTAL		8	15	3	8	6	1	-	41
	Male	4	8	1	4	3	-	-	20
	Female	4	7	2	4	3	1	0	21

- Enhancing the role of FIUs and structures for effective AML/CFT Regimes;
- Procedures, monitoring tools and investigative techniques for combating money laundering;
- International/Regional Initiatives: The Revised FATF Standards-Implication for robust AML/CFT Regime in West Africa;
- Combating Advance fee Fraud (aka 419): Lessons from Nigeria;
- Risk Based Approach in Implementing AML/CFT programmes;
- New challenges in AML Supervision;
- Financial Crimes and the production of fraudulent documents (Identity theft, Credit Cards, Visa and Passports, Counterfeit crimes, etc.)
- Customer Due Diligence: The Link to Robust AML/CFT Framework; and
- Designing AML Compliance Systems for enforcement in Financial Institutions.

The themes listed above, were delivered by seasoned professional financial and security experts.

Presentations were made by five groups on various assigned topics covered during the course at the plenary session. The presentations were rated exceptional by the moderators demonstrating the impact the course had on the participants.

The topics for the group work were the following:

Group 1

Evolving a regional framework for combating money laundering and other financial crimes in West Africa: Issues and Challenges.

Group 2

Making the financial system less vulnerable to money laundering and other financial crimes: Issues and Challenges.

Group 3

Issues in good governance and combating money laundering: An integrated approach.

Group 4

Technological advancement- a curse or blessing in the fight against money laundering.

Group 5

Multiplicity of agencies in combating money laundering and other financial crimes: The benefits,

problems and challenges.

Analysis of the evaluation questionnaires completed by participants showed that:

- 97% agreed that the course content was very good;
- Over 94% were of the opinion that the topics covered were relevant and useful;
- 97% agreed that the presentations were of high quality;
- Regarding time allotted for the presentations, about 98% agreed that it was adequate; and
- Overall 99% agreed that the course met their expectation.

The participants made the following observation and recommendation at the end of the course:-

Observations

- that the course was successful in exposing and enhancing the knowledge of participants to the concept and techniques of money laundering as well as measures to fight the menace through the promulgation of appropriate laws and regulation and the establishment of structures;
- that not all member countries in the sub-region have enacted AML/CFT laws;
- that the lack of political will by leaders in the sub-region is an impediment to the fight against money laundering;
- that only Nigeria has an effective FIU;
- that the awareness campaign in respect of money laundering and its effects has not been given the importance it deserves;
- that there is inadequate co-operation between law enforcement agencies, regulators and financial institutions in the fight against money laundering;
- that the current bank and other financial institutions examination on AML/CFT in some countries in the sub-region is not risk-based;
- that apart from Nigeria, countries in the sub-region lack special units to monitor the money laundering propensity in the non-financial sector involving lawyers, accountants, jewellers, car dealers, etc;
- that the emergence of modern information and communication technology in financial transactions has facilitated money laundering, worldwide;
- that the revised FATF recommendations have included tax evasion as a predicate offence;
- that only Nigeria, Ghana and Sierra Leone had representatives from revenue/customs authorities at this course; and

- xii. that countries in the sub-region lack the relevant tools for intelligence sharing and collaboration to fight money laundering.

Recommendations

- i. that ECOWAS should hasten the enactment of legislations to criminalize money laundering in the sub-region by coming up with a deadline for member countries to enact AML laws;
- ii. that the necessary support should be given to members without the relevant laws;
- iii. that political office holders should stop paying lip service to the fight against money laundering;
- iv. that countries without effective FIUs should make efforts in this regard with a view to gaining membership in the Egmont Group;
- v. that member countries should mount public awareness campaign to sensitize and educate the public which must include legislators on the mechanism and effects of money laundering and the need for timely passage into law of all AML/CFT bills in the parliaments;
- vi. that there is need for greater co-operation between domestic and international AML stakeholders;
- vii. that countries in the sub-region should adopt the risk-based approach in their AML/CFT banking and other financial institutions supervision;
- viii. that countries should establish special units to combat money laundering in non financial sectors (Designated Non-financial Businesses and Professions);
- ix. that financial institutions, regulatory authorities and all relevant law enforcement agencies should intensify their efforts at providing specialized training for their staff on how to combat money laundering using modern technology;
- x. that following FATF's inclusion of tax evasion as a predicate offence, WAIFEM and GIABA should organize training on tax evasion detection and reporting;
- xi. that in future training programmes, all countries should have representatives from the revenue and customs authorities as participants; and
- xii. that countries in the sub-region should have structures for intelligence sharing, joint investigations, tracing, freezing and confiscation of illegal assets.

1.3.4 REGIONAL COURSE ON INTERNATIONAL FINANCIAL REPORTING STANDARD (IFRS). LAGOS, NIGERIA, MAY 28 - JUNE 1, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a Regional Course on International Financial Reporting Standards (IFRS) in Lagos, Nigeria from 28th of May to 1st of June 2012.

Globalization and the cross-border flows of financial resources make the adoption of uniform financial reporting standards across national boundaries imperative. Investors are more attracted to markets that they understand, trust and have confidence in. For this reason, countries which adopt internationally recognized accounting standards have an advantage. Clearly, the most globally recognised standards for financial reporting is the International Financial Reporting Standards (IFRS).

IFRS is a principles-based set of standards issued by the International Accounting Standards Board (IASB) and its precursor, the International Accounting Standards Committee (IASC), including interpretations adopted by the relevant committees of International Accounting Standards Board (IASB) and IASC. They are made up of:

- International Financial Reporting Standards (IFRS),
- International Accounting Standards (IAS),
- Interpretations issued by the International Financial Reporting Standards Interpretations Committee (IFRIC) or the former Standard Interpretations Committee (SIC), and
- Conceptual Framework issued by the IASB.

It has been established that high quality financial reporting is a key factor in creating healthy and sound financial systems. The IFRSs, being a global benchmark for financial reporting, aim at ensuring greater transparency in financial reporting by reporting entities; providing adequate and robust information to investors and other stakeholders on the inherent risks, risk management practices and corporate governance among corporate entities that would enable the investors make informed decisions and judgments.

As almost all the major economic blocs in the world adopt or are geared towards the adoption of IFRS, West Africa cannot be left behind. Thus, the need to strengthen capacity of both Public and Private Sector in IFRS cannot be over-emphasized.

The overall objective of the course was to better acquaint participants with the provisions of the International Financial Reporting Standards, and

equip them with the necessary knowledge and skills to advise and guide the process of migration to IFRS and its practical implementation in the preparation of financial statements.

The following were the specific objectives:

- An appreciation of the need for global standard in the reporting of financial positions and performances;
- An appreciation of IFRS- its merits and advantages over the current reporting system;
- An understanding of the use of IFRS for policy making and key management decision;
- An appreciation of the implications for the migration to IFRS, the required work plan, the training needs and cost implication; and
- An understanding of the WAMZ programme and the adoption of IFRS by member states.

The broad themes covered at the course included:

- The Need for International /Uniform Reporting;
- Overview of Current Accounting Standards- Applications , Strengths and Weaknesses ;
- Introduction of IFRS, Concepts, Roadmaps & Challenges;
- The Merit of IFRS over Current Accounting Standard;
- Framework for the Preparation and Presentation of Financial Statements (IASB Framework);
- Presentation of Financial Statement (IAS 1);
- Disclosure Requirements under IFRS;
- Accounting for Financial Instruments (An Introduction);
- Accounting for Non-Financial Assets;
- Accounting for Non-Financial Liabilities;
- Application of IFRS;
- Implementation of IFRS in WAMZ Member Countries: Its Impact on the WAMZ programmes;
- The use of IFRS Based Statements by Financial Regulators;
- IFRS for Business entities;

The course was declared open by the Director

General of The West African Institute for Financial and Economic Management (WAIFEM), Prof. Akpan H. Ekpo. In his keynote address, Prof. Ekpo defined IFRS as a set of widely used international standards for financial and accounting reporting systems, including specifications and framework developed by the International Accounting Standards Board (IASB). He said the primary objective of IFRS is to enable businesses worldwide to follow globally acceptable common set of financial and accounting reporting standards which would not only facilitate national business operations, but also impart much needed transparency in financial data disclosure.

He added that the IFRS convergence process will involve significant challenges including the need to upgrade IT infrastructure and human resources. The Director General however alluded to the numerous benefits from the global adoptions of the IFRS. He noted that worldwide adoption will not only enhance comparability between enterprises operating in different jurisdictions, but will also constitute a search light that international investors will use to make investment decisions as well as promoting transparency and greater financial credibility.

Prof. EKpo also touched on a key aspect of the West African Monetary Zone (WAMZ) project which is the harmonization of standards, processes and procedures of the operational modalities of the member countries to enable the smooth establishment of the second monetary zone by 2015. The adoption of the IFRS by WAMZ member countries will therefore further enhance the integration process.

Finally, he urged all countries in the sub-region to fast track their migration to IFRS in the face of over 100 countries adopting IFRS or in the process of doing so mainly in the European Union and other major economic blocs in the world.

A team of accounting and financial experts from Ernst & Young Nigeria and South Africa facilitated at the course. The course was attended by fifty-two (52) senior/executive level officials from the central banks, core ministries, commercial banks, revenue authorities, sub-regional institutions, securities and exchange commissions and other international audit firms from The Gambia (10), Ghana (13), Guinea (2), Liberia (6), Nigeria (11), and Sierra Leone (10).

S/N	INSTITUTIONS	COUNTRY							TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	SIERRA LEONE	GUINEA	OTHERS	
1	CENTRAL BANK	2	3	3	3	3	2	-	16
2	MINISTRY OF FINANCE	1	2	-	-	-	-	-	3
4	PRIVATE SECTOR	3	-	2	-	2	-	-	7
3	OTHER PUBLIC AGENCIES	4	8	1	8	5	-	-	26
TOTAL		10	13	6	11	10	2	-	52
	Male	7	12	3	9	9	2	-	42
	Female	3	1	3	2	1	-	-	10

Analysis of the evaluation questionnaires completed by participants showed that:

- 97% agreed that the course content was very good;
- Over 97% were of the opinion that the topics covered were relevant and useful;
- 98% agreed that the presentations were of high quality;
- Regarding time allotted for the presentations, about 85% agreed that it was adequate; and
- Overall 74% agreed that the course met their expectation.

OBSERVATIONS AND RECOMMENDATIONS

Following the lectures and discussions, the participants made the following observations and recommendations:

Observations

- that the course was successful in enhancing the knowledge of participants in International Financial Reporting Standard (IFRS), its framework, concepts and technical application;
- that whilst existing national accounting standards in the sub region have compliance, interpretation and disclosure weaknesses, some countries

have no national accounting standard;

- that there is the possibility of conflicts between IFRS and most company and tax laws as well as other regulations like the central banks prudential guidelines in the implementation of IFRS;
- that there is capacity gap in the accountancy profession in the sub-region to meet the challenges of full IFRS adoption and implementation;
- that central banks in West Africa are likely to have challenges implementing full IFRS due to the unique complexity of their operations;
- that the adoption of IFRS for SMEs will impose a huge financial and technical challenge on SME's in the sub-region;
- that Africa needs to be properly represented at the IASB in order to contribute meaningfully and articulate the peculiar needs of the continent in the issuing of standards;
- that the medium and small accounting/ auditing firms in the sub-region lack the technical capacity in IFRS to support their clients for the full adoption in the region;
- that apart from the inadequacy of qualified accountants within the sub-region, there is also inadequacy of professional services in areas of actuarial, valuation and analysis which will make

- the implementation of IFRS more challenging;
- x. that some businesses especially banks will have a major technical challenge with the application of specific standards of IFRS due to its complexity; and
 - xi. that there was diverse mix of participants in terms of skills and experience at the course.

Recommendations

- i. that considering the success of the course and in view of the fast approaching deadline for adoption of IFRS, WAIFEM should organize more of such course for Accountants and other related professionals in the sub-region to equip them for the implementation process;
- ii. that the necessary support should be given to member countries of ECOWAS who are yet to migrate to IFRS to do so and those who are in the process of migrating should learn from those who have done so;
- iii. that the various national laws and regulations should be reviewed to ensure that possible conflicts between the implementation of IFRS and the national laws and regulations are resolved;
- iv. that the issue of capacity should be addressed by introducing IFRS in the syllabus of institutions of higher learning in West Africa, in the short term while, medium and small accounting/audit firms should be encouraged and supported to improve their capacity in IFRS;
- v. that IFRS migration implementation should be well planned and coordinated taking on board all the stakeholders and should be implemented in phases to ensure smooth take off;
- vi. that central banks should take cognizance of the complexity of their operations and build adequate capacity before the adoption of the IFRS.
- vii. that SME's in West Africa should be encouraged to adopt IFRS;
- viii. that there is the need to train more professionals in the areas of actuarial, valuation and analysis to complement accountants in the implementations of IFRS in West Africa;
- ix. that a joint committee of all mandated accounting standard setting bodies in West Africa and other parts of Africa should be formed to have a common voice on issues relating to comments on exposure drafts which have significant impact on their accounting and financial environment;
- x. that professional accounting/auditing service providers should be encouraged to train their clients on specific standards of IFRS that have

- specific complex technical presentation which relate to their specific industry; and
- xi. that subsequent course of this nature should be in modules to take care of different levels of skills and experience.

1.3.5 REGIONAL COURSE ON FOUNDATION BANKING SUPERVISION. LAGOS, NIGERIA. JUNE 4 8, 2012

A Regional Course on Banking Supervision (Foundation Level) was organized by the West African Institute for Financial and Economic Management in collaboration with the College of Supervisors of WAMZ in Lagos, Nigeria, from June 4-8, 2012. The course was organized to introduce participants to the basic skills in bank supervision and update their knowledge to be in line with current developments and challenges in banking and financial sector supervision. It was also meant to enhance their knowledge on critical techniques and skills required in regulating the financial system.

Bank failures, unlike failure of other businesses have far reaching implications. In addition to possible loss of depositors' funds, bank failures result in disruption of the financial system i.e. financial instability. As such the need for a robust and effective banking supervision to avoid bank failures cannot be over emphasized. This is achievable through the adoption of robust supervisory regimes.

The course aimed to provide participants with the basic knowledge in banking supervision in order to enable them to effectively and efficiently perform their duties. The following broad themes covered included:

- overview of financial systems, structure, etc;
- functions of central banks and the role of financial institutions;
- legal and institutional framework for the regulation of banks;
- basic accounting and interpretation of financial statements;
- An overview of internal control measures;
- Off-site monitoring techniques;
- On-site examination process;
- Report writing (elements and techniques);
- An overview of risk management and corporate governance principles;
- Bank failures: causes, consequences prevention/resolution safety nets;
- Basel core principles; and
- An overview of anti-money laundering.

The course was declared opened by, the Chairman of the occasion, Prof. Akpan H. Ekpo, Director General

of WAIFEM represented by Mr. Euracklyn V. Williams.

In his Keynote address, the Director General of WAIFEM, Prof. Akpan H. Ekpo recalled that WAIFEM was established in 1996 by the central banks of the five Anglophone West African countries namely, The Gambia, Ghana, Liberia, Nigeria and Sierra Leone principally to build sustainable capacity for improved macroeconomic, debt and financial management in the constituent countries. According to him, the clientele base of the Institute had extended over the years to countries well beyond the shores of West Africa, to Northern and Southern Africa and even Latin America.

Prof. Ekpo noted that the rapid innovations in financial markets and internationalization of financial flows have changed the face of banking almost beyond recognition. According to him, technological progress and deregulation have provided new opportunities among banks and non-bank financial institutions.

Prof. Ekpo said that internalization and deregulation have increased the possibilities for contagion as evidenced by the recent financial crisis of 2008. He observed that West African Banks have increasingly gone global in their operations, opening

offshore branches or establishing foreign affiliates. The Director General therefore opined that due to the dynamic financial environment, it is imperative that regulators and supervisors have firm grasp of the different risks associated with the various banking activities.

On risk-focused banking supervision (RFBS), the Director General described it as the development and maintenance of a supervisory plan that is current and relevant to organization's changing risk profile. He further explained that the effectiveness of RFBS depends, among others, on the existence of rule of law; existence of regulatory agencies; the need for banking and other financial sector supervisors to work closely together; the need to establish explicit deposit insurance schemes; the need to build capacity of staff of supervisory agencies in credit analysis and risk management.

The course was conducted through plenary sessions, discussions, practical exercises, group work and case studies. In attendance were nineteen (19) middle level staff of central banks, from The Gambia (3), Ghana (5), Guinea (5), Liberia (2), Nigeria (1) and Sierra Leone (3).

S/N	INSTITUTIONS	COUNTRY					TOTAL	
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	S/LEONE		GUINEA
	CENTRAL BANK	3	5	2	-	3	5	18
	OTHERS	-	-	-	1	-	-	1
	TOTAL	3	5	2	1	3	5	19
	Male	2	3	1	1	1	5	13
	Female	1	2	1	0	2	0	6

A breakdown of the participation is as follows:

- Analyses of the evaluation questionnaires completed by the participants at the end of the course showed that:
 - 88% agreed that the course content was very good;
 - Over 95% were of the opinion that topics covered were relevant and useful;
 - 88% agreed that the presentations were of high quality;
 - Regarding time allotted for the presentations, about 72% agreed that it was adequate; and
 - Overall 100% agreed that the course met their expectation
- that to ensure effectiveness and efficiency, there should be close collaboration of the various supervisory agencies in the financial systems of our countries;
- that macroprudential approach for banking supervision should be adopted and implemented;
- that Central Banks in WAMZ member countries adopt risk based supervision and prioritize resources towards training of staff and implementation;
- that member countries should develop guidelines on corporate governance that could be practiced within the zone; and
- that WAMZ members should hold more consultative talks and collaborate on issues relating to money laundering and terrorist financing.

OBSERVATIONS

The participants at the course after careful consideration of the issues raised during the course, made the following observations:

- that there is need for effective banking supervision to ensure financial stability;
- that there are limited resources (human, material and financial) for effective banking supervision in our sub-region;
- that there is need for harmonization of prudential practices of banking supervision in the various countries of our sub-region;
- that there is need for close collaboration within the various supervisory agencies in the financial systems of WAMZ countries;
- that there is need for adoption of macro-prudential approach to banking supervisions;
- that there is need for complete adoption and implementation of risk-based supervision in all WAMZ member countries;
- that there is need for supervisory authorities in WAMZ member countries to ensure that good corporate governance practices are implemented; and
- that there is need for more collaboration between WAMZ member countries to fight against money laundering and terrorist financing.

RECOMMENDATIONS

In the light of the above observations, the participants made the following recommendations:

- that continuous and effective banking supervision should be carried out by central banks in the sub-region;
- that adequate resources should be made available by our central banks for effective banking supervision;
- that harmonization of prudential banking supervision practices should be expedited;

1.3.6 NATIONAL COURSE ON THE DEVELOPMENT, REGULATION AND SUPERVISION OF PAYMENTS SYSTEMS IN DEVELOPING COUNTRIES, FREETOWN, SIERRA LEONE, JUNE 18-22, 2012

A National Course on the Development, Regulation and Supervision of Payments Systems for Developing Countries was organized by the West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the African Capacity Building Foundation (ACBF), from June 18 22, 2012 in Freetown, Sierra Leone.

The opening ceremony was presided over by Mr. Abubakar Jalloh, Director, Banking Department, who represented Mr. Sheku S. Sesay, Governor, Bank of Sierra Leone. Also present were the Director, Financial Sector Management Department, Mr. Ousman Sowe, who represented Prof. Akpan H. Ekpo, Director General, WAIFEM, Mrs. Jenneh Jabati (Bank of Sierra Leone), Messrs Twum Ohene-Obeng (West African Monetary Institute) and Damian Y. Zaato (Ghana Interbank Payments and Settlement Systems Limited).

The course was designed specifically for Liberia and Sierra Leone to enhance skills and boost capacity of officials in these countries in the development, regulation and supervision of payments systems. The broad themes covered included:

- Payment, clearing and settlement systems (General overview, types, etc.);
- Development of payment systems in West Africa: UEMOA and WAMZ;
- The core principles of systemically important payment systems;
- Market infrastructure- wholesale and retail payment systems;
- Payment system and risk management reform implementation process;
- Payment system development: The Gambian

experience;

- Oversight roles of national and multinational institutions;
- EMV cards risk management: regional and global chip update;
- Legal and regulatory framework for payments systems; and
- The role of central bank: Market infrastructure oversight.

The course was attended by twenty-one (21) middle/senior/executive level officials from The Gambia (1), Guinea (1), Liberia (9) and Sierra Leone (10).

In a written evaluation administered at the end of the course;

- 99 percent of the participants were of the opinion that the knowledge and skills acquired from the course would enhance their job performances;
- An overwhelming majority affirmed that the course has met the overall objective of upgrading their knowledge and skills on the role of efficient payments systems in economic development;
- Over 94 per cent of the participants found the course materials very useful and of high quality;
- About 98.7 percent of the participants adjudged the course content and the presentation methods as very good;
- The participants strongly agreed that the overall administration of the course was effective;
- The substantive impact of the resource persons as a team was acclaimed to be very good by all the participants;
- All the participants expressed the view that the course met their expectations;
- Over 89 percent of the participants concurred that the blend of plenary sessions and group exercises was very good; and
- 89.5 percent of the participants were of the opinion that the time allotment for the delivery of the sessions was adequate; and

In the additional comments, the participants were of the view that the course should be organized on a regular basis to build adequate capacity in the area in order to fast track the integration of the sub-region in the global economy.

In a final communiqué issued at the end of the course, the participants made the following observations and recommendations:

Observations

That there is limited expertise and public awareness on the payment systems largely because of the following reasons:

- Officials who have benefitted from the relevant training often move to other institutions without passing on the knowledge to their colleagues

who succeed them.

- Apart from the officials who work in the payment systems unit/divisions, other relevant officials with oversight function on the payments systems are often not included in training programmes conducted in the area.
- Much effort is not directed towards public sensitization
- That statistical data collected on payment system is not normally analyzed for public consumption, as well as for monetary and fiscal policy makers.
- That some jurisdictions do not have specific regulatory framework for the payments systems, while areas with the framework do not have updated framework that meets minimum international standards.
- That infrastructural and technological deficiencies lead to frequent incidents of downtime and power outages, which obstruct the smooth flow of the payments systems.
- That some countries do not have associations specifically designed to discuss issues bordering on the payments, clearing and settlement systems.
- That networking and information sharing among countries is very limited among stakeholders both at national and regional levels.

Recommendations

In line with the above observations, the participants recommended as follows:

- Members of staff who are trained should be encouraged to conduct transfer-of-knowledge sessions to share their experiences with their colleagues.
- To address the problem of public awareness, countries should have sensitization committees that will make use of both the print and electronic media to educate the public about the benefits of the payments systems. The public should also be informed about the associated risks of the systems and how they can be mitigated.
- Statistical data collected from payments systems should be analyzed to assist monetary and fiscal policy decision making.
- Effort should be directed towards the promulgation of national payments systems' laws and ensure their effective implementation. These laws should be standardized in the West African Monetary Zone (WAMZ).
- Participants should be encouraged to network and share relevant information on a regular basis.
- Supervision and regulatory functions should be fully included in the payments systems.
- There should be continuous capacity building for effective regulation and supervision of payments

systems for relevant officials in the sub-region.

1.3.7 COURSE ON REPORT WRITING SKILLS AND PRESENTATION TECHNIQUES FOR STAFF OF CBN. LAGOS, NIGERIA, JULY 16 20, 2012

A course on Report Writing Skills and Presentation Techniques for Staff of the Central Bank of Nigeria (CBN) was organized by the West African Institute for Financial and Economic Management (WAIFEM) at the WAIFEM Headquarters, CBN Learning Centre, Lagos, Nigeria, from July 16 20, 2012.

The opening ceremony was presided over by Prof. Akpan H. Ekpo, Director General of WAIFEM. Also present were Mr. J. A. Olorunshola, Head, CBN Learning Centre, who represented Ms. Chizoba Mojekwu, Director of Human Resources of the CBN, Prof. Ebum Clark, Lead Facilitator, and Directors of Financial Sector Management and Macroeconomic Management Departments of WAIFEM, Mr. Ousman Sowe and Dr. Johnson Asiana.

The course was designed to enhance participants' competence in the writing and presentation of effective economic, financial and other administrative reports. Specifically, the participants were expected to:

- Master the correct grammatical structures in English Language in a clear and concise manner that is related to specific purpose, audience and readership;
- Identify what constitutes effective and ineffective communication;
- Improve on their written and spoken English;
- Make effective use of the Dictionary;
- Know how to present themselves and their reports;
- Be confident in their communication skills and
- Be knowledgeable about different types of reports.

The following broad themes were covered during the course:

- communication process;
- the spoken English;
- grammar in writing;
- how to build documents;
- types and different layouts of reports, and how to create a good report;
- guidelines for preparing financial and economic reports;
- legal issues in communication;
- presentation techniques; and
- hands-on exercises on report writing.

The course was attended by twenty-seven (27) participants, made up of executive, senior and junior

staff of the Bank, drawn from different Strategic Business Units (SBUs).

The course was facilitated by a team of experts from the Lagos School of English and Mathematics (LASEM), WAIFEM faculty and experienced consultants. The papers were well articulated and presented by the facilitators who exhibited very sound knowledge of the subject.

The analysis of the completed evaluation questionnaire filled in by the participants at the end of the course, revealed the following:

- The participants unanimously concurred that the course increased their understanding of the use of dictionary as a tool in report writing.
- 96.2 percent of the participants agreed that the course has increased their awareness of how to create and write a good report.
- Over 96 percent of the participants affirmed that their understanding of grammar in writing has been enhanced.
- 84.6 percent of the participants asserted that the course has helped them to improve on their presentation skills.
- The course was adjudged by about 87 percent of the participants to have met their overall expectations of empowering them with the capacity to use communication as a tool for job effectiveness.
- About 88 percent of the participants agreed that the course increased their understanding of legal issues in communication.
- 98.2 percent of the participants rated the course content as 'very good' and relevant to their day-to-day work.
- 96 percent of the participants opined that the group work sessions and exercises contributed to the effective delivery and understanding of the course.
- All the participants rated the lecture materials as adequate and of high quality.
- The presentations were acclaimed to be very good by 96.8 percent of the participants.
- The participants unanimously rated the overall administration of the course as 'effective'.
- The participants were of the opinion that the time allotment for the course was inadequate; and
- In the additional comments, the participants requested for a longer duration for the course (at least two weeks).

In a communiqué issued at the end of the course, the participants made the following observations and recommendations:

Observations

- i. That the sessions were interactive and afforded participants the opportunity to handle practical aspects of every subject paper with regard to report writing and presentation techniques.

- ii. That some members of staff are yet to get exposure to the techniques of report writing and presentation skills.
- iii. That the course duration was inadequate for the quantum of materials that were presented.
- iv. That an electronic Longman Contemporary English Dictionary is a useful resource material.

Recommendations

In the light of the above, the participants recommended that:

- 1) All staff of the Bank should be exposed to the course on report writing skills and presentation techniques;
- 2) The duration of the course should be extended to 2 (two) weeks to allow adequate time for detailed discussions and internalization of the concepts; and
- 3) An electronic Longman Contemporary English Dictionary should be provided as part of the course materials, given its usefulness.

1.3.8 COURSE ON TECHNIQUES OF REPORTING WRITING FOR STAFF OF THE WEST AFRICAN MONETARY INSTITUTE (WAMI). ACCRA, GHANA: JULY 23 - 27, 2012

A Course on Techniques of Report Writing for Staff of the West African Monetary Institute (WAMI) was organized by the West African Institute for Financial and Economic Management (WAIFEM) at the WAMI Office, Accra, Ghana, from July 23 - 27, 2012.

The course was declared open by the Director General of WAIFEM, Prof. Akpan H. Ekpo. In his keynote address, the Director General expressed profound gratitude to the Government and people of Ghana for the warm welcome accorded them since their arrival. He also expressed his appreciation to the Ag. Director General of WAMI for the excellent facilities placed at their disposal and the timely reception at the airport on arrival.

Prof. Ekpo stated that WAIFEM was established in July 1996 by the Central Banks of the Gambia, Ghana, Liberia, Nigeria and Sierra Leone, with the mandate to strengthen on a sustainable basis, the human capacity through training for debt, financial sector and macroeconomic management in the member countries. He indicated that the membership has now increased to 6 (six) with the admission of the Central Bank of the Republic of Guinea. Prof. Ekpo reported that since inception, over 10,700 (ten thousand, seven hundred) officials had benefitted from WAIFEM's programmes. He expressed appreciation for the positive feedback received from user institutions, noting that this had helped WAIFEM to improve the design and delivery of programmes. Prof. Ekpo concluded that today's business organizations require internal and external

communication, and advised officials in charge of such responsibilities to master the communication process if job effectiveness is to be enhanced.

In his opening remarks the Ag. Director General of WAMI represented by Dr. Eunice Ngozi Egbuna, Director of Financial Integration noted that the purpose of engaging WAIFEM to organize the training programme on the Techniques of Report Writing was based on the desire to produce high quality reports that would promote sound decision-making by the Convergence Council of the WAMZ as well as member states. He expressed his profound gratitude to the African Capacity Building Foundation (ACBF) which funded the training programme. The Ag. Director General, WAMI underscored the importance of effective communication in today's economic and business milieu, which has become an indispensable means for any meaningful collaboration. He concluded by affirming that by the end of the course, participants would have developed higher report writing skills and be able to identify and avoid common pitfalls in technical report writing. In that regard, he urged participants to be resilient in their commitment to achieving these goals by paying full attention to the facilitators.

The course was designed to enhance participants' competence in the writing and presentation of effective economic, financial and other technical reports. It was also aimed at building the confidence of participants to be competent communicators. The following broad themes were covered to meet the course objectives:

- The communication process;
- Power of language and use of the dictionary;
- Grammar in writing: the written word;
- Oral English: The spoken word;
- How to create and write a good report;
- How to build your documents
- Features of financial and economic reports;
- How to manage meetings and write minutes; and
- Presentation techniques.

The course was attended by twenty-six (26) senior and middle level staff of WAMI. Facilitators were mainly drawn from the Lagos School of English and Mathematics (LASEM) and WAIFEM faculty. The papers were well articulated and presented by the facilitators who exhibited very sound knowledge of the subject.

The analysis of the completed evaluation questionnaire filled in by the participants at the end of the course, revealed the following:

- The participants unanimously concurred that the course increased their understanding of the use of dictionary as a tool in report writing;
- 96.2 percent of the participants agreed that the course has increased their awareness of how to create and write a good report;

- Over 96 percent of the participants affirmed that their understanding of grammar in writing has been enhanced;
- 84.6 percent of the participants asserted that the course has helped them to improve on their presentation skills;
- The course was adjudged by about 87 percent of the participants to have met their overall expectations of empowering them with the capacity to use communication as a tool for job effectiveness;
- 98.2 percent of the participants rated the course content as 'very good' and relevant to their day-to-day work;
- 96 percent of the participants opined that the group work sessions and exercises contributed to the effective delivery and understanding of the course;
- All the participants rated the lecture materials as adequate and of high quality;
- The presentations were acclaimed to be very good by 96.8 percent of the participants;
- The participants unanimously rated the overall administration of the course as 'effective';
- The participants were of the opinion that the time allotment for the course was inadequate; and
- In the additional comments, the participants requested for a longer duration for the course (at least two weeks).

Observations

Following a careful consideration of the state of report writing in their institution, the participant made the following observations and recommendations:

1. that although many senior, middle level managers are used to preparing technical reports and making presentations, there is still room for improvement;
2. that the essence of report writing and presentation skills which contribute significantly to organizational effectiveness is often not given due consideration;
3. that effective writing skills can be achieved when officials are more mindful of their use of the English language by fully utilizing the language dictionaries and grammar books;
4. that many technical reports may not have received due attention because of poor presentation;
5. that ineffective communication could be partly blamed for the failure of previous economic reform programmes in the sub-region;
6. that due to the short duration of the course, the time allotment to topics like grammar in English and PowerPoint presentations practical, as part of report presentation was inadequate;
7. that the organization of the training within the Institute constituted a lot of distraction as some

staff were tempted to leave the lecture hall to their offices at intervals; and

8. that it is imperative to upgrade the WAMI website, and as such, staff were urged to expand on their group presentations and have them on the WAMI website.

Recommendations

- 1) that organizations should understand and value the importance of effective report writing in attaining organizational goals;
- 2) that there should be continuous capacity building in report writing and presentation skills for organizational effectiveness;
- 3) that the management of WAMI should institutionalized training in report writing and communication, and that all staff should undergo a refresher training at least once in every 2 (two) years;
- 4) that the duration of the course be extended to 2 (two) weeks to allow adequate time for detailed discussions and internalization of the concepts;
- 5) that given the usefulness of the resource materials e.g. the Longman dictionary, the course package should also include a grammar book;
- 6) that future training programmes should be organized at a venue far from the Institute to minimize distractions subject to availability of funds; and
- 7) that there is need to set up a publications committee to put all internal publications on the WAMI website.

1.3.9 REGIONAL COURSE ON BANKING SUPERVISION (INTERMEDIATE LEVEL) LAGOS, NIGERIA AUGUST 6-10, 2012

A Regional Course on Banking Supervision (Intermediate Level) was organized by the West African Institute for Financial and Economic Management (WAIFEM), in collaboration with the College of Supervisors of WAMZ in Lagos, Nigeria from August 6 - 10, 2012. The course was organized against the backdrop of the complexities in the banking sector and the significant role it continues to play in the developmental process of economies in the region. To ensure that the banking system is safe and sound, bank supervisors require up-to-date knowledge and tools through appropriate and continuous training.

The course was aimed at upgrading the capacity of staff in banking supervision at intermediate level. In particular, the course provided participants with in-depth knowledge of the techniques of supervision, bank licensing and preventive measures needed to avoid bank failures. The following broad themes were covered:

- An Overview of Banking Supervision, and

S/N	INSTITUTIONS	COUNTRY						ECOWAS	TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	S/LEONE	GUINEA		
	CENTRAL BANK	3	5	-	-	3	4		15
	OTHERS	-	-	-	2	-	-	2	4
	TOTAL	3	5	-	2	3	4	2	19
	Male	2	4	-	1	1	4	2	14
	Female	1	1	-	1	2	0	0	5

Financial Systems and Structure;

- The functions of central banks and the role of financial institutions;
- Legal and institutional framework for the regulation of banks;
- Basic accounting and interpretation of financial statements;
- Supervisory Standards: Basel Core Principles;
- Bank Licensing Process;
- Bank failures: causes, consequences prevention/resolution safety nets;
- Internal Control Measures;
- Risk Management Process: Supervisory Perspective;
- Consolidated Supervision;
- Corporate Governance Principles;
- Prompt Corrective action Framework;
- Supervisory Techniques: Risk Based Supervision;
- Introduction to International Accounting Reporting Standards; and
- Capital Accord (Basel II & III).
- An overview of internal control measures;
- Off-site monitoring techniques;
- On-site examination process;
- Report writing (elements and techniques);

- An overview of risk management and corporate governance principles;
- An overview of anti-money laundering

The course was declared open by the Chairman of the occasion, Prof. Akpan H. Ekpo, Director General, WAIFEM, who was represented by the Director, Administration and Finance, Mr. Eurackly Williams. He extended a warm welcome to everybody, especially those visiting Lagos for the first time.

The Director General, while noting that the financial markets have become more open and global, stated that the use of administrative controls to restrict the activities of financial intermediaries is no longer in vogue. According to him, it is imperative for regulators and supervisors of the financial system as well as those concerned with systemic stability to promote prudent behaviour by financial intermediaries and other market participants.

Prof. Ekpo stated that the stability of the financial system has become a major challenge given the strong trends towards globalization and consolidation of the financial system in recent years. He averred that the supervisory process in our sub-region, has concomitantly evolved and is aiming at attaining a certain level of robustness and sophistication in line with international best practice.

The Director-General noted that risk-focused banking supervision is a relatively new tool to deal effectively with the new challenges posed by globalization and liberalization. He explained that risk-focused banking supervision is a process for

optimizing the synergy from the different activities, including regulatory and supervisory functions that enhance the overall efficiency and effectiveness of the supervisory process. The successful implementation of risk-focused supervision, according to Prof. Ekpo requires among others, the existence of efficient risk management architecture and the adoption of risk-focused internal audit.

The course was conducted through plenary sessions, discussions, practical exercises, group work and case studies. It was attended by nineteen (19) middle/senior level staff of central banks and deposit insurance institutions from The Gambia (3), Ghana (5), Guinea (4), Nigeria (2), Sierra Leone (3) and the ECOWAS Bank for Development and Investment (EBID) (2).

A breakdown of the participation is as follows:

Analyses of the evaluation questionnaires completed by the participants at the end of the course showed that:

- 98% agreed that the course content was very good;
- 98% were of the opinion that topics covered were relevant and useful;
- 86% asserted that the presentations were of high quality;
- 67% agreed that the time allotted was adequate; and
- Overall 87% opined that the course met their expectations.

OBSERVATIONS

The participants at the course after careful consideration of the issues raised during the course, made the following observations:

- (i) That with the exception of the Central Bank of Nigeria and Bank of Ghana, other central banks in the WAMZ are yet to install Electronic Financial Analysis and Surveillance System (EFASS);
- (ii) That the central banks in the WAMZ region, with the exception of the Central Bank of Nigeria and Bank of Ghana, other central banks in the WAMZ region are at the moment doing either hybrid or compliance based supervision;
- (iii) That not all participants who attended the foundation level course participated at this intermediate programme and this disrupts continuity;
- (iv) That full compliance with Basel Core principles have not yet been achieved by WAMZ member countries;
- (v) That except Nigeria, other WAMZ member countries are yet to introduce deposit insurance scheme as a safety net;

- (vi) That good corporate governance practices are yet to be fully implemented in the WAMZ member countries;
- (vii) That there is inadequate training for supervisors in IT audit in members countries;
- (viii) That there is an increase in cross border banking activities amongst WAMZ member countries; and
- (ix) That experienced supervisory staff in the sub-region are lost to commercial banks; and

RECOMMENDATIONS

In the light of the above observations, the participants made the following recommendations:

- i. That all central banks in the WAMZ member countries should endeavour to adopt full implementation of risk based supervision by end of 2013;
- ii. That participants at the intermediate programme should be made to attend the advanced programme to ensure continuity;
- iii. That bank supervisors should quickly adopt and implement the twenty-nine (29) Basel Core principles in order to achieve full compliance and effective banking supervision;
- iv. That all countries in the WAMZ region should endeavour to introduce deposit insurance scheme as a safety net;
- v. That there is need for players in the WAMZ member countries to adopt proper guidelines on corporate governance practices within the zone;
- vi. That to ensure effectiveness and efficiency, member countries should upgrade supervisor's skills in IT audit;
- vii. That WAMZ should ensure effective and efficient cross border consolidated supervision;
- viii. That supervisory staff in the sub-region should be adequately remunerated; and
- ix. That central bank of WAMZ member countries should take steps to implement Basel II through their own national systems, whether in statutory form or otherwise.

1.3.10 REGIONAL COURSE ON PRODUCTIVITY ENHANCEMENT FOR EXECUTIVE ASSISTANTS AND PERSONAL SECRETARIES TO CEOs. MONROVIA, LIBERIA. AUGUST 27-31, 2012

A Regional Course on Productivity Enhancement for Executive Assistants (EAs) and Personal Secretaries (PSs) to Chief Executive Officers was organised by the West African Institute for Financial and Economic Management (WAIFEM) from August 27-31, 2012, in Monrovia, Liberia. The course was aimed at equipping the participants with the skills/abilities necessary for efficient and effective job performance.

S/N	INSTITUTIONS	COUNTRY						TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	SIERRA LEONE	OTHERS	
1	CENTRAL BANK	2	3	6	3	4	-	18
2	MINISTRY OF FINANCE	1	-	-	2	2	-	5
3	OTHER PUBLIC AGENCIES	4	3	3	-	5	2	17
TOTAL		7	6	9	5	11	2	40
	Male	-	-	2	2	-	-	4
	Female	7	6	7	3	11	2	36

Distinctively, the course enabled participants to:

- establish a broader and an in-depth understanding of their roles, duties and responsibilities in today's modern office set up;
- advance their knowledge on the fundamentals of office management and administration for efficient discharge of their duties;
- build and extend their interpersonal skills and expand their regional network; and
- Broaden their technical knowledge on the ever evolving office technologies

The course was declared open by the Executive Governor, Central Bank of Liberia, represented by Mr. McDonald Goanue, Deputy Director, Research Department, Central Bank of Liberia.

In his welcome address, the Director General of WAIFEM, Prof. Akpan H. Ekpo, who was ably represented by Mr. Ousman Sowe expressed gratitude to the President and people of Liberia for the opportunity to host the course. He gave a brief history of WAIFEM as a sub-regional capacity building institution established by the Central Banks of the Anglophone West African countries - The Gambia,

Ghana, Liberia, Nigeria and Sierra Leone on 22nd July, 1996, that commenced formal operation in April 1977. He also announced the admission of Guinea into WAIFEM in January 2012, bringing the number of member countries to six. Presently, he claimed, 11,000 officials have been empowered while its clientele has expanded from traditional users Central Banks and core economic ministries to non-traditional users like legislatures, media, private and public institutions. He urged attendees to take the course serious to ensure a sustained improvement in their organisations as well as forge new regional friendship and professional networks amongst participants.

In his keynote address, the Governor, Central Bank of Liberia, Hon. Joseph Mills Jones went down the memory lane on the role of Executive Assistants and Secretaries up to the 1970s. He noted that secretaries' roles were limited to answering telephone calls, taking notes and orders and copy typing. However, over time, he said, the expectations and role of the EAs and PSs have undergone transformational leap from mere clerical focus to professional component of secretarial duties. Hon. Mills described EAs and PSs as proactive officials with high acumen and identified good knowledge of the business, exceptional organisational skills, good

interpersonal skills, good decision making capabilities, excellent written, analytical and organisational skills. He enjoined participants to take maximum opportunities offered by the team of experts from the academia and practitioners.

In his welcome address, the Director General of WAIFEM, Prof. Akpan H. Ekpo, represented by Mr. Ousman Sowe urged attendees to take the course seriously to ensure a sustained improvement in their organisations as well as forge new regional friendship and professional networks.

A total of forty (40) Executive Secretaries /Assistants, Personal Assistants, Senior Secretaries from central banks, ministries of finance and economic planning, deposit money banks, regulatory agencies, legislature, sub-regional institutions, public and private organisations from The Gambia (7), Ghana (6), Liberia (9), Nigeria (5) and Sierra-Leone (11) attended the course.

A country-wise breakdown of participation by institution is as follows: The course was facilitated by a team of experts drawn from the West Africa sub-region.

The broad themes covered at the course included:

- Personal/Administrative assistantship; roles, duties and responsibilities;
- Office administration: issues and challenges;
- Microsoft applications: advanced Microsoft word skills;
- Personal effectiveness: influencing and personal skills, identifying tasks that add value;
- Office technologies, records and data management;
- Microsoft applications: PowerPoint;
- Techniques of management and impact of change in today's organisation;
- Decision-making, problem solving, coaching and mentoring;
- Planning and goal setting;
- Petty cash management;
- Team building, coaching and mentoring
- Effective business communication and report writing for executive assistants; and
- Minutes writing.

There was group presentation at the end of the course to evaluate how well the participants grasp the various concepts taught during the course. The topics were as follows:

Group 1

The Impact of Technology on the Job Performance of Secretaries; Administrative Assistants and Personal

Assistants: Cost and Benefits.

Group 2

Evolving Role of Secretaries; Administrative Assistants and Personal Assistants for Economic Development: The Way Forward.

Group 3

Attributes of an Effective Administrative Assistants, Personal Assistants and Secretaries.

Group 4

Changing the image of an Organisation: The Role of the Personal Assistants; Administrative Assistant and Secretaries.

The quality, content and delivery of the presentations by the groups were highly commended by the moderators. The assessment of the group work demonstrated the impact of the course on the knowledge base of the attendees.

Analysis of the evaluation questionnaires completed by participants showed that:

- 98% agreed that the course content was very good;
- Over 98% were of the opinion that the topics covered were relevant and useful;
- 95% concurred that the presentations were of high quality;
- 87% averred that the time allotted was adequate; and
- Overall 100% agreed that the course met their expectation.

OBSERVATIONS

The participants in the course made the following observations:

- i) That the roles and scope of the EAs have greatly been widened to incorporate administrative policies and procedures in today's modern office practice;
- ii) That there are insufficient capacity building, training and re-training programmes for the EAs in the sub-region in relation to colleagues in other professions;
- iii) That squabbles/conflicts at work places are as a result of poor understanding and lack of respect on the part of managers and CEOs;
- iv) That frequency of exposure of the EAs to cutting edge information technological tools in the sub-region is limited and has continued to affect or limit the effectiveness of productivity;
- v) That this course has offered participants the much needed motivation to aspire to greater height in their career prospect; and
- vi) That the participants are now better informed,

equipped and positioned to understand the changes and change management processes in their various organizations.

Recommendations

In line with the foregoing observations, the participants made the following recommendations:

- i. Due to the expansion in the role and responsibilities of the EAs, there is need to establish or create a professional platform for this cadre;
- ii. Executive Assistants/Secretaries who obtain higher degrees should be considered for managerial positions to encourage others and enhance productivity;
- iii. Orientation of the CEOs and managers should be encouraged to understand and appreciate the key roles of the EAs in order to accord them their recognition;
- iv. WAIFEM should organise annual sub-regional forum for administrators, accountants, engineers for information sharing;
- v. Organisations should create a train-the-trainer platform for beneficiaries of the course to impact acquired knowledge to others within the firms;
- vi. WAIFEM should increase or encourage the participating stakeholders to increase the number of participants for the course;
- vii. Alternatively, it could also be organised twice a year; and
- viii. A follow-up refresher course on half-yearly basis should be organised.

1.3.11 REGIONAL COURSE ON COMPUTER APPLICATION IN ACCOUNTING, AUDITING AND FINANCIAL MANAGEMENT. LAGOS, NIGERIA, SEPTEMBER 17 - 21, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Computer Applications in Accounting, Auditing and Financial Management in Lagos, Nigeria from September 17 - 21, 2012.

The course was declared open by Prof. Akpan H. Ekpo, Director General of WAIFEM, represented by Mr. Euracklyn V. Williams, Director, Admin. & Finance. In his keynote address, Prof. Ekpo defined information management as the collection, organisation and control of information from one or more sources and the distribution of the information to one or more audience. He explained the importance of information management as a key resource for any organisation by which strategic and operational plans are formulated, competitive advantage is gained and change management is effectively implemented among others.

The course was designed to acquaint attendees with modern information technology tools applied in accounting, auditing and financial management. In addition, the course will provide guidance on how to audit the most critical risks of standard computer systems and also highlight the awareness of the need for accountability and transparency. The following broad themes were covered during the course:

- Analysing Financial Statements;
- Financial Statements Analysis with Spreadsheet;
- Financial and Management Accounting;
- Financial Control and Performance Measurement;
- Types of Audit and Audit Standards;
- Institutional Framework for Internal Audit in an Organization;
- Internal Control and Auditing in IT Environment;
- Overview of Financial Management;
- Computer in Financial Decision Making;
- Computer Application Packages in Accounting and Financial Management;
- Modelling and Financial Data Analysis with Spreadsheet;
- Computer Auditing/Information System Auditing; and
- IT Security and Controls, and Computer Fraud Prevention and Control.

The course was attended by thirty-eight (38) senior/executive level officials from the central bank, core ministries and parastatals, commercial banks, revenue authorities, sub-regional institutions, securities and exchange commission's from The Gambia (4), Ghana (10), Liberia (10), Nigeria (7), and Sierra Leone (7). The course was facilitated by a team of accounting, internal auditing, IT and financial experts from across the West African sub-region.

A country-wise breakdown of participation by institution is as follows:

The analysis of the evaluation questionnaires filled out by the participants at the end of the course, revealed the following:

- 94% agreed that the course content was very good;
- Over 89% were of the opinion that the topics covered were relevant and useful;
- 84% agreed that the presentations were of high quality;
- Regarding time allotted for the presentations, about 61% agreed that it was adequate; and
- Overall 75% agreed that the course met their expectation.

A communiqué was issued by the participants at the end of the course with the following observations and recommendations:

S/N	INSTITUTIONS	COUNTRY						TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	SIERRA LEONE	OTHERS	
1	CENTRAL BANK	3	3	6	4	3	-	19
2	MINISTRY OF FINANCE	-	3	4	-	-	-	7
3	OTHER PUBLIC AGENCIES	1	4	-	3	4	-	12
TOTAL		4	10	10	7	7	-	38
	Male	1	6	9	6	5	-	27
	Female	3	5	1	1	1	-	11

Observations

- (i) That the course was successful in enhancing the knowledge of participants in computer applications in accounting, auditing and financial management;
 - (ii) that quite a number of accountants, auditors, banks supervisors and financial managers lack adequate skill in computer applications for their business functions especially spreadsheet for data analysis;
 - (iii) that adequate knowledge of financial statements analysis with spreadsheet will be tremendous help to accountants, auditors, bank supervisors and finance managers in their reporting function;
 - (iv) that there is a capacity gap in computer application in accounting, auditing and financial management in the West African sub-region;
 - (v) that internal auditors are usually not part of computer application and software projects in institutions across a number of countries in the sub-region;
 - (vi) that most institutions in the sub-region do not test their business continuity plans (BCP) on a regular basis as required;
 - (vii) that there is poor implementation of strategic financial plans in public sector institutions in West Africa; and
 - (viii) that resource person at the course needed more time for their presentations especially those that required hand on practical exercises.
- professionals in the sub-region to equip them to meet the ever changing challenges.
- (ii) Computer applications tools and spreadsheet should form part of the normal professional training for accountants, auditors, banking supervisors and financial managers in the sub-region.
 - (iii) The issues of capacity should be addressed by introducing computer applications and the use of spreadsheet for data analysis in the syllabus of institutions of higher learning in West Africa.
 - (iv) Internal auditors should be part of project teams of all IT, computer application and accounting software projects of their institutions to enhance effective subsequent audit.
 - (v) There is the need to put in place practical contingency or disaster recovery plans to ensure that vital financial information is secured and that plans and backups should be tested regularly to ensure their readiness.
 - (vi) There is the need to pay more attention to the implementation of strategic financial plans by public sector institutions.
 - (vii) Consideration should be given to extending the duration for topics on the work programmes that enhance practical hands-on exercises.

1.3.12 COURSE ON PRODUCTIVITY ENHANCEMENT FOR SECRETARIES AND PERSONAL ASSISTANTS OF THE CENTRAL BANK OF NIGERIA. ACCRA, GHANA: OCTOBER 29 - NOVEMBER 2, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the Central Bank of Nigeria organized a course on Productivity Enhancement for Secretaries and Personal Assistants of the Central Bank of Nigeria in

Accra, Ghana from October 29 November 2, 2012.

The Director General of WAIFEM, Prof Akpan H. Ekpo, represented by Dr. (Mrs.) Patricia Adamu, welcomed the participants to the Course on Productivity Enhancement for Secretaries and Personal Assistants in the Central Bank of Nigeria. He expressed immense gratitude to the Governor of the Central Bank of Nigeria, Mallam Sanusi Lamido Sanusi for the confidence reposed in WAIFEM to execute the capacity building programme for the staff of the Bank. Prof Ekpo gave a brief overview of WAIFEM and noted that the Institute had, through its programmes, capacitated more than 11,600 officials since it began operations in 1997. Finally, the Director General noted that over time, the expectation of personal assistants have changed to include skills such as exceptional organizational skills, good decision making capabilities, excellent written, analytical and organizational skills, among others.

The course was designed to enhance participants' understanding of the roles, duties and responsibilities of secretaries and personal assistants, and to acquire the knowledge and skills in office administration and interpersonal skills for office management, essential for the effective discharge of their responsibilities.

The following broad themes were covered during the course:

- Personal/administrative assistantship: Roles, duties and responsibilities;
- Office administration: Issues and challenges;
- Microsoft applications: Advanced Microsoft word skills, PowerPoint;
- Personal effectiveness: Influencing and personal skills, identifying tasks that add value;
- Office technologies, records and data management;
- Techniques of management and impact of change in today's organization;
- Decision-making, problem solving, team building, coaching and mentoring;
- Planning and goal setting;
- Petty cash management;
- Effective business communication skills and report writing for secretaries and personal assistants; and
- Minutes writing.

Thirteen (13) members of staff secretaries and personal assistants drawn from various Strategic Business Units (SBUs) of the Bank were in attendance. The facilitators were renowned resource persons/consultants from various institutions such as

West Africa Monetary Institute (WAMI), Ghana Institute for Management and Public Administration (GIMPA) and the Lagos School of English and Mathematics (LASEM).

The analysis of the completed evaluation questionnaire filled by the participants at the end of the course, revealed the following:

- In terms of the course content and its usefulness to their day-to-day job performance, over 98 percent of the participants rated it as 'very good'.
- The participants unanimously concurred that the course increased their understanding of the roles, duties and responsibilities of personal assistantship.
- 92.3 percent of the participants agreed that the course has increased their awareness of issues and challenges of office administration.
- Over 92 percent of the participants affirmed that their understanding of office technologies, records and data management has been enhanced.
- 92.3 percent of the participants asserted that the course has exposed them to new tools on Microsoft Word and PowerPoint.
- The course was adjudged to have met the overall expectations of the participants by an overwhelming majority.
- All the participants agreed that the course increased their knowledge on effective communication skills, including minutes and report writing.
- The quality of facilitation and presentations were acclaimed to be very good by an overall majority.
- More than 92 percent of the participants opined that the syndicate group discussions contributed to the effective delivery and understanding of the course.
- All the participants rated the lecture materials as very useful.
- The participants were of the opinion that the time allotment for Microsoft word and PowerPoint was inadequate; and
- In the additional comments during the wrap-up session, the participants requested for a longer duration for the course (at least two weeks).

The participants issued a communiqué at the end of the course, and made the following observations and recommendations:

Observations

- Ø The theme of the 5-day programme was rich in content and very relevant to the day-to-day roles of Executive Assistants in the Bank;

- Ø Although the course themes were rich, topics such as Crisis management were not included;
- Ø The duration of the course was too short to give more time for practical sessions and to accommodate other relevant themes; and
- Ø Viewed objectively, the participants concluded that WAIFEM, the organizers of the course, provided seasoned and dedicated resource facilitators for the course and immense benefits were derived from the presentations.

Recommendations

In the light of the above, the participants recommended that:

- In considering the usefulness of the main themes, the course should be organized more often to broaden the knowledge and update the skills of all Executive Assistants;
- Since learning is considered dynamic, and in tune with the Management's resolve in human capital development, higher management / administrative skills such as crisis management should be included in the content of the course in future in order to equip Executive Assistants with the necessary skills for higher responsibilities;
- Owing to the highly technical issues embedded in the course which are topical in modern office administration, the participants suggest that the course duration be elongated to two (2) weeks to accommodate other relevant themes, and to enable the participants to internalize the concepts; and
- Going by the benefits derived from the course, the Bank's Management is urged to extend the privilege to other Personal Secretaries that are yet to benefit from the capacity building programme.

1.3.13 REGIONAL COURSE ON ADVANCED BANKING SUPERVISION AND FINANCIAL STABILITY. LAGOS, NIGERIA, NOVEMBER 5 13 2012

A seven (7) day Regional Course on Banking Supervision and Financial Stability was organized by the West African Institute for Financial and Economic Management (WAIFEM), at the Central Bank of Nigeria Learning Centre, Lagos, from 5th to 13th November, 2012.

The course was declared open by the Director General (DG) of WAIFEM, Professor Akpan H. Ekpo who was ably represented by Mr. Baba Musa, the Director, Debt Management Department, WAIFEM.

In his keynote address, the DG gave the historical evolution of WAIFEM as a sub-regional capacity building initiative of five (5) Anglophone West African countries which started in 1996. The success recorded by the Institute, having run 423 programmes for 11,643 participants across regional

boundaries made Guinea a Francophone West African country to join the membership of the Institute in January 2012.

The DG mentioned three key elements in Corporate Governance that provide the foundation for the health and soundness of financial system stability to include: sound leadership; strong prudential regulation and supervision; and effective market discipline.

He also enumerated a number of elements of Corporate Governance process that must be observed for the stability of the financial system. They include; conducting corporate governance in a transparent manner; ensuring that compensation approaches are consistent with the bank's ethical values, objectives, strategy and control environment; and ensuring that there is appropriate oversight by senior management etc.

He concluded by encouraging participants to deepen their networking relationships well beyond the duration of the course for the main purpose of fostering integration process within the sub-region.

The course was designed to enable participants acquire skills and develop capacity for effective banking supervision within the sub-region. It was also aimed at exposing participants to the rudiments of adopting Basel II and III as well as the Risk Based approach to supervision. The following broad themes were covered during the course:

- Contemporary Regulatory Issues: Corporate Governance;
- Risk-based Supervisory Approach: Cost; Benefits; and Implementation Challenges;
- Basel II;
- Basel III;
- Cross-border Supervision;
- Bank Financial Statement Analysis including Ratio Analysis;
- Banks Internal Controls Measures;
- Operational Risk Assessment;
- Electronic Banking and Electronic/IT Based Examination;
- Analyzing Bank Deposits;
- Credit Risk and Credit Examination Procedure;
- Contingency Planning: Framework for Managing Systemic Banking Crisis;
- Safety Nets: The Case of Deposit Insurance Schemes; Asset Management Companies; etc;
- Report Writing Techniques;
- Financial Stability: Towards and Macro-Prudential Approach to Banking Supervision;
- Financial Sector Crisis Management: Nigerian Experience;
- Metrics and Information Requirement in Assessing Financial Stability; and

S/N	INSTITUTIONS	COUNTRY						TOTAL
		THE GAMBIA	GHANA	LIBERIA	NIGERIA	SIERRA LEONE	GUINEA	
1	CENTRAL BANK	3	3	1	3	3	3	16
2	MINISTRY OF FINANCE	1	-	-	-	-	-	1
3	OTHER PUBLIC AGENCIES	1	1	-	3	-	-	5
TOTAL		5	4	1	6	3	3	22
	Male	3	1	0	3	1	3	11
	Female	2	3	1	3	2	-	11

Stress Tests of the Financial System.

Twenty-two (22) participants drawn from the six (6) member countries attended the course. The participants were made up of equal number of males and females. The course was facilitated by experienced resource persons and practitioners drawn from the sub-region.

A country-wise breakdown of participation by institution is as follows:

The analysis of the evaluation questionnaires filled out by the participants at the end of the course, revealed the following:

- 93% agreed that the course content was very good;
- 93% were of the opinion that the topics covered were relevant and useful;
- 93% agreed that the presentations were of high quality;
- Regarding time allotted for the presentations, about 78% agreed that it was adequate; and
- Overall 91% agreed that the course met their expectation.

Based on the combination of the lectures delivered, syndicate group work carried out and experiences shared amongst participants, a careful analysis was made of the state of the regulatory and supervisory systems and the risk management frameworks in the member countries the participants made the following observations and recommendations:

Observations:

- Some countries within the sub-region do not have standardized Code of Corporate Governance for their financial institutions;
- Bank failures in the sub-region were mainly as a

result of poor corporate governance, weak risk management practices and high level of political interference;

- There is poor data management by institutions which is a major prerequisite for migrating to Basel II and Basel III;
- There is lack of capacity and technical expertise on the part of supervisors in the sub-region to effectively carry out Risk Based Supervision (RBS), Consolidated Supervision (CS) and IT/e-banking examination as well as IFRS based financial statements;
- The challenge of skills gap and lack of capacity on the part of operators is manifesting more than ever before particularly, considering the new and sophisticated products which are being introduced;
- Test for "Fit and Proper" persons is critically important for excluding fraudsters, dubious and other unqualified persons from taking positions in the banking industry as well as the regulatory and supervisory institutions. This is difficult to achieve as the character can be hidden until it begins to manifest;
- Cross-border regulatory enquiries were often ignored or responded to late by sister supervisor;
- There is need for macro-prudential approach to regulation and supervision to prevent systemic crisis and financial instability in the region, especially with the continuous increase in the number of big and internationally active banks within the region;
- Abuse of judicial process is pervasive within most countries of the sub-region which has frustrated the implementation of supervisory processes;
- Some countries within the region have not put in place contingency planning framework, explicit crises prevention measures, and management or resolution options;
- Many countries within the sub-region are yet to establish Explicit Deposit Protection scheme as a Safety-net, Credit Reference Bureaux, Electronic Reporting Systems between the supervisors and the operators and other such tools for effective financial institutions supervision;
- Weak payment and settlement system was also noted as a hindrance for effective integration of the region's financial systems. This is due partly to lack of single currency within the sub-region;
- Currently, there is no regional co-ordinating committee in the form of Financial System

Stability Committee (FSSC) to lend voice to Financial System Stability within the sub-region;

- Political leadership in some countries is yet to give the required support (infrastructure, independence etc) to regulators and supervisors to effectively execute their mandates on effective banking supervision. Enacting new supervisory laws or amending existing ones for effectiveness is most times difficult as bills for such sent to various National Assemblies or Parliaments may be there for long without being attended to for no just reasons;
- In the course time table, Electronic Banking and Electronic/IT Based Examination was allotted only one topic of only one and half hours (1.5 hours) despite its importance and volume;
- While some countries within the sub-region have adopted the International Financial Reporting Standards (IFRS) as their financial reporting standard others have not;
- There was no provision for the learning of International Financial Reporting Standards (IFRS) in the course despite its importance as an international financial reporting tool;
- Analyzing Bank Deposits was given a whole topic which was really not necessary at this level. It may be considered alongside ratio analysis if it is necessary or better still, it should have been considered in any of the earlier modules of the course;
- Analyzing Banks Treasury Operations and Funds Management was not included in the course despite the importance of Liquidity Management to the banking system's health; and
- Other than Nigeria and Ghana, all member countries in the sub-region are yet to adopt Risk Based Supervision.

Recommendations:

- Member countries without codes of corporate governance should as a matter of urgency put machinery in place to institute the codes without further delay;
- Regulators and supervisors should ensure strict compliance with the code of corporate governance by operators;
- All financial institutions within the sub-region should be encouraged to put in place appropriate robust risk management frameworks which should be adhered to by the institutions;
- More co-operation and collaboration between supervisory authorities within the sub-region through the college of supervisors and other fora should be sustained. This should include sharing of information, timely responses to enquiries from cross-border supervisors and more regular interaction through the established College of Supervisors;
- Member countries should vigorously pursue capacity building of their staff in relevant areas of effective supervision such as RBS, CS, IFRS, IT/e-business based examination on a continuous basis to be able to effectively discharge their mandate of effective supervisions of financial institutions in their respective institutions;
- The subject of Electronic Banking and Electronic/IT Based Examination on the course time table should be given a minimum of two topics of not less than three hours in subsequent training organized by WAIFEM because of its importance and volume;
- In the same vein, IFRS should be assigned two sessions in the course time table in future because of its importance, volume and technicalities;
- Member countries that do not currently have Explicit Deposit Insurance Schemes as Safety-nets should be encouraged to do so for sustainable financial stability;
- Countries within the sub-region that do not currently have in place a systemic crises contingency planning framework and explicit crises prevention, management or resolution options should do so without further delay;
- Efforts should be initiated by supervisory authorities within the sub-region to establish a Financial System Stability Committee (FSSC). The FSSC should be able to assess systemic risks within the region's financial systems and proffer solutions to eliminate build up of systemic financial crises in the region. It should also be able to advise member countries on issues of crises prevention, management or resolution options. Periodic Regional Financial Stability Report (RFSR) should be generated by the proposed FSSC;
- Member countries should be encouraged to adopt Macro-prudential approach in regulation and supervision of financial institutions within their jurisdiction;
- Efforts should be made to foster a harmonious working relationship between the legislature and the regulatory/supervisory authorities with a view to ensuring easy passage of financial sector related bills;
- Member countries should also be encouraged to establish Credit Reference Bureaus, Electronic Reporting Systems between the supervisors and the operators and other such tools for effective financial institutions supervision;
- Analyzing Bank Deposits should be removed from the course curriculum; and
- Analyzing Banks Treasury Operations and Funds Management should be included in curriculum because of the importance of Liquidity Management to the banking system's health.

1.4 MACROECONOMIC MANAGEMENT DEPARTMENT

1.4.0 INTRODUCTION

The Macroeconomic Management Department organized a total of 17 programmes during the period under review. The programmes benefitted 499 officials from central banks, ministries of finance and economic planning, and other relevant public sector agencies.

A country-wise distribution of the total participants revealed that 296 participants were from Nigerian (59.3 percent) followed by Ghana with 83 participants (16.6 percent). Sierra Leone, The Gambia, Liberia and Guinea recorded 8.4 percent, 6.8 percent, 6.2 percent and 1.2 percent respectively. Participants from non WAIFEM countries constituted 1.4 percent of the total number. The higher participation rate in the case of Nigeria was largely due to 8 demand driven programmes organized for the staff of the Central Bank of Nigeria.

A breakdown of participation according to institutions shows that central banks accounted for 346 participants (69.3 percent); the ministries of finance and economic planning recorded 102 participants (20.4 percent); other public sector agencies had 51 participants (10.2 percent). In terms of gender distribution, there were 387 males (77.6 percent) and 112 females (22.4 percent). The details of the courses conducted by the Macroeconomic Management Departments are as follows:

1.4.1 REGIONAL COURSE ON FINANCIAL PROGRAMMING AND POLICIES. ACCRA, GHANA. FEBRUARY 13 24, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the International Monetary Fund (IMF) organised a two week regional course on Financial Programming and Policies in Accra, Ghana from February 13-24, 2012. The course was attended by thirty-one (31) participants from the six member countries drawn from the Central Banks, Ministries of Finance, Revenue Authority, Statistical Service offices, Policy Analysis Units and Other Public Sector Agencies.

The opening ceremony was chaired by the Governor of the Bank of Ghana, who was represented by Mr. Andrew Boye Doe, Head at the Secretary's Department of the Bank. Also present were the Director General (WAIFEM), Professor Akpan H.

Ekpo; resource persons from the IMF, Mr. Fabio Comelli, a Senior Economist; Ms. Jennifer Moyo, Consultant and Mr. Kevin Wiseman, Economist in the African Division at the IMF Office in Washington; Dr. Johnson Asiama, Director, Macroeconomic Management Department of WAIFEM.

In his keynote address, the representative of the Governor, Bank of Ghana, welcomed both the IMF team and the participants to Accra. He commended WAIFEM and the IMF for their continued collaborative efforts in organizing this course over the years, as it has always provided economists and policy makers in the sub-region the needed skills to analyse economic developments, diagnose imbalances in the economy, make accurate forecasts and recommend appropriate policies.

On his part, the Director General in his welcoming address noted that WAIFEM was established by the Central Banks of The Gambia, Ghana, Liberia, Nigeria and Sierra Leone in 1996 to build capacity for the improved macroeconomic and financial management in the member countries. He commended the Central Bank of Ghana and its management team for their logistical supports. He recalled that WAIFEM commenced work in April, 1997 by collaborating with the IMF to offer the Financial Programming and Policy course. Since then, this course has been offered by the WAIFEM and IMF annually except in 2002.

In his remarks, the leader of the IMF team, Mr. Fabio Comelli, on behalf of the Fund, expressed his appreciation to the Bank of Ghana for allowing one of its senior officials to make a presentation on Ghana's experience of inflation targeting. He further explained that the aim of his team is to cover the most important concepts and issues on the course in order for participants to maximize the benefits of the programme. He therefore, advised the participants to be actively involved in the discussions and the hands-on exercises during the course.

The course was designed to equip participants with the relevant tools and techniques for the formulation and implementation of macroeconomic and financial policies required to ensure growth, stability and poverty reduction. The main themes covered during the course included:

v A review of national accounts, balance of

- payment statistics, government finance statistics, and monetary aggregates;
- v forecasting techniques for each sector and their inter-linkages;
- v policies and issues associated with economic growth for the real sector;
- v exchange rate policy and external debt for the external sector;
- v fiscal and monetary policies and economic policy coordination;
- v current IMF challenges;
- v macroeconomic management of aid; and
- v Ghana's experience of inflation targeting.

Participants used the case study of the formulation and presentation of a hypothetical financial programme for Zambia's economy in 2000. The course was facilitated by a three member team from the African Division of the IMF and one representative from the Bank of Ghana.

The course was attended by thirty one (31) officials comprising six (6) females and twenty five (25) males from central banks, ministries of finance and economic planning, statistics offices, policy analysis units and other public sector agencies from The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone.

An analysis of participants' evaluation of the course in terms of its content, usefulness to work, presentation, time allotment and the general organization, revealed the following:

- § About 99 per cent of the participants asserted that the course content and its relevance to their day-to-day work was very good.
- § In terms of the overall objectives of the course, about 98 per cent of the participants stated that the course has enhanced their knowledge and competencies on the crucial issue of financial programming.
- § About 99 per cent of the participants indicated that the course provided adequate capacity for the formulation of financial policies.
- § The presentations by the resource persons were adjudged to be excellent by all (100 per cent) the participants.
- § 99 per cent of the participants stated that the knowledge and skills acquired from the course would improve their job performance.
- § The participants affirmed that the mix of lectures and the group work used in the delivery of the course enhanced their understanding in financial programming.

- § Over 98 per cent of the participants indicated that the course met their overall expectation.
- § The time allotment for the course was considered adequate by 95 per cent of the participants.
- § About 99 per cent of the participants found the overall administration and co-ordination of the programme by WAIFEM to be effective.
- § At the wrap up session, some participants suggested the need to have modules on remittances statistics; a presentation on remittances statistics as compiled by a developed country; and also a presentation on how to link remittances statistics with macroeconomic framework.

The following observations and recommendations were made in the communiqué presented by the participants at the end of the course.

Observations

- § The course duration should be extended given the volume of the materials provided.
- § There was no study tour to public enterprises in the host country for possible practical experience.
- § The course was very refreshing and useful, as insight into FPP sharpened participants' skills and knowledge in the estimation and projection of national accounts.
- § The provision of both soft and hard copies of lecture notes will serve as a very useful reference material in the participants' work responsibilities.
- § The course equipped participants with a good understanding of the concepts, issues and techniques of Financial Programming and Policies, as well as the opportunity of sharing different countries experiences.
- § The course contents were professionally designed and delivered.
- § The course provided participants the opportunity to interact and network amongst themselves.

Recommendations

In the light of the above observations, the participants made the following recommendations:

- § For better economic management in the sub-region, adequate human and material resources should be devoted to the compilation and dissemination of timely and accurate macroeconomic data, with the goal of attaining international best practices and standards set under the General Data Dissemination System (GDDS).

- § Member countries should endeavour to use financial programming as a potent tool for macroeconomic management and for this to be sustainable within the countries, the aim of technical assistance and training in this area must be focused on indigenisation of the design and implementation of the programmes.
- § WAIFEM and the IMF Institute are urged to accelerate their training programmes in countries of the sub-region to develop the critical mass of officials with the requisite technical capacity needed for the implementation of effective financial programming for sound macroeconomic management.
- § The two Institutes should consider extending the duration of the FPP course to at least four weeks to give participants more in-depth exposure to the formidable tools of financial programming.
- § As a first step to sustaining technical capacity for financial programming in the sub-region, donors are urged to fund the IMF Institute to assist WAIFEM to internally sustain the design and delivery of the course to benefit more officials in the sub-region.
- § Finally, member countries should encourage exchange programmes for staff among themselves to help study each members programme and operating system especially as we move towards achieving a single currency.

1.4.2 REGIONAL COURSE ON PUBLIC FINANCIAL MANAGEMENT: BUDGETING, PLANNING AND PERFORMANCE. BANJUL, THE GAMBIA, MARCH 19 30, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organized a two week regional course on Public Financial Management: Budgeting, Planning and Performance at Banjul, The Gambia from March 19 30, 2012. The opening ceremony was chaired by the Governor of the Central Bank of The Gambia, Hon. Amadou Colley. Other dignitaries included the Second Deputy Governor of the Central Bank of The Gambia, Mrs. Oumie S. Samba; the Director General of WAIFEM, Prof. Akpan H. Ekpo; Director of Macroeconomic Management, Dr. Johnson P. Asiama; and a representative of the facilitators, Prof. Festus Egwaikhide.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo, observed that economic development and poverty reduction efforts of the various governments in the sub-region can only be enhanced under an environment of good governance in which transparent management of

public finances is paramount. To ensure accountability and probity in the use of public resources, the Director General stressed the need for effective application of accounting and internal auditing standards.

Finally, the Director General formally welcomed participants and enjoined them to maximize this opportunity to deepen their professional networking relationships with other fellow participants as this would further enhance integration in the sub-region.

In the keynote address which was delivered by the Governor of the Central Bank of The Gambia, Hon. Amadou Colley, he indicated that an efficient public financial management is an important catalyst for economic growth and development, and hence poverty reduction. He also enjoined the participants to take time off, in spite of their tight schedule, to visit some of the tourist sites in Banjul.

The course was designed to widen participants' knowledge and skills in current public financial management practices. It was also intended to acquaint participants with the challenges confronting public financial management in the sub-region.

The broad themes covered included:

- Ø the planning, budgeting and financial management in the public sector;
- Ø fiscal performance and fiscal rules;
- Ø fiscal decentralization, macroeconomic stability and poverty reduction;
- Ø fiscal policy and economic growth;
- Ø a case study of Ghana's fiscal budget preparation;
- Ø benchmarking poverty reduction strategies (PRS) and medium term expenditure framework (MTEF) process;
- Ø costing and funding MTEFs and PRSs;
- Ø good governance, accountability and transparency;
- Ø public procurement and due process (Nigeria case study);
- Ø MTEF programme and performance management;
- Ø managing expenditure: cash planning and management;
- Ø public accounting and budgeting with emphasis on cash and accrual accounting;
- Ø analysis of budget revenues and expenditure;
- Ø projecting revenue and expenditure; economic appraisal of public capital projects: cost and

- benefit analysis (CBA);
- Ø PRSP/MTEF/annual budget process (Gambia case study).
- Ø Public expenditure programme (PEP);
- Ø method for reviewing and evaluating expenditure;
- Ø system for monitoring expenditure;
- Ø international standard: public expenditure and financial accountability (PEFA);
- Ø codes of fiscal transparency; and
- Ø sub-national debt management.

The course was facilitated by a team of experts drawn from the academia and public service of The Gambia, Ghana, Nigeria as well as from the WAIFEM faculty. The course was attended by forty (40) participants from Central Banks, Ministries of Finance and Economic Planning, National Planning, Comptroller and Accountant-Generals' Department, Revenue Agencies, Statistics Office, Parliamentary Commissions and WAIFEM. Participants were mainly senior and executive officials from The Gambia, Ghana, Liberia, Nigeria and Sierra- Leone.

At the end of the course, participants were tasked to evaluate the course in terms of their general opinion and knowledge on the subject matter; quality of the lectures and presentations; and interaction with course facilitators. The evaluation showed the following:

- 100 per cent of the participants indicated that the general objective of the course was achieved.
- 98 per cent of the participants evaluated the quality of lectures and presentations as excellent.
- Over 99 per cent indicated very good interaction with course facilitators.
- Duration of the course was rated to be very good by 98 per cent of the participants.
- 100 per cent indicated very good responses in terms of practical exercises and case studies.
- Finally, 99 per cent of the participants indicated that the logistics arrangements for the course activity were very good.

The participants made the following observations and recommendations:

Observations

- i. That a well-designed public financial management is imperative for rapid GDP growth and sustainable economic development;
- ii. That the expansionary fiscal stance of sub-regional governments have subordinated

monetary policy;

- iii. That poor public expenditure management characterized by fiscal indiscipline and lack of transparency and accountability largely explain the low economic performance in the sub-region;
- iv. That the implementation of most annual budgets have been unsuccessful due to poor linkage with strategic plans and programmes of the medium term expenditure framework (MTEF) and poverty reduction strategy (PRS);
- v. That a monitoring and evaluation mechanism has not been adequately developed at all levels of the budgetary process;
- vi. That strong institutions and attitudinal change especially on the part of political leaders, public officials, and the citizenry are critical to the attainment of the overall objective of sustainable development;
- vii. That there still exists poor commitment of all stakeholders, particularly bureaucrats and politicians in the attainment of fiscal discipline;
- viii. That fiscal outcome performs better when fiscal budgeting institutions are strong;
- ix. That corruption remains a challenge in the effective utilisation and management of public funds within the West African sub-region; and
- x. That the adoption of best practices of good governance, transparency and accountability are preconditions for the achievement of rapid economic growth, sustainable development and poverty reduction.

Recommendations

- i. That governments need to create fiscal space by reducing misappropriation of public funds for economic development and poverty reduction. Again governments needs to make adequate provisions on revenue or expenditure for counter-cyclical impact thereby reducing the need for policy intervention;
- ii. That annual budgets should be treated as an integral part of the MTEF rather than a separate entity. The budget and audit report must be timely to reassure accountability and transparency. The delay in the approval of Budgets as well as late passage of Appropriation Bills should be checked to ensure effective implementation in the ensuing fiscal year;
- iii. That the formulation of budgets of ministries, departments and agencies (MDAs) must be based on clearly established MTEF and PRSPs and effective mechanism must be designed to create a link between the annual budgets and MTEF and PRSPs. Member countries must also

- ensure that expenditure programmes of governments are driven by policy priorities and budget realities;
- iv. That constitutional provision should be enacted to further prevent the absolute exercise of power by the Legislature in determining budgetary allocations during budget preparation;
 - v. That monitoring and performance indicators are established to monitor and evaluate annual budgets as well as facilitate adequate expenditure control and performance evaluation;
 - vi. That there is the need to enforce and strengthen legislations by various governments with the aim of tackling fiscal indiscipline and perennial corruption in the sub-region. Investigative institutions and judicial arm of government must be truly independent and capable of prosecuting culprits;
 - vii. That exemplary leadership and change of attitude are critical to the attainment of the overall objective of sustainable development in the sub-region;
 - viii. That there is need for capacity building and training of government officials on the operations of an Integrated Financial Management Information System (IFMIS); and
 - ix. That it is imperative to follow international best practices in good governance as well as put into practice the codes of fiscal transparency to which many West African countries have asserted to.

1.4.3 WAIFEM/UNECA (ATPC) REGIONAL SEMINAR ON WEST AFRICA'S INTERNATIONAL TRADE, TAXES AND POLICIES. FREETOWN, SIERRA LEONE, APRIL 23-MAY 2, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in conjunction with United Nation's Economic Commission for Africa (UNECA) organized a regional seminar on West Africa's International Trade, Taxes and Policies in Freetown, Sierra Leone from April 23 - May 2, 2012. The opening ceremony was chaired by the Deputy Governor, Bank of Sierra Leone, Ms. Andrina Coker who represented the Governor, Mr. Sheku Sesay. Also present was the Head, Human Resource Department, Bank of Sierra Leone, Ms. Kenneh Jabati and some facilitators of the course.

The aim of the course was to provide participants with an understanding of pertinent issues related to international trade, taxes and policies in West Africa with a view to providing the needed platform for building capacity in the formulation and implementation of good and effective external trade

policies to yield maximum benefits to the sub-regional countries. The main themes included:

- § international trade theory;
- § an overview of multilateral trading System;
- § World Trade Organization (WTO) and regional trade agreement;
- § regional integration;
- § international trade in West Africa - challenges and prospects;
- § regional trade arrangements in West Africa;
- § trade Policy modelling;
- § promoting a regional common market and investment climate in West Africa; and
- § ECOWAS and Economic Partnership Agreements (EPA).

The facilitators were drawn from WAMI, University of Ibadan, Nigeria, Ministry of Trade and Industry of Ghana, and UNECA. A total of 30 participants including senior and executive officials attended the course from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. The institutions represented were Central Banks, Ministries of Finance and Economic Planning, Ministries of Trade and Commerce, Revenue Authorities, Customs, Office of the Parliament, West African Monetary Institute (WAMI), and West African Monetary Agency (WAMA).

At the end of the course, participants evaluated the course in terms of its content, usefulness to work, presentation, time allotment and the general organization of the course. An analysis of participants' evaluation of the course showed the following:

- About 90 percent of the participants rated the course content and its relevance to their day-to-day work as very good.
- Regarding the objectives of the course, about 85 percent of the participants agreed that the objectives of the course have been achieved and that the knowledge and skills acquired from the seminar would improve their job performance.
- Specifically, about 90 percent of the participants confirmed that the course has provided them with an understanding of pertinent issues relating to international trade, taxes and policies.
- Indeed, all the participants strongly agreed that the course met their expectations.
- However, just 67 percent of the participants accepted that the course had provided them with the capacity for the formulation and implementation of good and effective external trade policies to yield maximum benefit for the

sub-region.

- The presentations by the resource persons were rated to be very good by 84 percent of the participants.
- 62 percent of the participants accepted that the blend of plenary sessions and country group exercises had been effective.
- Just 67 percent of the participants found the overall administration and coordination of the programme by WAIFEM to be effective.
- The time allotment for the presentations was considered adequate by 77 percent of the participants.
- Only 23 percent of the participants indicated the time allotment as either fair or poor.

In a communiqué issued at the end of the course, the participants made the following observations and recommendations:

Observations

Following the lectures, country presentations and interactive discussions, the participants made the following observations:

- There is a low level of trade amongst ECOWAS countries.
- ECOWAS monitoring unit on the implementation of the protocol on the free flow of goods and services is dormant.
- Very weak National Standard Boards and the absence of Regional Standard Board.
- Very poor representation of ECOWAS countries in the WTO negotiations.
- Weak industrial development of member countries.
- Poor governance in the public and private sector of member states.
- Lack of Central Bank intervention in supporting trading in local currencies.
- Lack of networking and coordination among similar institutions of Member States.
- There is no trading arrangement between ECOWAS and other Regions.
- Lack of strategic plan at ECOWAS level for the development of trade and investment.
- Lack of training facilities in trade and investment in teaching institutions in West Africa.
- Very low level of financial literacy of the citizens of member states.
- No regional trade or industrial policies.
- Similarity of export commodities in the sub-region

of West Africa.

- No sanctions on non-commitment towards regional protocols and decisions.
- West African countries are still charging transit duties on goods.
- There is no Intellectual Property Right on products.

Recommendations

- Improve transport network in the sub-region and remove non-tariffs barriers.
- Effective implementation of the ECOWAS monitoring unit of free movement of goods and services with the assistance of member countries.
- Strengthen National Standard Boards and harmonize their practices and set up a Regional Board.
- Use ECOWAS levy funding to support a strong permanent think tank to participate in WTO negotiations on behalf of member states.
- Formulate national and regional industry policy with the objective to strengthen industry base and add value to products.
- Implement good governance principles in member states to attract investment.
- Central Banks should continue to play a strong role in the settlement system to support trading in local currencies.
- Build networking and coordination between member states' institutions to foster and share knowledge among them.
- Invite negotiations with China, India and other Asian countries as a second option to EPA.
- Set up a regional strategic plan with the objective to create companies which will be regional and able to compete with the international market.
- Create a high level training facility in trade at regional level through the funding of ECOWAS levy.
- Set up training, sensitization and awareness program on financial efficiency for the citizenry.
- Member states should have a trade policy first and foremost to enable ECOWAS put all together for the development of a regional trade policy.
- Diversify ECOWAS production and exports in the international market.
- Design sanctions mechanisms to support the implementation of ECOWAS protocols by member states.
- ECOWAS countries should work towards paving the way to abolish transit duties

- Intellectual Property Right must be given to patent for products

1.4.4 WAIFEM/ACBF REGIONAL COURSE ON MONETARY OPERATIONS AND LIQUIDITY MANAGEMENT. MONROVIA, LIBERIA, JUNE 11 - 19, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the African Capacity Building Foundation (ACBF) organized a regional course on Monetary Operations and Liquidity Management in Monrovia, Liberia, from June 11 19, 2012.

The opening ceremony was chaired by the Executive Governor of the Central Bank of Liberia, Hon. Dr. Joseph Mills Jones who was ably represented by the Director of Research, Planning and Policy, Mr. Boima Kamara. Other dignitaries included the Head of Human Resource Department, Mrs. Harriet Z. Kanneh and the Director General of WAIFEM, Prof. Akpan H. Ekpo who was also represented by the Director of Macroeconomic Management Department, Dr. Johnson P. Asiama.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo, observed that an efficient liquidity management in the context of monetary policy implementation is sine qua non for contemporary fiscal and monetary policy decision-making. He indicated that the higher the volatility in monetary and liquidity conditions, the higher the costs of liquidity management and hence the attainment of monetary policy objectives will be. He thanked the ACBF for their strong partnership with WAIFEM in building capacity in the sub-region. He enjoined the participants to maximize this opportunity to deepen their professional networking relationships with other fellow participants as this would further enhance integration in the sub-region.

In his keynote address, the Executive Governor indicated that an efficient and effective framework for liquidity management is at the very heart of the conduct of monetary policy. He urged central banks to implement monetary policy controls that will be consistent with a non-inflationary output growth. The Governor again expressed the view that higher volatility in monetary conditions and high costs of liquidity management has adverse consequences for the attainment of monetary objectives. He intimated that liquidity management by central banks can have short and long-term implications, depending on the nature of operations. He was hopeful that the course would seek to address some of challenges in monetary policy implementation. The Governor finally enjoined the participants to take time off, in spite of their tight schedule, to visit some of the tourist sites in the city.

The course was aimed at exposing participants to best practices in monetary operations and liquidity management as well as providing hands-on practical analytical skills to enhance the effective implementation of monetary policy. It was also intended to acquaint participants with the challenges confronting liquidity management in the sub-region. These objectives are key in the context of post-conflict countries such as Sierra Leone and Liberia where frameworks for the implementation of monetary policy are still evolving. In the particular case of Liberia, there is no money market for the transmission of monetary policy. Hence the purpose of the course is to help such countries to develop the necessary frameworks to enhance the role of monetary policy in their economies.

The broad themes covered included:

- monetary policy and liquidity management in central banks;
- fiscal policy and central bank liquidity management;
- fiscal and monetary co-ordination;
- liquidity forecasting techniques: univariate time series model-trend estimates, seasonal adjustment, ARIMA models, among others;
- money markets and monetary policy: instruments and regulatory frameworks;
- fiscal cash planning and management;
- forecasting government cash flows;
- forecasting cash in circulation and the float; and
- forecasting foreign exchange flows and interbank market liquidity.

The course was facilitated by a team of experts drawn from the academia and public service of Ghana and Nigeria, as well as the WAIFEM faculty. The course was attended by a total of thirty-three (33) senior and middle-level officials from central banks, ministries of finance and economic planning, national planning, comptroller and accountant-generals' department, from The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone.

At the end of the course, participants were tasked to evaluate the course in terms of their general opinion and knowledge on the subject matter; quality of the lectures and presentations; and interaction with course facilitators. The evaluation showed the following:

- 98 per cent of the participants indicated that the general objective of the course was achieved.
- 99 per cent of the participants evaluated the quality of lectures and presentations as excellent.
- On the interaction with course facilitators, 100 per cent of the participants indicated that it was very good.

- Duration of the course was rated to be very good by 94 per cent of the participants.
- 97 per cent indicated very good responses in terms of practical exercises and case studies.
- Finally, 100 per cent of the participants indicated that the logistics arrangements for the course activity were very good.

The participants made the following observations and recommendations:

Observations

- Fiscal dominance remains a major challenge to the conduct of monetary policy in most countries of the sub-region, which poses a challenge in achieving the goal of monetary integration within the West African Monetary Zone (WAMZ);
- Payment systems in member countries are not fully developed, especially with the large quantum of money supply outside banks, which tends to undermine the conduct of effective monetary policy;
- There are excess reserves and varying rates of required reserves ratio across countries of the sub-region. This reflects the underdeveloped nature of the money and capital markets;
- A major constraint to effective cash management by fiscal managers resulting from the approval of unrealistic budget targets.
- The general conduct of the course was very good if not excellent, especially the choice of facilitators was perfect, as they blended contemporary monetary policy and Liquidity management challenges and prospects of the sub-region;
- The administrative aspect of the course was also very good;
- There was insufficient time to do hands-on exercises in respect of econometric techniques in liquidity forecasting and cash management.

Recommendations

- For more effective monetary policy formulation and implementation, the operational independence of the central bank is highly imperative and this should be embraced by all WAMZ member countries;
- There should be more concerted co-ordination and co-operation between the monetary and fiscal authorities in form of regular meeting to share critical information in order to ensure that both work in tandem with each other in carrying out their respective functions for improved fiscal and monetary efficiency;

- Physical representations by fiscal authorities in the monetary policy committee of central banks or other forms of indirect controls are undesirable and tend to compromise the operational independence and transparency required in monetary operations;
- There is the need for countries within the sub-region to exercise greater controls over currency operations as this remains vital to monetary autonomy and their ability to evolve money market instruments that would deepen the financial market in general;
- countries in the sub-region need to imbibe the culture of having robust and functional cash management departments in order to enhance cash planning and forecasting and improve budget implementation;
- Cash management and budgeting functions should be separated to ensure transparency and accountability;
- There should be effective co-ordination between the cash manager and the cash planning office at the central bank, whilst the implementation of the single treasury account is recommended for all members of WAMZ to help government avoid unnecessary borrowing, reduce wastages and leakages as well as facilitate integration;
- Efforts should be made to reduce short-term interest rates in some member countries to promote real sector investment for job creation and economic growth.

1.4.5 WAIFEM/CURRENCY RESEARCH REGIONAL WORKSHOP ON BANKNOTE AND CURRENCY MANAGEMENT AND FORECASTING FOR CENTRAL BANKS. ACCRA, GHANA. JULY 2 -6, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with Currency Research (CR) organised a regional workshop on Banknote and Currency Management and Forecasting for Central Banks in Accra, Ghana, from July 2-6, 2012. The opening ceremony was chaired by the Governor of the Bank of Ghana, Mr. Kwesi Amissah-Arthur, represented by Ms. Catherine Ashley. Other dignitaries included the Director General of WAIFEM, Prof. Akpan H. Ekpo; and representatives from the Currency Research (CR), Mrs. Marci Chavez and Mr. Alan Gerard.

In his welcoming remarks, the Director General of WAIFEM, touched on the relevance of the workshop and observed that the timing of the workshop was auspicious since most economies in the sub-region are predominantly cash based; reflecting the preference of economic agents, the weakness of the legal system to enforce contracts,

and the level of development of payments systems in these countries. He stated that given the problems in currency management in the sub-region, there is an urgent need to chart a new direction consistent with international best practices, in order to engender greater efficiency and minimize the cost in the printing and minting of currencies. He expressed his hope and expectation that the workshop would equip participants with the necessary tools and competence to devise effective and efficient solutions for cash and currency management in the sub region and beyond.

He thanked the Currency Research (CR) for their maiden partnership with WAIFEM in building capacity in the sub-region; and also expressed his appreciation specifically to the Governor of the Bank of Ghana, and the good people of Ghana.

In his keynote address, the Governor of Bank of Ghana emphasized the importance of the conduct of currency management and forecasting in the sub-region in the context of overall macroeconomic management. He stressed that currency management is a critical aspect of the functions of central banks; noting that it is not only cumbersome with its associated complex logistical requirements, but also very expensive. This, according to the Governor, had led to a new trend of outsourcing some of the non-core processes so as to allow central banks focus on core functions.

The Governor pointed out that effective currency management depends on excellent information and insightful analysis, stressing that efficient and effective currency management commences with a strategic analysis of the currency life cycle.

He added that strategic management of currency was impossible without accurate forecasts of demand for banknotes. In his concluding remarks, the Governor expressed his pleasure at the assemblage of a team of experienced and competent facilitators, urging all participants to optimize the opportunity to enhance their knowledge and skills by freely interacting with the faculty. He welcomed participants and facilitators to the regional workshop, especially those who were visiting Ghana for the first time.

In her remarks, Mrs. Marci Chavez expressed her personal gratitude and that of Currency Research to WAIFEM for the opportunity to partner the Institute in building capacity in the sub-region. It was her hope that this maiden partnership would be strengthened in the years ahead.

The workshop was aimed at exploring the key challenges central banks face in currency management and how they could be tackled. It was specifically designed to deepen the knowledge and upgrade the analytical skills of participants in performing the currency management function, as well as to develop and strengthen their forecasting techniques and expose them to contemporary issues

in banknote and currency management.

The main topics discussed during the workshop included:

- roles and responsibilities of a central bank in cash management;
- life cycle of modern day currency;
- setting the coin-note boundary- issues specific to West Africa;
- quality, durability, functionality of banknotes in circulation;
- Worldwide trends in counterfeiting;
- software to assist in meeting optimum currency demand;
- payment studies and methods of payment;
- re-cycling of currency: update on policy and technology;
- ATM developments in Africa and Worldwide;
- cash modelling for countries;
- issues relating related to processing and distribution of cash;
- re-engineering/design of existing processes and automation;
- contingency planning;
- balance sheet relief mechanism; and outsourcing.

A total of thirty three (33) middle/senior/executive officials from Chile, The Gambia, Ghana, Liberia, Malawi, Nigeria, Sierra Leone, Switzerland, Uganda and United Kingdom attended the workshop. The institutions represented were Central Banks, Commercial Banks, Currency Research, Banknote Printers, Ministries of Finance and Economic Planning, West African Monetary Institute (WAMI) and other Government Departments and Agencies.

At the end of the workshop, participants were tasked to evaluate the workshop in terms of their general opinion and knowledge on the subject matter; quality of the lectures and presentations; and interaction with facilitators. The evaluation showed the following:

- About 99 per cent of the participants indicated that the general objective of the workshop was achieved.
- The quality of lectures and presentations of the workshop was evaluated to be very good by over 98 per cent of the participants.
- Almost 100 per cent of the participants agreed a strong interaction with the facilitators.
- Regarding overall expectations, over 98 per cent of the participants indicated strong agreement.
- 99 per cent indicated very good responses in terms of practical exercises and case studies.

- Finally, about 98 per cent of the participants indicated a strong agreement that the logistics arrangements for the workshop were very good.

The participants made the following observations and recommendations:

Observations

- Advances in technology have made the task of counterfeiting currency easier to accomplish;
- Counterfeiting of currency undermines the integrity of domestic currency and can create economic distortions and render economic management tools ineffective if not properly managed;
- There is a general lack of good counterfeit detection machines;
- There is insufficient education on counterfeiting in most African countries;
- There are inadequate counterfeit laws in some countries;
- There is lack of effective collaboration between central banks and other international Intelligence Agencies in the fight against counterfeiting;
- There is lack of “clean note” policies in most countries in the sub-region and where they exist, there are implementation challenges;
- There is often too much delay in reviewing security features on currencies;
- Inadequate training of currency management staff in central banks;
- Pricing structure of some countries does not support usage of coins i.e. no decimalisation in prices of commodities or services;
- The size, weight and low face value of coins discourages wide usage by the general public;
- Most African countries lack coin infrastructures e.g. vending machines, parking meters and coin dispensing ATMs to encourage coin usage;
- Packaging of coins in some countries is not user friendly;
- Public memory retains limited number of security features therefore design of banknotes must emphasize and optimise recognition of human senses (LOOK, TILT AND FEEL). This is often lacking in currency design in the sub-region.
- Inadequate dissemination of information to the public on handling of banknotes;
- There is a lack of appropriate law enforcement of banknote handling;
- Cultural/traditional practices leads to poor handling of banknotes for example spraying of money in Nigeria and spreading of money at weddings in Malawi and other countries;

- Inadequate Mobile and E-Payment Systems in some countries which encourage high usage of cash in transactions;
- There is inadequacy / unavailability of data from the sub-region for benchmarking purposes.

Recommendations

- Central Banks in the region should ensure the usage of cost effective, durable security features on currencies;
- Security features should be balanced with the monetary value of banknotes and the risks/ history of counterfeiting of each denomination;
- Outsourcing is recommended as a way of sharing cost of currency processing and efficiency of currency processing provided that there is adequate oversight by the central banks;
- There is a need for commercial banks' involvement in currency processing;
- There is need to develop and adhere to “clean note” policies in order to have the required standards of fit banknotes in circulation;
- Central banks should have clearly defined standards for banknote fitness level and should communicate these to commercial banks to ensure adherence.
- There is need for collaboration among central banks and with International Intelligence Agencies to combat counterfeiting;
- There is need for regular and aggressive public education campaigns by central banks to help combat counterfeiting;
- There is need to minimise the number of public security features in awareness campaigns in order to capture the interest of the general public;
- Timely review of security features on currency is needed;
- Central banks should involve all stakeholders in fighting counterfeiting;
- There is need for adequate training of currency management staff in central banks and other cash handlers in economies;
- There is need for adequate and appropriate counterfeit detection machines;
- There is need to establish counterfeit sections in central banks which record and research on emerging trends in counterfeiting;
- Investment in coin infrastructures is needed to encourage wide usage of coins;
- There is need for consumer friendly packaging of coins to provide convenience. There is also need to re-design the coins to make them more attractive and light to encourage usage;

- There is need to eliminate same denomination coins and notes in some countries to encourage coin usage;
- There is need to review the note-coin boundary in order to ensure that coins have value and to achieve a balanced currency structure;
- Decimalisation of pricing structures is needed;
- Appropriate law enforcement is needed to deal with cultural/traditional mishandling of banknotes;
- Increased number of payment systems are needed to provide alternative payment methods and discourage high usage of cash in transactions;
- Central Banks in the region should adopt plausible models for forecasting the banknote demand in order to improve currency management practices thereby, reducing opportunity losses and promoting the smooth function of the banking system;
- Central banks in the region should make relevant data available for benchmarking purposes.

1.4.6 COURSE ON TECHNIQUES OF ECONOMIC ANALYSIS, MONETARY POLICY AND FINANCIAL MANAGEMENT FOR STAFF OF CBN. LAGOS, NIGERIA, AUGUST 13 - 31, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized the first run of the Economic Policy Technical School on Techniques of Economics Analysis, Monetary Policy and Financial Management for new Staff of the Central Bank of Nigeria (CBN) in Lagos from August 13-31, 2012.

The course was declared open by the Director General of WAIFEM, Professor Akpan H. Ekpo. Also present were the Head, CBN Learning Centre, Elder Job Olorunsola and other officials of the Learning Centre. Representing the Facilitators at the opening ceremony was Prof. Olu Ajakaiye, Executive Chairman, African Centre for Shared Development, Ibadan.

In his keynote address, Professor Ekpo stated that the course was designed to sharpen the analytical skills of relevant technical staff of the Economic Policy Directorate, involved in economic analysis. He also noted that the current global economic crises from 1980s to the recent one that started in 2007 have made it mandatory for institutions involved in economic management to build and strengthen their indigenous capacity for policy making and analysis.

In his opinion, given the recent reform measures in the Central Bank of Nigeria which are geared towards ensuring a sound, strong and stable financial system, it is only fitting that these reforms be

complemented with sustained capacity building to provide a ready manpower base that keys into the bank's agenda. According to him, capacity building is an essential component of an institution's reform agenda. The Director General concluded his address by emphasizing the need for a strong manpower base to effectively and efficiently ensure the right policy making for the country. He also enjoined all participants to interact with the team of experienced experts that facilitated the course in order to maximize their proficiencies.

The specific objectives of the workshop were to upgrade and broaden the knowledge and skills of participants in modern macroeconomic analysis as well as the formulation of monetary policies and conduct of effective monetary operations to ensure financial system stability. The course explored various ways available at modelling monetary policy in a central bank in the context of both policy simulation and forecasting. Recent developments in money market operations were equally covered, including the response of central banks to the recent financial market turbulence. In addition, the course considered how monetary operations interact with a central bank's financial stability and regulatory mandates.

The main themes covered during the course included:

- Structure of the Nigerian Economy, 2000-2010;
- Basic Framework for Macroeconomic Analysis; Inter-Relationships among Strategic Business Units (SBUs) in the Economic Policy Directorate (EPD) and their roles in the Central Bank of Nigeria (CBN);
- Open Economy Macroeconomics: Monetary and Fiscal Policy in the Open Economy;
- Balance of Payments and Exchange Rates;
- Exchange Rate Management and Policy Implications;
- Money, Interest Rates and Exchange Rates
- Inflation, Unemployment and Economic Policy in an Open Economy: The "Phillips Curve";
- Models;
- Introduction to Financial Programming;
- Output, Expenditure and Prices-Analysis and Forecasting;
- Balance of Payments Accounts and Forecasting; Forecasting the Baseline Scenario-Fiscal Sector;
- Forecasting the Baseline Scenario-Monetary Sector;
- Targets of Monetary Policy; Major Challenges of Monetary Policy;
- Economic Policy Coordination;
- Fiscal Policy and Fiscal Sustainability in Nigeria;
- Debt Sustainability Analysis in Nigeria;

Forecasting: Conceptual Framework and the CBN Experience;

- Introduction to Econometrics and Econometric Software: Eviews;
- Analysis of Survey Data Using SPSS; and
- Design and Tools of Monetary Policy.

The course was facilitated by a team of experienced experts drawn from WAIFEM faculty, the Central Bank of Nigeria and the academia. The course was attended by twenty-nine (29) participants from the Economic Policy Directorate of the Central Bank of Nigeria (CBN). The participants issued a communiqué at the end of the course in which they rated the course very highly and thanked their employer for the opportunity afforded them.

1.4.7 REGIONAL COURSE ON ECONOMETRIC MODELLING AND FORECASTING FOR POLICY ANALYSIS. LAGOS, NIGERIA. AUGUST 20-31, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organised a two-week Regional Course on Econometric Modelling and Forecasting Policy Analysis in Lagos, Nigeria from August 20 - 31, 2012.

The opening ceremony was chaired by the Director General, Professor Akpan H. Ekpo. Others present included Dr. Johnson P. Asiana, Director, Macroeconomic Management Department; and Directors from the other Programme Departments.

In his welcoming address, the Director General emphasised the importance of econometric modelling and forecasting, and the need to have a sound system for acquiring, sharing and analysing economic and financial data for effective policy decisions. The Director General also noted the importance of econometric models in predicting the direction of economic variables and identifying their driving factors. He also indicated that the course would enhance the participants' forecasting skills and techniques which are central to better policy decisions for growth and development.

The objective of the course was to upgrade the analytical skills of participants in econometric theory and also to enhance their understanding of intermediate modelling techniques for forecasting; estimating efficient and consistent structural parameters and ability to simulate alternative policy options. The main areas covered in the course included:

- nature and methodology of econometric modelling and forecasting;
- univariate time series modelling and forecasting;
- estimation of ARIMA/ARMA models for

forecasting;

- multivariate models (including simultaneous and vector autoregression models);
- modelling long-run relationships and equilibrium correction;
- survey research methodology;
- modelling and forecasting volatility;
- introduction to panel data econometrics; and
- general equilibrium models for monetary policy analysis.

The facilitators for the course were drawn from the Central Bank of Nigeria; Bank of Ghana; University of Benin, Nigeria; University of Calabar, Nigeria; University of Ibadan, Nigeria; and the WAIFEM faculty.

A total of thirty-four (34) middle and senior level officials from The Gambia, Ghana, Sierra Leone, Liberia and Nigeria attended the course. Institutions represented were Central Banks, Ministries of Finance and Economic Planning, Ministries of Trade and Industry, Deposit, Insurance Agency, Research Institutions, Universities, State Government, Revenue Authorities, Statistical Agencies, Fiscal Responsibility Commission, Line Departments, including Budget, Departments and Auditor General Departments and the West African Monetary Institute.

At the end of the course, participants were tasked to evaluate the course in terms of its content, usefulness to work, presentation, time allotment, quality of training materials and general comments:

- About 99 per cent of the participants agreed that the course content was relevant to their day-to-day work.
- In terms of the overall objective of the course, all the participants (100 per cent) indicated that the course had deepened their knowledge and understanding in the basic tools of macroeconomic forecasting and modelling techniques.
- The presentations by the resource persons were adjudged to be very good by about 98 per cent of the participants.
- Almost 99 per cent of the participants indicated that their overall expectation about the course was met.
- Duration of the course and scheduling of daily activities were considered to be adequate by about 85 per cent of the participants; whilst the rest of the participants indicated that the duration of the course be extended to three weeks.
- On general comments, participants indicated that the mix of lectures, exercises and group work

used in the delivery of the course enhanced their understanding of public financial management.

- The participants however, expressed the need for facilitators to draw their country experiences from other member countries in the sub-region.
- Participants found the overall administration and co-ordination of the programme to be effective and commended WAIFEM for the continuous drive in building capacity across member countries.

The following observations and recommendations were made in the communiqué presented by the participants at the end of the course:

Observations

- The course was rigorous, useful and timely given the policy challenges facing member countries;
- The two week period allotted for the course programme was not sufficient;
- Some participants were not familiar with the new econometric software packages used, which made it difficult for them to fully participate in the practical sessions;
- The econometric software packages installed in the computers were not sufficient for some practical classes to be effective;
- The versions of econometric software packages used in the practical sessions are most times not available in institutions, which will make it difficult for participants to put into practice the skills and techniques they have acquired from the course;
- DSGE model was brief in scope due to a relatively short period of time.

Recommendations

In the light of the above observations, the participants made the following recommendations:

- The duration of the course should be extended to minimum three weeks to allow more time for practical sessions;
- The econometric software packages to be used in practical sessions should be the same version and should be installed on the computers before the commencement of the course;
- An induction course on the various econometric software packages should precede the course;
- Institutions participating in the courses should make sure that they have the necessary econometric software packages to allow participants put into practice the skills and techniques acquired from the course;
- DSGE model should be a course on its own, due

to the breadth of scope that needs to be covered.

1.4.8 COURSE ON TECHNIQUES OF ECONOMIC ANALYSIS, MONETARY POLICY AND FINANCIAL MANAGEMENT FOR STAFF OF CBN. LAGOS, NIGERIA. SEPTEMBER, 3 -21, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized a national course on Techniques of Economics Analysis, Monetary Policy and Financial Management specifically for new Staff of the Central Bank of Nigeria in Lagos from September 3-21, 2012.

The course was declared open by the Director General of WAIFEM, Professor Akpan H. Ekpo. Also present were the Head of the CBN Learning Centre, Elder Job Olorunshola and other officials. Representing the Facilitators at the opening ceremony was Prof. Olu Ajakaiye, Executive Chairman, African Centre for Shared Development, Ibadan.

In his keynote address, Professor Ekpo remarked that the techniques often adopted for economic analysis are the building blocks for macroeconomic management designed to sharpen the analytical skills of relevant technical staff of institutions and government agencies involved in economic management. He also stated that the global economic crises from 1980s to the recent one that started in 2007 have made it mandatory for institutions involved in economic management to build and strengthen their indigenous capacity for policy making and analysis. In his opinion, given the recent reform measures in the Central Bank of Nigeria which are geared towards ensuring a sound, strong and stable financial system, it is only fitting that these reforms be complemented with sustained capacity building to provide a ready manpower base that keys into the bank's agenda. According to him, capacity building is an essential component of an institution's reform agenda. The Director General concluded his address by emphasizing the need for a strong manpower base to effectively and efficiently ensure the right policy making for the country. He also enjoined all participants to interact with the team of experienced experts that would facilitate the course in order to maximize their proficiencies.

The main objective of the workshop was to upgrade and broaden the knowledge and skills of participants in the formulation of monetary policies and conduct of effective monetary operations to ensure financial system stability. The course also explored various ways available at modelling monetary policy in a central bank in the context of both policy simulation and forecasting. Recent developments in money market operations were

equally covered, including the response of central banks to the recent financial market turbulence. In addition, the course considered how monetary operations interact with a central bank's financial stability and regulatory mandates.

The main themes covered during the course include:

- Structure of the Nigerian Economy, 2000-2010;
- Basic Macroeconomic Framework;
- Inter-Relationships among Strategic Business Units (SBUs) in the Economic Policy Directorate (EPD) and their roles in the Central Bank of Nigeria (CBN);
- The Open Economy Macroeconomics: Monetary and Fiscal Policy, Balance of Payments and Exchange Rates;
- Exchange Rate Management and Policy Implications;
- Money, Interest Rates and Exchange Rates;
- Inflation, Unemployment and Economic Policy in an Open Economy;
- The "Phillips Curve";
- Growth Models;
- Introduction to Financial Programming;
- Output, Expenditure and Prices-Analysis and Forecasting;
- Balance of Payments Accounts and Forecasting;
- Forecasting the Baseline Scenario-Fiscal Sector;
- Forecasting the Baseline Scenario-Monetary Sector;
- Targets of Monetary Policy;
- Major Challenges of Monetary Policy;
- Economic Policy Coordination;
- Fiscal Policy and Fiscal Sustainability in Nigeria;
- Debt Sustainability Analysis in Nigeria;
- Research Methods;
- Economic Modelling and Forecasting: Conceptual Framework and the CBN Experience;
- Introduction to Econometrics and Econometric Software: Eviews;
- Analysis of Survey Data Using SPSS; and
- The Design and Tools of Monetary Policy.

The course was facilitated by a team of experienced experts drawn from WAIFEM faculty, the Central Bank of Nigeria and the academia. The course was attended by thirty four (34) participants from the Economic Policy Directorate (EPD) of the Central Bank of Nigeria.

The analysis of the completed evaluation

questionnaire by the participants at the end of the course, revealed the following:

- About 98 percent of the participants rated the course content to be very good and relevant to their day-to-day work;
- A total of 99.3 percent of the participants indicated that the knowledge acquired from the course would enhance their job performance;
- The course was adjudged by about 99 percent of the participants to have met their overall expectations of empowering them with the econometric tools for job effectiveness;
- Over 98.9 percent asserted that the lecture materials were adequate and of high quality;
- The presentations were acclaimed to be very good by 99.1 percent of the participants;
- All the participants unanimously rated the overall administration of the course as being effective;
- A few of the participants, about 28 percent of the participants were of the opinion that the time allotment for the course was inadequate; and
- In the additional comments, the participants requested for an extension and frequent training; and again the need to have intermediate level.

The participants issued a communiqué at the end of the course, and made the following observations and recommendations:

Observations:

Following the presentations by the facilitators and the hands-on-work experiences shared by participants, the following observations were made:

- Persistent fiscal dominance in the Nigerian economy hinders efficient and effective implementation of monetary policy;
- The current structure of the Nigerian economy (especially with the dominance of peasantry in agriculture, multinational in the mining sector and narrow secondary activities) tend to undermine the credibility of monetary policy;
- Delay in obtaining accurate and timely data from other institutions complicate economic policy formulation;
- A major requirement for effective economic analysis, monetary policy and financial management is capacity building in which staffs of any institution are exposed to the day to day workings of the economy with appropriate tools within the national, sub-regional and international levels and;
- The CBN and the FG should ensure adequate and timely information is passed onto the Nigerian populace on critical issues like fuel

subsidy, currency restructuring, cashless policy, etc.

- There is need for effective fiscal and monetary coordination especially on dealing with portfolio inflows and liquidity management;
- Management of EPD should consider organizing more intensive training courses/workshops, especially on multivariate data analyses via cutting-edge statistical and econometric software packages as a crux of building a strong manpower base to ensure effective researches towards the Bank's reform agenda;
- The course needs to be structured into two trainings to allow for better understanding by participants;
- Efforts in transforming the structure of Nigerian economy should be tenacious to enhance the credibility of monetary policy;
- Effective collaboration among data generating agencies and utilizing agencies should be improved to enhance accuracy and timely utilization of data for effective conduct of monetary policy; and
- Inclusion of female facilitators in future courses/workshops should be encouraged to stimulate female participants in setting baseline scenario for self-improvement;

The participants expressed their heartfelt gratitude to the Management of the Economic Policy Directorate of the Central Bank of Nigeria in particular, as well as the Management and staff of the West African Institute of Financial and Economic Management, for organizing the course. They were also grateful to the Management and Staff of the CBN Learning Centre, Lagos for their hospitality despite the few hitches earlier stated. They stated that they have gained immense knowledge on the subject title as a result of this programme.

1.4.9 COURSE ON ADVANCED MACROECONOMIC ANALYSIS FOR STAFF OF CENTRAL BANK OF NIGERIA. LAGOS, NIGERIA, SEPTEMBER, 24 - 28, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria (CBN) organized a national course on Advanced Macroeconomic Analysis for Staff of the Central Bank of Nigeria in Lagos from September 24 - 28, 2012.

The course was declared open by the Director General of WAIFEM, Professor Akpan H. Ekpo. In his keynote address, Professor Ekpo alluded to the fact that the foundation of sound macroeconomic management is built on techniques of economic

analysis, thus it is imperative for the staff of institutions tasked with national economic management to continually sharpen their analytical skills set to enable them proffer appropriate economic policies to address emerging pertinent macroeconomic challenges throughout their working careers. In his word, "the analytical technique involved in the work of the Apex Bank requires constant updating to cope with the dynamism of the economy at national, sub-regional and international levels." Historical global economic crises, underscore the significance of building and strengthening indigenous capacity required to highlight the linkages between economic variables and sector for policy analysis, making, implementation and evaluation.

In his concluding remark, the Director General noted the pressing need for the establishment of a strong and technically equipped manpower base to ensure effective and efficient economic policy making, and encouraged participants to interact with the experienced facilitators to enable them tap into their vast pool of experience and knowledge. Other dignitaries present were the Head of the CBN Learning Centre, Elder Job Olorunsola and other officials; whilst Prof. Olu Ajakaiye, Executive Chairman of African Centre for Shared Development, Ibadan represented the facilitators.

The course aimed to introduce participants to techniques of economic analysis, which are the building blocks for macroeconomic management. It was designed to build and sharpen the analytical skills of relevant technical staff of the CBN whose daily operations impact on the financial and economic management objective of the CBN. The interactions; dynamics and dynamic nature of the domestic and global economies, underscores the relevance of the course as it was designed to update the relevant skill sets of technical staff of the Apex bank to keep them abreast and in line with emerging domestic and global economic events.

The main themes covered during the course included:

- Structure of the Nigerian Economy, 2000-2010;
- Basic Macroeconomic Framework;
- The Open Economy Macroeconomics: Monetary and Fiscal Policy, Balance of Payments and Exchange Rates;
- Exchange Rate Management and Policy Implications;
- Money, Interest Rates and Exchange Rates;
- Inflation, Unemployment and Economic Policy in an Open Economy I: The "Phillips Curve";
- Growth Models;
- Targets of Monetary Policy;
- Major Challenges of Monetary Policy; Economic Policy Coordination;
- Fiscal Policy and Fiscal Sustainability in Nigeria; and

- Debt Sustainability Analysis in Nigeria;

The course was facilitated by a team of experienced experts drawn from WAIFEM faculty, the Central Bank of Nigeria and the academia. The course was attended by twenty six (26) participants from the Economic Policy Directorate (EPD) of the Central Bank of Nigeria.

1.4.10 COURSE ON ADVANCED MACROECONOMIC ANALYSIS FOR STAFF OF CENTRAL BANK OF NIGERIA. LAGOS, NIGERIA. OCTOBER, 2 -6, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria (CBN) organized the national course on Advanced Macroeconomic Analysis for Staff of the Central Bank of Nigeria in Lagos from October, 2 -6, 2012.

The course aimed to introduce participants to techniques of economic analysis, which are the building blocks for macroeconomic management. It was designed to build and sharpen the analytical skills of relevant technical staff of the CBN whose daily operations impact on the financial and economic management objective of the CBN. The interactions and dynamic nature of the domestic and global economies, underscores the relevance of the course as it was designed to update the relevant skill sets of technical staff of the Apex bank to keep them abreast and in line with emerging domestic and global economic events.

The main themes covered during the course included: Structure of the Nigerian Economy, 2000-2010; Basic Macroeconomic Framework; The Open Economy Macroeconomics: Monetary and Fiscal Policy, Balance of Payments and Exchange Rates; Exchange Rate Management and Policy Implications; Money, Interest Rates and Exchange Rates; Inflation, Unemployment and Economic Policy in an Open Economy I: The "Phillips Curve"; Growth Models; Targets of Monetary Policy; Major Challenges of Monetary Policy; Economic Policy Coordination; Fiscal Policy and Fiscal Sustainability in Nigeria; Debt Sustainability Analysis in Nigeria;

The course was attended by eighteen (18) participants from the Economic Policy Directorate (EPD) of the Central Bank of Nigeria.

1.4.11 COURSE ON ECONOMETRIC MODELLING AND FORECASTING FOR STAFF OF CENTRAL BANK OF NIGERIA. LAGOS, NIGERIA, OCTOBER 8-13, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized a national course on Econometric Modelling and Forecasting

for Staff of the Central Bank of Nigeria in Lagos from October 8-13, 2012. The objective of the course was to upgrade the analytical skills of participants in econometric theory and also to enhance their understanding of intermediate modelling techniques for forecasting; estimating efficient and consistent structural parameters and ability to simulate alternative policy options.

The main areas covered in the course included: nature and methodology of econometric modelling and forecasting; univariate time series modelling and forecasting; estimation of ARIMA/ARMA models for forecasting; multivariate models (including simultaneous and vector autoregression models); modelling long-run relationships and equilibrium correction; survey research methodology; modelling and forecasting volatility; economic modeling and forecasting: The CBN experience.

The course was attended by twenty six (26) participants from the Economic Policy Directorate of the Central Bank of Nigeria (CBN).

1.4.12 COURSE ON ECONOMETRIC MODELLING AND FORECASTING FOR STAFF OF CENTRAL BANK OF NIGERIA. LAGOS, NIGERIA. OCTOBER 15-20, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized a national course on Econometric Modelling and Forecasting for Staff of the Central Bank of Nigeria in Lagos from October 15-20, 2012.

The objective of the course was to upgrade the analytical skills of participants in econometric theory and also to enhance their understanding of intermediate modeling techniques for forecasting; estimating efficient and consistent structural parameters and ability to simulate alternative policy options.

The main areas covered in the course included:

- nature and methodology of econometric modeling and forecasting;
- univariate time series modeling and forecasting; estimation of ARIMA/ARMA models for forecasting;
- multivariate models (including simultaneous and vector autoregression models);
- modeling long-run relationships and equilibrium correction;
- survey research methodology;
- modeling and forecasting volatility; and
- economic modeling and forecasting: The CBN experience.

The analysis of the completed evaluation questionnaire by the participants at the end of the course, revealed the following:

- 97.6 percent of the participants rated the course content to be very good and relevant to their day-to-day work;
- 97.1 percent of the participants affirmed that the knowledge acquired from the course would enhance their job performance;
- The course was adjudged by about 99.1 percent of the participants to have met their overall expectations of empowering them with the econometric tools for job effectiveness;
- Over 98.4 percent asserted that the lecture materials were adequate and of high quality;
- The presentations were acclaimed to be very good by 99.3 percent of the participants;
- All the participants unanimously rated the overall administration of the course as being effective;
- About 56.2 percent of the participants were of the opinion that the time allotment for the course was inadequate; and
- In the additional comments, the participants requested for an extension and frequent training.

The participants issued a communiqué at the end of the course, and made the following observations and recommendations:

Observations

Following the presentations by the facilitators and the hands-on-work experiences shared by participants, the following observations were made:

- The knowledge acquired would be very useful to our functional work.
- More time should be allocated to the discussion and practical applications of the topics.
- The Bank should acquire and provide staff with the necessary statistical software packages to enable participants practice the analysis during their everyday routine.
- The course should be made mandatory for all professional staff in the economic policy directorate.
- The course should incorporate more hands on exercise.
- The course should be an ongoing programme for staff in the economic policy directorate from time to time.

Recommendations

In line with the above observations, the participants made the following recommendations:

- The time duration for the course should be extended to two weeks.
- Participants should be informed on time about their participation in the course to enable them to prepare adequately for it.
- The course should be made compulsory for all staff in the Economic Policy Directorate.

The participants expressed their gratitude to the Managements of the Bank and WAIFEM for the opportunity granted them to attend the course. Furthermore, the participants unanimously agree that the objectives of the course were largely achieved, as they now understand and better appreciate “Econometric Modeling and Forecasting” and promise to use the knowledge acquired in the effective and efficient discharge of their job roles.

The course was attended by twenty four (24) participants from the Economic Policy Directorate of the Central Bank of Nigeria (CBN).

1.4.13 WAIFEM/IMF REGIONAL COURSE ON EXTERNAL VULNERABILITIES AND POLICIES. BANJUL, THE GAMBIA, OCTOBER 29 - NOVEMBER 9, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the International Monetary Fund (IMF) organized a two week regional course on External Vulnerabilities and Policies at Banjul, The Gambia from October 29 November 9, 2012.

The opening ceremony was chaired by the Governor of the Central Bank of The Gambia, who was ably represented by the Second Deputy Governor Mrs. Oumie S. Samba. Other dignitaries included the Director General of WAIFEM, Prof. Akpan H. Ekpo; and a team from the Institute for Capacity Development (ICD) of the IMF led by Mr. Eric Verreydt.

In his welcoming remarks, the Director General of WAIFEM welcomed the facilitators from the IMF and the participants to the course. He gave a brief account of WAIFEM and noted that the Institute was established in July 1996 with the mission to develop on a sustainable basis expertise in the area of macroeconomics, debt and financial management issues among staff of central banks, ministries of finance and economic planning and other public sector bodies. He revealed that since the inception, the Institute has successfully executed over 300 courses and more than 11,000 participants had benefited from the sub-region.

The Director General reiterated the importance of the course in view of the heightened uncertainty from headwinds in the global economy resulting from slow recovery from the crisis in Europe as well as economic pressures in United States and possible impact on developing economies. Since sub-regional economies are mostly neo-colonial import dependent, the need to understand external vulnerabilities and appropriate policies to contain adverse consequences is imperative for our policy makers. He concluded by appealing to participants to freely interact with the facilitators so as to derive maximum benefit from the course.

The team from the IMF solicited for cooperation from participants during the course; and promised that the course would be made highly interactive to

derive maximum benefits.

The Deputy Governor of the Central Bank of The Gambia, Mr. Basiru Nji, who represented the Governor, Hon. Amadou Colley discussed the current developments in both the domestic and international economic and financial environment and explained why developing economies should learn from the current economic turbulence in some developed economies. He described the course on External Vulnerabilities and Policies as most appropriate in light of the turbulent period that the global economies are going through.

The course was aimed at exposing participants makers to challenges of external shocks on domestic economies and to identify most appropriate measures required to address the challenges; it was again designed as a response to the current lackluster performance of the global economy especially euro area and lessons for other countries.

The broad themes covered included:

- Macroeconomic management of capital flows;
- financial crises;
- managing natural resources revenues: The role of capacity development and institutions;
- Hedging commodities prices;
- policy choices to manage natural resources revenues;
- government debt management;
- managing aids flows;
- exchange rate regimes, policies and indicators of competitiveness; and
- Hands-on-exercises.

The course was facilitated by a team of experts from the IMF; specifically from the Institute of Capacity Development (ICD) which included Dr. Eric Verreydt, Prof. Martin Klein and Dr. Bassem Kamar. Mr. Ismaila Jarju, Director of Research, Central Bank of The Gambia also facilitated on the programme.

A total of thirty two (32) participants from The Gambia, Ghana, Liberia, Guinea, Nigeria and Sierra Leone attended the course. The institutions represented were Central Banks, Ministries of Finance and Economic Planning, West African Monetary Institute (WAMI), West African Monetary Agency (WAMA) and other Government Departments and Agencies.

At the end of the course, participants were tasked to evaluate the course in terms of their general opinion and knowledge on the subject matter; quality of the lectures and presentations; interaction with course facilitators. The evaluation showed the following:

- About 98.4 per cent of the participants indicated that the general objective of the course was achieved.
- 99 per cent of the participants evaluated the quality of lectures and presentations as excellent.
- Almost 99.1 per cent indicated very good

interaction with course facilitators.

- Duration of the course was rated to be very good by 98.3 per cent of the participants.
- Practical exercises and case studies were adjudged to be very good by over 98.9 per cent of the participants.
- Finally, 99.6 per cent of the participants indicated that the logistics arrangements for the course activity were very good.

Observations

The participants made the following observations and recommendations:

- The course was very technical and highly quantitative, so the first day should have been used to work through some important mathematical expressions contained in the course materials.
- The programme was loaded and should have been divided into two modules to fast track in-depth understanding.
- It was observed that countries are mostly not resilient to external shocks but do not put in place adequate vulnerability assessment mechanism

Recommendations

In light of the foregoing observations, the participants made the following recommend as follows:

- WAIFEM/IMF should consider the possibility of splitting the programme into two modules.
- The workshop part of the course is highly beneficial and should be retained to facilitate the understanding of participants.
- There is the need for member countries to conduct vulnerability exercise regularly to be better prepared for external shocks.

At the end of the course, the participants expressed their sincere gratitude to the management and staff of WAIFEM as well as the Institute for Capacity Development (ICD) of the IMF; and indicated that the knowledge, skills and insights that they have acquired from the course will enhance their analytical skill for sound external vulnerabilities assessment and identification of appropriate policy actions in the region.

1.4.14 WAIFEM/ECOWAS/ACBF REGIONAL WORKSHOP ON COMPUTABLE GENERAL EQUILIBRIUM (CGE) MODELING FOR NATIONAL COORDINATING COMMITTEES BANJUL, THE GAMBIA, NOVEMBER 5 - 16, 2012

The West African Institute for Financial and Economic Management (WAIFEM), in partnership with the Economic Community of West African States (ECOWAS) and African Capacity Building Foundation (ACBF) organized a training workshop on

Computable General Equilibrium (CGE) Modeling for National Coordinating Committees, in Banjul, The Gambia from November 5-16, 2012.

The opening ceremony was chaired by the Governor of the Central Bank of The Gambia, who was ably represented by the Second Deputy Governor Mrs. Oumie S. Samba. Other dignitaries included the Director of Macroeconomic Management Department, WAIFEM Dr. Johnson Asiama, who represented the Director General of WAIFEM; and the facilitator of the workshop, Prof. Ali Bakar, President of ECOMOD.

Dr. Johnson Asiama, who represented the Director General of WAIFEM, stressed that the mission of the Institute is develop on a sustainable basis, expertise in the field of Macroeconomic, Debt and Financial Management among staff of West African central banks, ministries of finance and economic planning and other public sector bodies charged with core economic management responsibilities. So far, the Institute has successfully executed 300 courses since inception and these have benefited more than 11,000 participants from the sub-region and beyond.

On collaborations, the Director General stated that WAIFEM has collaborative arrangements with World Class training organizations and capacity building organizations to ensure best practices in the delivery of its programmes, and as a Centre of Excellence in capacity building. He mentioned some of the organizations, among others as; the International Monetary Fund, the World Bank, the Commonwealth Secretariat, Debt Relief International and the United Nations Institute for Training and Research; and recent collaborations have involved the WTO Institute for Training and Technical Cooperation (ITTC) and the African Trade Policy Centre (ATPC) of the Economic Commission for Africa (ECA).

Touching on the workshop, the Director General observed that CGE models are generally recognized as the best tools to analyze the micro-economic impacts of macro-economic policies and more particularly the trade policies impacts on the poverty; the models again widely used for policy-analysis in many countries because they provides both an economy-wide assessment of policies and a framework in which the workings of policies can be more easily understood: And as many countries battling with modeling the labor market as well as the environmental externalities, CGE models are perceived to provide the solution. However, the perceived complexity of this analytical approach, and the concentration of capacity within a small number of academic or related institutions, have generally led policy-makers, analysts and other researchers to avoid directly using CGE models in their analysis or decision-making.

Finally, the Director General formally welcomed participants and enjoined them to maximize this opportunity to deepen their professional networking relationships with other fellow participants as this

would further enhance integration in the sub-region.

In his keynote address, the Governor of the Central Bank of The Gambia, Hon. Amadou Colley, remarked that computable general equilibrium models are among the most rigorous, cutting-edge quantitative methods to evaluate the impact of economic policy shocks in the economy. He argued that computable general equilibrium models are by their nature very useful for policy design and have informed the design of structural adjustment policies, as well as activities and programs in international trade, public finance, agriculture, income distribution and energy and environmental policy. He made a compelling case for deploying CGE models in the context of sustainable development programmes, which he stated, have proven difficult to define and susceptible to ambiguities. He asserted that computable general equilibrium models can incorporate several key sustainability indicators in a single macro-consistent framework, allowing for a systematic quantitative trade-off analysis between and among environmental quality, economic performance and income distribution.

The objective of the workshop was to train participants on how to build and use computable general equilibrium modeling to undertake policy impact assessment and scenario analysis and to apply it to issues related to Economic Partnership Agreement (EPA). Again the workshop was designed to introduce to participants, all the fundamental tools for constructing and implementing multi-sector applied general equilibrium models for policy analysis and detailed hands-on experience in building open economy general equilibrium models using the GAMS software.

The broad themes covered included:

- Building open economy models using the GAMS software;
- building the database for such model;
- building social accounting matrices (SAM);
- calibrating a computable general equilibrium model;
- formulating a computable general equilibrium model as a nonlinear programming problem;
- Formulating a computable general equilibrium model as a mixed complementarity problem;
- modeling the labour market;
- Modeling trade; and
- formulating scenarios and running policy simulations.

Facilitating the workshop was Professor Ali H. Bayar, Chief Executive Officer and President of ECOMOD, a global economic modeling network. Twenty three (23) participants from Central Banks, Ministries, Departments and Agencies (MDAs), WAMA and ECOWAS Commission were in attendance. Participants were mainly senior and executive officials from The Gambia, Ghana, Liberia, Nigeria, Sierra-Leone and Guinea.

The workshop began with an introduction to the GAMS software. Writing GAMS codes and understanding the structures of GAM syntax and logic were covered during this segment. Reference and reading materials were given to participants to enhance their understanding of the GAMS software. The workshop deliveries were built around seven modeling exercises; ECOMOD1, ECOMOD2 ... ECOMOD7. The aim was to progress from a simple model with one household, two production factors, two firms, two commodities, two sectors and no intermediate input, through models with intermediate inputs, investment demand and government and taxes to a final open economy model. In the open economy model, domestically produced commodities are allocated to a domestic and export market, while imported commodities are combined with domestically produced goods into a composite good by a constant elasticity of transformation production function.

The open economy computable general equilibrium model approximates macroeconomic reality as seen in WAIFEM countries and affords the full spectrum of policy simulations that are of interest to policymakers and policy analysts. Among several simulations, participants simulated the impact of tariff changes on international trade flows and assessed public sector impacts on gross capital formation and the level of employment.

At the end of the workshop, participants were tasked to evaluate the workshop in terms of their general opinion and knowledge on the subject matter; quality of the lectures and presentations; interaction with course facilitators. The evaluation showed the following:

- 100 per cent of the participants indicated that the general objective of the workshop was achieved.
- 99.6 per cent of the participants evaluated the quality of lectures and presentations as excellent.
- Over 99 per cent indicated very good interaction with the workshop facilitator.
- Duration of the workshop was rated to be very good by 98 per cent of the participants.
- 100 per cent indicated very good responses in terms of practical exercises and case studies.
- Finally, 99 per cent of the participants indicated that the logistics arrangements for the workshop activity were very good.

Observations

The participants made the following observations and recommendations:

- Given the complexity of both GAMS and computable general equilibrium modeling, two-week training appears insufficient;
- Many participating countries do not appear to have readied Social Accounting Matrices (SAM) at the level required for realistic policy simulations. It may be that countries would have to be given some time to develop SAM or refine

them to the rigor of computable general equilibrium modeling.

- Within the sub-region, there is need for capacity support in the area of economic modeling, particularly computable general equilibrium in modeling;
- There are significant data gaps, in most ECOWAS member states;
- Participants observed the promptness with which WAIFEM responded to their various needs;
- Participants realized that WAIFEM and the ECOWAS Commission chose the best in the field of computable general equilibrium modeling to deliver the course

Recommendations

In light of the above observations, the participants recommended that:

- A follow-up training is held preferably in the next three months, to develop higher level GAM programming and computable general equilibrium modeling competencies. During this training, Social Accounting Matrices from member countries would provide the core of more elaborate and extensive modeling and policy simulations;
- More resources be provided to both ECOWAS and WAIFEM to continue building capacity in economic modeling;
- ECOWAS assist member states in developing more computable general equilibrium compatible SAM;
- Statistical offices in member states are strengthened to provide timely and reliable data.

Presenting their communiqué at the end of the workshop, participants expressed their profound thanks and appreciation to the management and staff of WAIFEM for the training; to the facilitator, Professor Ali Bayar for his remarkable patience and skill demonstrated during the period. Finally, they thanked the African Capacity Building Foundation (ACBF) for sponsoring the training, and the ECOWAS Commission as well.

1.4.15 COURSE ON TECHNIQUES OF ECONOMIC ANALYSIS, MONETARY POLICY AND FINANCIAL MANAGEMENT FOR STAFF OF CBN. LAGOS, NIGERIA, NOVEMBER, 5 - 23, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized a national course on Techniques of Economics Analysis, Monetary Policy and Financial Management specifically for new Staff of the Central Bank of Nigeria here in Lagos from September 3-21, 2012.

The course was declared open by the Director General of WAIFEM, Professor Akpan H. Ekpo. Also

present were the Head of the CBN Learning Centre, Elder Job Olorunsola and other officials. Representing the Facilitators at the opening ceremony was Prof. Olu Ajakaiye, Executive Chairman, African Centre for Shared Development, Ibadan.

In his keynote address, Professor Ekpo remarked that the techniques often adopted for economic analysis are the building blocks for macroeconomic management designed to sharpen the analytical skills of relevant technical staff of institutions and government agencies involved in economic management. He also stated that the current global economic crises from 1980s to the recent one that started in 2007 have made it mandatory for institutions involved in economic management to build and strengthen their indigenous capacity for policy making and analysis. In his opinion, given the recent reform measures in the Central Bank of Nigeria which are geared towards ensuring a sound, strong and stable financial system, it is only fitting that these reforms be complemented with sustained capacity building to provide a ready manpower base that keys into the bank's agenda. According to him, capacity building is an essential component of an institution's reform agenda. The Director General concluded his address by emphasizing the need for a strong manpower base to effectively and efficiently ensure the right policy making for the country. He also enjoined all participants to interact with the team of experienced experts that facilitated the course in order to maximize their proficiencies.

The main objective of the workshop was to upgrade and broaden the knowledge and skills of participants in the formulation of monetary policies and conduct of effective monetary operations to ensure financial system stability. The course also explored various ways available at modelling monetary policy in a central bank in the context of both policy simulation and forecasting. Recent developments in money market operations were equally covered, including the response of central banks to the recent financial market turbulence. In addition, the course considered how monetary operations interact with a central bank's financial stability and regulatory mandates.

The main themes covered during the course include:

- Structure of the Nigerian Economy, 2000-2010;
- Basic Macroeconomic Framework;
- Inter-Relationships among Strategic Business Units (SBUs) in the Economic Policy Directorate (EPD) and their roles in the Central Bank of Nigeria (CBN);
- The Open Economy Macroeconomics: Monetary and Fiscal Policy, Balance of Payments and Exchange Rates;
- Exchange Rate Management and Policy Implications;
- Money, Interest Rates and Exchange Rates;
- Inflation, Unemployment and Economic Policy in

an Open Economy I: The "Phillips Curve";

- Growth Models;
- Introduction to Financial Programming;
- Output, Expenditure and Prices-Analysis and Forecasting;
- Balance of Payments Accounts and Forecasting;
- Forecasting the Baseline Scenario-Fiscal Sector;
- Forecasting the Baseline Scenario-Monetary Sector;
- Targets of Monetary Policy; Major Challenges of Monetary Policy;
- Economic Policy Coordination;
- Fiscal Policy and Fiscal Sustainability in Nigeria;
- Debt Sustainability Analysis in Nigeria;
- Research Methods I,
- Economic Modelling and Forecasting: Conceptual Framework and the CBN Experience;
- Introduction to Econometrics and Econometric Software: Eviews;
- Analysis of Survey Data Using SPSS; and
- The Design and Tools of Monetary Policy.

The course was facilitated by a team of experienced experts drawn from WAIFEM faculty, the Central Bank of Nigeria and the academia. The course was attended by thirty four (34) participants from the Economic Policy Directorate (EPD) of the Central Bank of Nigeria.

1.4.16 REGIONAL COURSE ON MODELLING AND FORECASTING FOR MONETARY POLICY ANALYSIS FOR DIRECTORS OF RESEARCH AND SENIOR ECONOMISTS. LAGOS, NIGERIA, NOVEMBER 26 - 30, 2012

The West African Institute for Financial and Economic Management (WAIFEM) organised a one week Regional Course on Modelling and Forecasting for Senior Economists and Directors of Research in Lagos, Nigeria from November 26 - 30, 2012.

The opening ceremony was chaired by the Director General of WAIFEM, Prof Akpan H. Ekpo. Others in attendance included the facilitator for the course Prof Francesco Zanetti, Economics Department of the University of Oxford; Director of Debt Management Department, Mr. Baba Musa; Director of Macroeconomic Management Department, Dr. Johnson Asiama, and the Director of Administration and Finance, Mr. Euracklyn Williams.

In his keynote address the Director General of WAIFEM thanked and welcomed the facilitator, Prof Francesco Zanetti to WAIFEM. He also welcomed the participants of the course to Lagos, Nigeria. In a brief overview of WAIFEM, the Director General indicated that the primary objective of the institution was principally to build capacity for improved macroeconomic and financial management in the

constituent member countries. He mentioned that the initial aim of WAIFEM was to focus on customized short term training programmes until 2001 where the concept of integrated approach to capacity building was implemented which goes beyond training to include organizational and institutional aspects.

The Director General mentioned some of the partners of WAIFEM as the International Monetary Fund (IMF), the World Bank and African Development Bank (AfDB), Commonwealth Secretariat, Development Finance International (DFI), the United Nations Institute for Training and Research (UNITAR), and the African Capacity Building Foundation (ACBF) to ensure high quality programmes. He acknowledged the partnership support from the ACBF for the hosting of the course.

With respect to the course, the Director General noted that the significance of the course cannot be overstated and acknowledged the importance of modelling and forecasting underpinned by appreciable understanding of the framework of the dynamic stochastic general equilibrium (DSGE) modelling and its application for analysis of economic development. He said this is important to countries for investigating the transmission mechanism to a number of different shocks; make short and long term significant projections in order to establish the path to be followed by policy makers, among others.

The Director General indicated that for a better appreciation of the DSGE, there is a need to customize it for assessing trends and developments in the domestic economy and external environments as well as the simulation and evaluation of the impact of monetary and fiscal policies over the medium term. He concluded that there is the need for policy-makers to have a clear understanding of the transmission mechanism to a number of different shocks, which is realized through DSGE methods based largely on an understanding of developments of the economy.

The course was precisely designed to upgrade the analytical skills of participants in understanding the framework of general equilibrium modelling and its application for analysis of their respective economies; to help strengthen their capability in developing, solving and analysing models for policy advice and decision making.

The main areas covered during the course included:

- Basic DSGE Models;
- Calibration of DSGE Models and Stochastic Simulations;
- Evaluation of DSGE Models; and
- Conditional Forecasting with emphasis on Bayesian, Maximum Likelihood, and Fan Chart approaches to estimation.

These were complemented by hands-on exercises using Winsolve and Matlab computer packages.

The main facilitator for the course was Prof. Francesco Zanetti, a lecturer from the Department of

Economics, University of Oxford UK, assisted by Dr Michael Adebiji from the Central Bank of Nigeria. The course was attended by twenty-eight (28) participants comprising twenty-seven (27) males and one (1) female from Central Banks, WAMI, Ministries of Finance and Economic Planning, Statistics Offices, Revenue and other Public Agencies and the University of Lagos.

The analysis of the completed evaluation questionnaire by the participants at the end of the course, revealed the following:

- 98.5 per cent of the participants agreed that the general objective of the course was achieved;
- About 98.9 per cent of the participants agreed that the course provided them with adequate understanding of modelling and forecasting using DSGE and its packages;
- Also 98.8 per cent of the participants asserted that the course has equipped them with the necessary tools and skills relating to DSGE and its packages;
- Almost 98.2 per cent of the participants declared that the impact of the resource persons as a team was very good;
- All the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- On the whole, 99.0 per cent of the participants rated training materials and documentation to be of very good quality;
- Exactly 98.0 per cent acknowledged that the contents of the lectures were good;
- On overall expectations, nearly 98.9 per cent of the participants were in agreement that their overall expectations about the course were met.

The following observations and recommendations were made in the communiqué presented by the participants at the end of the course.

Observations

- The DSGE software (dynare) and the E-views software packages used in the practical sessions are most times not available in institutions, which will make it difficult for participants to put into practice the skills and techniques they have acquired from the course;
- The course was very intuitive and important in individual settings, since modelling and forecasting are fundamental in policy formulation and analysis;
- The one (1) week period allotted for the course was inadequate;
- There were excellent presentations by the facilitators. However, the practical exercise sessions could have been enhanced if the facilitators had prepared and distributed to participants step-by-step procedures for using the various computer softwares to execute and

simulate models;

- The course was planned sequentially and lectures timely adhered to;
- The course was highly interactive with participants being opportune to freely express themselves on issues under discussion such that there was an atmosphere of cordiality among the participants and the facilitators;

Recommendations

- institutions participating in the courses should make sure that they have the necessary econometric software packages to allow participants put into practice the skills and techniques acquired from the course;
- there is the need to strengthen networking among participants;
- duration of the course should be extended to at least two (2) weeks to allow more time for practical sessions;
- learning materials to participants in advance before arrival to commence training course;
- materials should be made available to participants on the website.

Participants expressed their sincere appreciation to WAIFEM and the facilitator, Prof. Francesco Zanetti, for organising the course. They generally agreed that the knowledge, skills and insights acquired from this course will go a long way in enhancing their capacity in modelling and forecasting with better understanding of the framework of general equilibrium models for analysis of developments in their individual economies for informed policies advice and decision making.

1.4.17 COURSE ON TECHNIQUES OF ECONOMIC ANALYSIS, MONETARY POLICY AND FINANCIAL MANAGEMENT FOR STAFF OF CBN. LAGOS, NIGERIA, NOVEMBER 26 DECEMBER 14, 2012

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Central Bank of Nigeria organized the first run of the Economic Policy Technical School on Techniques of Economics Analysis, Monetary Policy and Financial Management for new Staff of the Central Bank of Nigeria (CBN) in Lagos from November 26 December 14, 2012.

The specific objectives of the course were to upgrade and broaden the knowledge and skills of participants in modern macroeconomic analysis as well as the formulation of monetary policies and conduct of effective monetary operations to ensure financial system stability. The course explored various ways available at modelling monetary policy in a central bank in the context of both policy simulation and forecasting. Recent developments in money market operations were equally covered, including the response of central banks to the recent

financial market turbulence. In addition, the course considered how monetary operations interact with a central bank's financial stability and regulatory mandates.

The main themes covered during the course included:

- Structure of the Nigerian Economy, 2000-2010;
- Basic Framework for Macroeconomic Analysis;
- Inter-Relationships among Strategic Business Units (SBUs) in the Economic Policy Directorate (EPD) and their roles in the Central Bank of Nigeria (CBN);
- Open Economy Macroeconomics: Monetary and Fiscal Policy in the Open Economy, Balance of Payments and Exchange Rates;
- Exchange Rate Management and Policy Implications;
- Money, Interest Rates and Exchange Rates
- Inflation, Unemployment and Economic Policy in an Open Economy: The "Phillips Curve";
- Growth Models;
- Introduction to Financial Programming;
- Output, Expenditure and Prices-Analysis and Forecasting;
- Balance of Payments Accounts and Forecasting;
- Forecasting the Baseline Scenario-Fiscal Sector;
- Forecasting the Baseline Scenario-Monetary Sector;
- Targets of Monetary Policy;
- Major Challenges of Monetary Policy; Economic Policy Coordination;
- Fiscal Policy and Fiscal Sustainability in Nigeria;
- Debt Sustainability Analysis in Nigeria;
- Research Methods, Economic Modeling and Forecasting: Conceptual Framework and the CBN Experience;
- Introduction to Econometrics and Econometric Software: Eviews;
- Analysis of Survey Data Using SPSS; and
- Design and Tools of Monetary Policy.

The course was facilitated by a team of experienced experts drawn from WAIFEM faculty, the Central Bank of Nigeria and the academia. The course was attended by thirty four (34) participants from the Economic Policy Directorate of the Central Bank of Nigeria (CBN).

The analysis of the completed evaluation questionnaire by the participants at the end of the course, revealed the following:

- About 98.5 percent of the participants agreed that the general objective of the course was achieved.
- Also 92.5 percent of the participants acclaimed that the course has equipped them with information relating to basic tools in

macroeconomics and basic forecasting techniques.

- It was asserted by 92.3 percent of the participants that the course provided them with adequate understanding of basic financial programming.
- Almost 94.8 percent of the participants adjudged the impact of the resource persons as a team to be very good.
- All the participants unanimously consented that the knowledge and skills acquired from this course would improve their job performance.
- 76 percent of the participants agreed that the blend of plenary and group exercise was effective in the delivery of the course.
- Overall, 88 percent of the participants rated training materials and documentation to be of very good quality.
- Specially, 93.5 percent acknowledged that the contents of the lectures were good and 94.4 percent agreed that the quality of presentation was good. However, some of the participants indicated that the time allotted for the lectures should be reviewed.
- Regarding the overall expectations, 98.8 percent of the participants were in agreement that their expectations about the course were met.
- Finally, 97.8 percent of the participants agreed that the administration and coordination of the course by WAIFEM was efficient and effective.

The participants issued a communiqué at the end of the course, and made the following observations and recommendations:

Observations

- Following the presentations by the facilitators and the hands-on-work experiences shared by participants, the following observations were made:
- The time allocated for topics on modeling, forecasting and financial programming that require practical and hands-on exercises was inadequate;
- Limited access to necessary statistical / econometrics software packages for post-

course routine uses;

- Accommodation- Participants were not accommodated in the WAIFEM accommodation blocks, hence compromising on the level of convenience suitable for a 3-weeks programme.

Recommendations

In line with the above observations, the participants recognized and considered it appropriate to make the following topical recommendations:

- Courses on research, report writing skills and presentation techniques should be organized for all staff of the Economic Policy Directorate;
- Sufficient time could be allocated for topics on empirical investigations and modeling that require practical and hands-on exercises;
- Step-by-step procedure on how to conduct different types of empirical investigations could be clearly documented for participants to ease application after the training and provide handy reference;
- The course structure and content should incorporate more practical exercises, case analysis and group work/presentations;
- Refresher courses could be organized for staff in the Economic Policy Directorate on an on-going basis;
- A more conducive accommodation that can make the learning experience truly worthwhile should be provided for participants throughout the course duration.

The participants expressed their sincere gratitude to the Management of the Bank and WAIFEM for the opportunity to attend the course. They again appreciated the facilitators and staff of WAIFEM who contributed to make their learning experience and stay worthwhile. In conclusion, they unanimously agreed that the objectives of the course were considerably achieved, and that they were able to understand and appreciate the **“Techniques of Economic Analysis, Monetary Policy and Financial Management”** and would continuously deploy the knowledge acquired in the discharge of their job functions for the attainment of the over-all mandate of the Bank.

1.5 BUSINESS DEVELOPMENT UNIT

1.5.0 INTRODUCTION

The Business Development Unit organized the maiden edition of Private Sector Awareness Courses program with the launch of a course on Corporate Governance and Effective Board Control. The programmes benefitted 9 officials from central banks, commercial banks and national port authority. The detail of the course is as follows:

1.5.1 REGIONAL COURSE ON CORPORATE GOVERNANCE AND EFFECTIVE BOARD CONTROL, LAGOS, NIGERIA, SEPTEMBER 9 - 11, 2012.

The regional course on Corporate Governance and Effective Board Control is the first in a series of private sector-oriented seminars, workshops and training courses organized by the Business Development Unit of The West African Institute for Financial and Economic Management (WAIFEM). The regional training course took place from September 9 - 11, 2012 at Sunfit Hotel, Festac, Lagos, Nigeria.

The opening ceremony/cocktail was chaired by the Director General of the West African Institute for Financial and Economic Management (WAIFEM). Other dignitaries at the occasion included the Director of Administration and Finance, Mr. Euracklyn Williams; Director of Debt Management, Mr. Baba Musa; Director of Financial Sector Management Department, Mr. Ousman Sowe; and a representative of the facilitators, Mr. Iniodu Akpan.

In his welcoming remarks, the Director General of WAIFEM intimated that the key function of the Business Development Unit (BDU) would be the design and implementation of private sector oriented training courses, seminars and workshops on topical issues affecting the private sector. He further stated that the BDU would create the fora for private and public sector officials to interact and share experiences with the aim of improving their performances; so as to foster the economic integration of the sub-region.

Touching on the relevance of the course, the Director General noted that the spate of frauds and corporate scandals that marked the global economic and financial crises have propelled governments, investors, regulators and other stakeholders to place greater emphasis on corporate governance. He reiterated the need for organizations in the region to have effective boards and to comply with fundamental principles of good international corporate practice. He expressed the hope that the

course would equip participants with an in-depth knowledge of the operational benefits of good governance for long term prosperity of their organizations.

In his concluding remarks, the DG expressed his pleasure at the assemblage of a team of experienced and competent resource persons, careful selection of qualified participants and urged all participants to optimize the opportunity to enhance their knowledge and skills by freely interacting and sharing their experiences with the faculty. He welcomed participants and facilitators to the regional course, especially those who were visiting Nigeria for the first time.

This course was aimed at examining the principles of corporate governance and the role of effective executive board in ensuring the success of organizations. It was specifically designed to enable participants appreciate the operational benefits of good governance for long term prosperity of their organizations and develop key competencies required to implement strong governance policy framework. The main themes discussed during the workshop included:

- Corporate Governance: Concept, Principles and Standards;
- Forces Driving Reforms in Corporate governance;
- Corporate governance: Role and Responsibilities of Stakeholders;
- Implementation of good corporate Governance in Developing Countries: Prospect and challenges;
- The Role of Corporate Governance in Private and Public Sector Management: An operator's Perspective; Role of Directors in Maintaining Good Governance;
- Board Structure and Maximizing Board Effectiveness; and
- Corporate Governance Guidelines for Banks in the WAMZ.

The facilitators were drawn from different institutes, namely: West African Monetary Institute (WAMI), Deloitte Consulting, and Vianney Consult limited. A total of 9 senior/executive directors and board members from Liberia, Sierra Leone, Gambia, Ghana, and Nigeria attended the course. The institutions represented were Central Banks, Commercial Banks, and National Port Authority.

At the end of the course, participants evaluated the course very highly in terms of their general opinion and knowledge on the subject matter, quality of the lectures and presentations; and interaction with

made the following observations:

- The group exercises were not sufficient.
- There was no break between sessions;
- There were insufficient practical case studies. Video of role plays should be introduced in future courses;
- The course fees should be more flexible to permit higher participation; and
- Time duration for the course and presentation was too short. At least three full days should be adopted in future programmes, among others.

The participants also recommended the following:

- Practical policy issues arising from African

experiences should be the focus of future programme and hypothetical situations created for participants to apply the knowledge gained. For instance, there are cases in African countries that can be used, such as the oil subsidy scandal in Nigeria, etc.;

- The lecture materials should be sent in advance to participants;
- Introduce break-out sessions and group presentations;
- Facilitators should be allotted more time for presentations; and
- Create time for tour and shopping, among others

2.0 ADMINISTRATION AND FINANCE DEPARTMENT

2.1 ADMINISTRATION

2.1.1 Additional Offices, Accommodation and Demand Driven Programmes

The host bank, Central Bank of Nigeria (CBN), during the first quarter of the year, provided the Institute with additional office space for staff. In order to relieve the housing problems, the CBN also allocated additional flats to the Institute for the use of its staff.

In addition to creating a conducive working environment for staff of WAIFEM, the CBN also supported the Institute through demand driven programmes executed by WAIFEM for staff of the CBN. Funds from these programmes helped to cushion rising cost of operations due to the oil subsidy removal.

2.1.2 Staff Training and Attachment Programme

2.1.2.1 Training

In order to enhance staff performance, some staff of the Institute benefitted from training programmes offered by WAIFEM and other training organizations to include the following:

The Executive Assistant and Human Resource Assistant attended the Regional Course on Managing Human Resource for Organizational Effectiveness;

- The Assistant Systems Administrator attended a five-day Computer Ethical Hacking Workshop organized by Ash-Shams Limited in Lagos, Nigeria;
- The Internal Auditor attended WAIFEM's Regional Course on Public Financial Management, Budgeting, Planning and Performance;
- The Manager, Administration attended WAIFEM's Regional Course on Specialized Report Writing Skills and Presentation Techniques;
- The Director, Administration and Finance, Senior Accountant, Internal Auditor, Manager (Administration) and Assistant Accountant attended the Regional Course on International Financial Reporting Standards (IFRS); and

2.1.2.2 Training Attachment

In an effort to increase the number of regional experts at WAIFEM and implement the recommendations of the evaluation report made by HIPC CBP monitor

(UNIVERSALIA), the Senior Programme Manager (Macroeconomic Department) and Programme Manager (Debt Department) went on a one week training attachment to Debt Relief International (DRI) in London on Debt Sustainability Analysis using DSF-LIC framework. The attachment programme was financed by the HIPC CBP fund. The main objectives of the debt expert attachment were to develop and consolidate a sustainable capacity to conduct DSA in WAIFEM region using a pool of trained regional experts including WAIFEM staff.

The World Bank-IMF DSA LIC framework aims to support Low-Income Countries' (LICs) efforts to achieve their development goals without creating future debt problems. It also aims to keep countries that have received debt relief under the HIPC Initiative and the MDRI on a sustainable track. The framework allows creditors to tailor their financing terms in anticipation of future risks and helps clients balance the need for funds with the ability to repay their debts. In addition to helping creditors tailor their terms, the framework serves as the basis for IDA financing decisions regarding the grant-loan mix, which is linked directly to the country's risk of debt distress rating under the DSF assessment

2.1.3 Commencement of Activities in the Research Sub-Unit of WAIFEM

In order to establish linkages and synergy between the research activities of member countries' institutions and other national and regional economic policy centres, the Research Unit undertook visits to establish contacts with Research Department of WAIFEM member central banks and other economic agencies of government. During the visits, the Unit also embarked on data collection and survey missions to begin the establishment of a database at WAIFEM.

During interaction with officials of the research departments of central banks and economic analysis units in the ministries of finance and the statistical offices, discussions were held with respect to establishment of a statistical database; building capacity in balance of payment (BPM-6), national account data, collection and analysis techniques; segmenting the Econometric modeling course in introductory, intermediate and advanced levels; constant training and retraining of debt management officials; conducting research on the potential of the informal and real sectors of the West African economies; and study on Capital Account

Liberalization and Currency Convertibility, among others.

The Unit also organized the maiden edition of the In-House Seminar on the topic "Fiscal Dominance and Macroeconomic Management in ECOWAS", written by Akpan H. Ekpo, Director General and Dr. Johnson P. Asiana, Director, Macroeconomic Management Department of WAIFEM.

2.1.4 Commencement of Activities in the Business Development Unit

The Business Development Unit (BDU) under the office of the Director General took off with the WAIFEM's Senior Management visitation to the Financial Institution Training Centre (FITC) to get familiar with commercializing the BDU. To assist the Director General in this regard, a consultant, Dr. Elijah Udoh has been appointed to drive the process.

The Institute organised the BDU's maiden course on Corporate Governance and Effective Board Control at Sunfit Hotel, Festac, Lagos, Nigeria. The course enabled participants appreciate the operational benefits of good governance for long term prosperity of their organizations and develop key competences required to implement strong governance policy framework. Senior/executive directors and board members from the central banks, commercial banks and National Port Authority from Ghana, the Gambia, Liberia, Nigeria and Sierra Leone attended the course.

2.1.5 International Relations

2.1.5.1 11th Annual Regional Meeting organised by the Global Development Learning Network (GDLN)

The systems Administrator represented the Institute at the above- mentioned programme in Quidah, Republic of Benin from May 29 - 31, 2012. The meeting was attended by 10 African countries, the World Bank GDLN Africa Region, CEDEAO, ECOWAS Commission and WAIFEM.

The main objective of the meeting was to check on the functionality of the Video Conferencing and to share experiences on the types of connectivity used by different centres.

The importance of the meeting to the Institute cannot be overemphasized. As WAIFEM plans to include distance learning in its activities, there is the need to understand the functions of the video conferencing equipment. The acquisition of the equipment (e-learning V.C) has already been approved by the African Capacity Foundation (ACBF).

2.1.5.2 Meetings with the International Monetary Fund (IMF) and the World Bank

At the regular annual meetings held in Washington, WAIFEM discussed with the relevant officials about the need for the expansion of the technical assistance currently provided by the two Bretton-Woods Institutions. While the Economic Policy Department seems willing to continue to offer technical assistance to WAIFEM's debt management programmes, the IMF now considers cost-sharing on two courses it partners with the Institute to deliver. Discussion regarding the enhancement of the technical assistance was held at the Annual meeting in Tokyo, Japan. The financial market department, statistics department and the World Bank Institute also expressed willingness to collaborate with WAIFEM.

2.1.5.3 Meeting with the African Development Bank (AfDB)

Following the meeting with our counterpart, the Macroeconomic Management Institute for Eastern and South Africa (MEFMI) on the possibility of collaboration and seeking donor funding, the African Development Bank (AfDB) invited the two institutions to a meeting during its annual meetings in Arusha, Tanzania from May 28 - June 1, 2012. The meeting was presided over by Prof. Victor Murinde, Director of AfDB Institute.

Both WAIFEM and MEFMI tabled the need to finance capacity building and training on macroeconomic management courses in nineteen (19) sub-Saharan African countries through the two regional institutions. From the discussion held, AfDB appears willing to assist both WAIFEM and MEFMI in terms of technical support as well as funding. All the parties are presently discussing the modus operandi of the relationship.

2.1.5.4 African Capacity Building Foundation (ACBF) Visit to WAIFEM

The ACBF visited the Institute from June 19 - 21, 2012 on a supervision mission to review the conditions precedent to the take-off of WAIFEM III. The ACBF Senior Programmes/Knowledge Manager (Mr. Dickson Antwi) had several meetings with the Institute on the new guidelines for procurement and other issues relating to the drawdown of the phase III grant. At the end of the visit both parties signed an Aide memoire to jump start WAIFEM III. The ACBF official re-iterated the importance of WAIFEM maintaining its status as a "Centre of Excellence" in capacity building and training.

2.1.6 Courtesy Calls

2.1.6.1 Working Visit by Central Bank of the Republic of Guinea Delegation

A two-man delegation from the Central Bank of the Republic of Guinea comprising Mrs. Raguiata Bah,

Manager of Training and Capacity Building and Mr. Souleymane Tall, Deputy Manager of Banking Supervision visited the Institute on March 15, 2012. During the visit, a presentation was made on the establishment, objectives, mission and vision of WAIFEM after which, the visitors were subsequently taken on a tour of the Institute's facilities.

2.1.3.2 Working Visit to the Central Bank of the Republic of Guinea

The Director General and the Director, Administration and Finance paid a working visit to the Central Bank of the Republic of Guinea from June 24 - 26, 2012. The purpose of the meeting was to inform the Bank of

the inner workings of the Institute as well as share the efforts undertaken by the Institute to ensure that the Bank and relevant institutions enjoys the benefit of being a member of WAIFEM. In addition, WAIFEM solicited the training needs of the Bank and its full participation in the activities of the Institute. The ministries of Finance and Economics as well as Planning were also visited. Useful discussions were held and all the agencies pledged their commitment toward a cordial relationship with WAIFEM. Based on the capacity needs of the Central Bank and other relevant public institutions, it may be necessary to carry-out in-country training in various areas of macroeconomic and financial management.

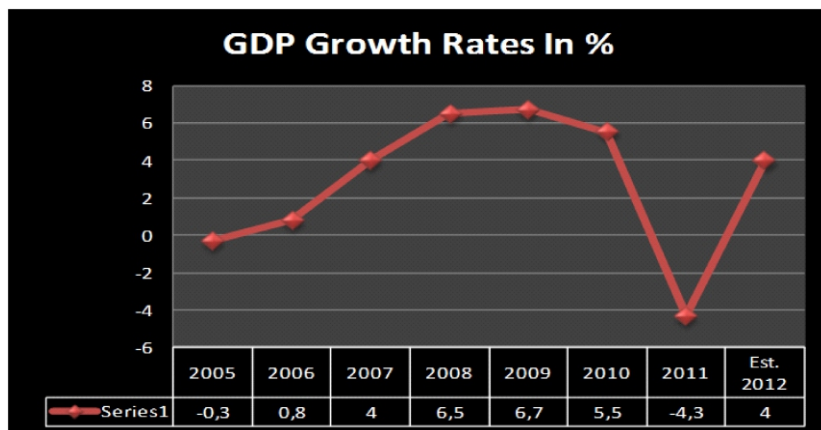
3.0 WAIFEM COUNTRIES ECONOMIC REPORTS

3.1 THE GAMBIA

3.1.0 Overview

The Gambian economy faced significant challenges in 2012 on account of the crop failure in 2011. Crop production declined by about 62 percent, leading to a significant drop in exports and foreign exchange earnings of the country. Gross Domestic Product (GDP) growth was estimated at 4.0 per cent in 2012 on account of the moderate recovery of the agricultural sector from the 2011 drought that further weakened economic activity in the first half of 2012 and strong performance of the tourism sector. Tourism, which staged a strong rebound in 2011, continued to grow in 2012 (by about 10 percent), partly reflecting access to new markets in northern and eastern Europe. Manufacturing weakened in early 2012, especially groundnut processing, while construction remained soft throughout the year. Despite pressure on food prices and a weakening of the Gambian dalasi, inflation remained under control (4.9 percent year-on-year in December 2012).

Real GDP (at Factor Cost) Growth Rates



3.1.1 Monetary Policy

The focus of monetary policy remains the maintenance of stability and the support of Government's overall macroeconomic objective of sustaining high growth for poverty reduction. In 2012, the objective was to contain inflation below 6.0 percent.

Challenge for monetary policy in 2012 was the emergence of inflationary pressures from the high import demand resulting from the drought in 2011 and elevated prices in the global commodities market. The continued depreciation of the domestic currency

vis-à-vis major international currencies and expansionary fiscal policy ensured continued presence of inflationary pressures. Nonetheless, monetary policy was able to achieve and maintain low and subdued inflation throughout the year. The decline in headline inflation was consistent with the deceleration in the growth of monetary aggregates.

To this end and with the expectation that inflation will remain in single digit in the face of easing of global food prices, the Bank's Monetary Policy Committee (MPC) relaxed its policy stance during the course of the year by reducing the rediscount rate twice as well as the reserve requirement ratio. The monetary policy committee voted to reduce key policy rate in January and July 2012 to 12.0 percent and as well reduced the reserve requirement in May 2012 by two (2) percentage points to 10 percent. Relaxing the monetary policy stance is a sensible move to support growth given low inflationary environment.

3.1.2 Monetary Developments

Monetary Policy Instruments

The Central Bank of the Gambia operates a money-targeting regime where the reserve money is the operating target and broad money the intermediate target. The Bank sets targets for key monetary aggregates as well as end-of-year inflation. To meet the reserve money target, open market operations (weekly auctions of Treasury Bills) remains the major tool for liquidity management. Other complimentary policy tools including foreign exchange intervention and the statutory reserve requirement ratio may also be used. In addition, the Bank uses its rediscount interest rate to signal changes in the policy stance. The rediscount rate is set by the Bank's Monetary Policy Committee (MPC) in its bi-monthly meetings.

Net Foreign Assets (NFA)

The net foreign assets of the banking system rose to D4.9 billion or 7.9 percent in December, 2012 relative to 13.1 percent in the corresponding period last year, due largely to the increase in the net foreign assets of the Central Bank. The net foreign assets of the Central Bank rose to D3.0 billion or 11.4 percent in 2012 compared to 15.9 percent in 2011. Foreign

assets of the Bank increased to D6.6 billion or 20.3 percent while foreign liabilities increased to D3.2 billion or 31.7 percent.

The net foreign assets of deposit money banks rose slightly to D1.5 billion or 0.6 percent in 2012 compared to 7.7 percent in 2011. The sluggish growth in the net foreign assets of commercial banks is due, in the main, to the substantial increase in their foreign borrowing.

Foreign assets of commercial banks rose markedly to D2.7 billion or 39.9 percent in December, 2012 compared to 14.3 percent in the corresponding period a year earlier. Balances held with foreign banks, including head offices and branches, rose to D2.2 billion or 58.5 percent whilst foreign currency holdings and other foreign investments decreased to D264.1 million and D274.7 million or 7.4 percent and 3.0 percent, respectively.

Similarly, foreign liabilities of commercial banks increased substantially to D1.3 billion in 2012, from D493.5 in 2011, an increase of 156.5 percent over the period. Balances held for foreign banks stood at D72.5 million in December 2012 compared to D59.4 million in December 2011. Foreign borrowing rose to D1.2 billion in December 2012 from D434.0 million in December 2012.

Net Domestic Assets (NDA)

The net domestic assets of the banking system rose to D11.0 billion or 7.7 percent in December 2012 relative to 10.1 in 2011. Domestic credit grew to D12.6 billion or 10.4 percent, down from 13.3 percent in the corresponding period a year earlier. The increase in domestic credit mainly reflects the substantial increase in the banking system's net claims on government. Private sector credit growth, on the other hand, continues to be modest.

Growth in the banking system's net claims on government rose markedly from last reported in September 2012. Year-on-year, the banking system's net claims on government rose to D7.0 billion or by 17.3 percent at end-December 2012, higher than 4.2 percent reported in September 2012 but lower than 20.6 percent in 2011. Government's share of overall credit in the economy remains high at 55.8 percent compared to 52.5 percent a year earlier.

Developments in Deposit Money Banks' Credit

Private sector credit expansion slowed significantly in 2012. Year-on-year, the banking system's claims on private sector rose by 13.4 percent in November 2012 after growing by 7.6 percent and 12.1 percent in October and September 2012, respectively. However, private sector credit growth slowed substantially to 4.3 percent in

December 2012 compared to 8.8 percent a year earlier. As a result, private sector credit accounted for about 38.1 percent of overall domestic credit compared to 40.3 percent a year earlier.

The period preceding 2009 was characterized by rapid credit expansion, especially to the private sector. However, since then the banking system cut back lending to the private sector to absorb the large amount of non-performing loans and to reduce risk by tightening credit standards. The ratio of non-performing loans to gross loans, although declining recently, is still considered to be high. The Central Bank's effort to boost lending by reducing reserve requirement by 2 percentage points to 10 percent did not translate to increased credit to private sector.

Banks tightened credit standards to reduce loan losses in the face of high level of non-performing loans and institutional weaknesses related to loan recovery. A Credit Reference Bureau and a collateral registry were set up by the Central Bank to improve the situation by providing one-stop-shop database of lenders and borrowers. Once fully functional, these will allow banks to prove credit worthiness of their customers and thus lower risk and transaction costs by improving transparency. Overcoming information asymmetries that deter banks from assessing risk profiles of their clients is critical for credit expansion in the economy.

Other factors contributing to slow private sector credit growth include large public sector debt and the slowdown in economic activity. Large public debt crowds out private sector and keeps lending rates high that discourages private borrowing. Further, economic conditions weakened in 2011 and 2012 that recently reduced demand for credit. Tight monetary conditions during the year are also contributing factors.

Commercial Banks' outstanding gross loans and advances to major sectors of the economy contracted by 0.05 percent to D5.4 billion in December 2012 compared to a growth rate of 3.6 percent in 2011. Sectorial allocation of credit flow shows no major shifts in the pattern of distribution among key economic sectors. Distributive trade and other unclassified loans absorbed more than half (51.3 percent) of overall commercial loans and advances. Credit to all sectors of the economy contracted with the exception of building and construction, transport, and distributive trade.

3.1.3 Interest Rates Developments

The CBG's policy rate generally trended downwards during the year under review reflecting subdued economic activity and diminishing inflation expectations. The rediscount rate, the policy rate of the CBG, was reduced twice (in January and July) to

support the economy. In addition, the MPC lowered the reserve requirement by two percentage points to boost private sector credit and rein in on high lending rates.

The weighted average interest rate on the 91-day Treasury bills and 182-day bills which stood at 8.07 percent and 9.63 percent in December 2011 increased to 9.53 percent and 10.20 percent in December 2012 respectively. The weighted average rate on the 364-day Treasury bills rate declined from 11.53 percent to 10.98 percent during the same period.

The minimum rate on deposit money banks' 3-month time deposit rate increased from 4.5 percent in December 2011 to 5.0 percent in December 2012 whilst the maximum 3-month time deposit rates declined to 11.5 percent in December 2011 from 12.0 percent in the preceding year. A 6-month time deposit attracted a minimum rate of 6.0 percent as at end-December 2012 compared to 4.5 percent a year

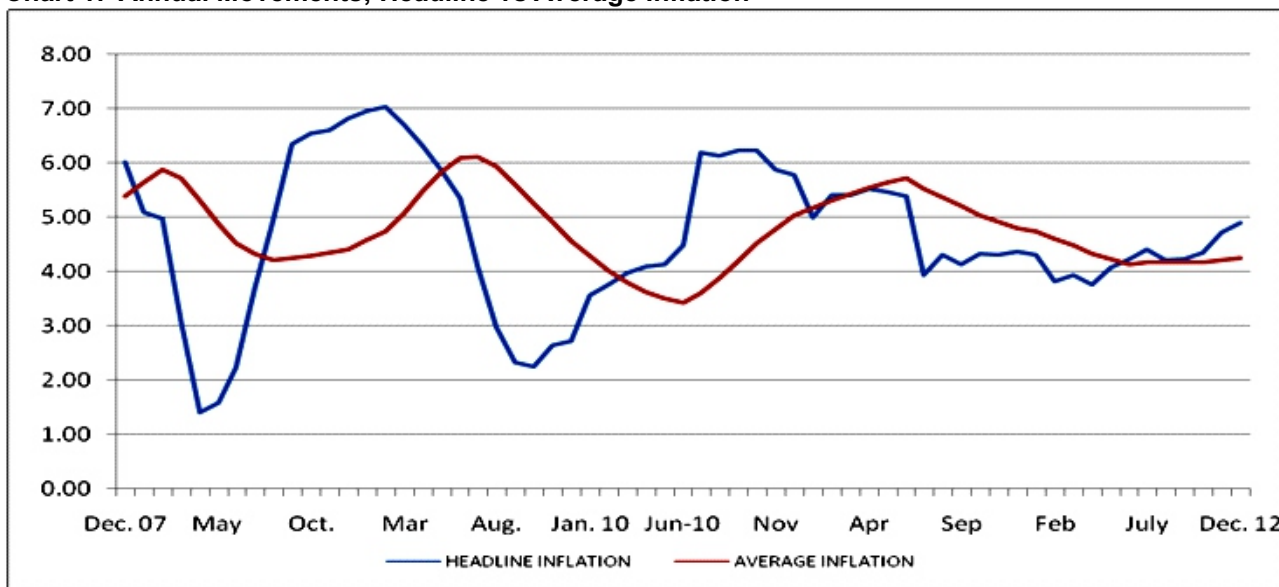
earlier. Maximum interest rate on a 6-month time deposit increased to 13.0 percent from 12.5 percent in December 2011. Time deposits for duration of nine and 12 months attracted maximum interest rates of 10.0 percent and 16.0 percent respectively. Deposit money banks' average lending rate to the major sectors of the economy declined from an average of 22.0 percent in 2011 to 21.5 percent in 2012.

3.1.4 Price Developments

Headline Inflation

Consumer price inflation measured by the National Consumer Price Index (NCPI) increased modestly to 4.9 percent in December 2012 compared to 4.4 percent a year earlier. The increase in headline inflation was due, in the main, to the increase in the consumer price inflation of non-food items. Average inflation (12-month moving average) also declined from 4.8 percent in 2011 to 4.3 percent in 2012.

Chart 1: Annual Movements; Headline vs Average Inflation



Source: Central Bank of The Gambia

Food items, which make up more than half the weight of the basket of goods and services, continued to be the main driver of headline inflation. Consumer food inflation decreased from 5.3 percent in June to 4.9 percent in September before increasing to 5.7 percent in December. The increase in food price inflation was due to the increases in the prices of bread cereals which accounts for nearly a quarter of the weight of the food basket.

Consumer non-food inflation has been largely low and stable at below 2.0 percent in 2010 and 2011. However, non-food inflation rose to 3.0 percent in July 2012 and continued the upward trend to reach a

record high of 4.0 percent December 2012, thanks to the marked increase in prices of clothing, textile and footwear and the depreciation of the dalasi.

The Central Bank's core measure of inflation excludes the prices of products that can have temporary price disturbances. The first measure of underlying inflation, which strips out energy and utility prices, declined from 4.2 percent in January 2012 to 3.6 percent in April but inched slightly to 4.3 percent in June and increased to 5.0 percent in December 2012.

The measure which further excludes prices of volatile food items, also declined from 4.4 percent in January 2012 to 4.0 percent in March before

increasing slightly to 4.2 percent in June. In the second half of the year, this measure of inflation trended upwards, though at a minuscule pace to reach 4.9 percent in December.

3.1.5 Real Sector Developments

The Gambian economy suffered severe drought in 2011 that led to massive crop failure. Crop production was estimated to have fallen by 60.0 percent. As a result, the Gambia Bureau of Statistics estimated real GDP growth to have contracted by 4.3 percent in 2011 compared to an average growth of 6.1 percent in 2009 and 2010. However, real growth turned positive in 2012 and was estimated at 5.3 percent, driven by a strong performance in the tourism sector and a partial rebound in agriculture. Emergency assistance from donors in response to the crop failure helped mitigate the full impact of the drought and also helped in the recovery process by delivering inputs to farmers in time for the planting season.

Strong GDP growth is expected in 2013 after full recovery in agriculture and sustained growth in other major sectors of the economy. Growth outlook in the near-term is positive contingent upon implementation of sound macroeconomic policies including targets of the Government for the agricultural sector as articulated in the Programme for Accelerated Growth and Employment (PAGE) and the Agriculture and Natural Resource Policy (ANRP) strategic documents. Downside risks to the near-term growth outlook include fragile commodity prices and weather-related shocks as well as the spillovers from developments in the global economy especially through tourism and remittances. Policies geared towards reducing exposure to the downside risks is for sustained growth.

3.1.6 Fiscal Developments

Preliminary estimates of government fiscal operations in 2012 showed a lower fiscal deficit compared to 2011. Total revenue and grants in 2012 fell short of its projected target by only 1.9 percent mainly on account of less-than-expected grants. Government expenditure also increased significantly during the review period.

Overall revenue and grants generated in 2012 is estimated to have grown by 15.7 percent to D6476.9 million (22.5 percent of GDP) over the 2011 outturn of D5597.2 million (21.1 percent of GDP). Domestic revenue exceeded target by 1.6 percent and was higher than the 2011 outturn by 11.4 percent due, in the main, to the increase in direct tax collection as well as upswing in non-tax revenue from Customs and Excise Department.

Tax revenue generated in 2012, amounted to D4163.4 million (14.5 percent of GDP) surpassing its

target by D50.0 million and higher than the 2011 outturn by 12.0 percent. Direct taxes surged by 24.0 percent relative to its 2011 outturn thanks to increase in corporate, payroll and personal taxes by 28.1 percent, 20.9 percent and 22.2 percent respectively. Similarly, indirect taxes, constituting 64.0 percent of tax revenue, increased slightly by D154.8 million or 6.2 percent from its 2011 outturn. The expansion in indirect taxes mirrored the surge in domestic tax on goods and services by 13.2 percent and international trade taxes by 3.3 percent.

Non-tax revenue collections from Customs and Excise Department amounted to D560.4 million or an increase of 7.1 percent, thanks to the increase in receipts from telecommunication licenses and government service charges. Grants rose significantly to D1753.2 million or by 29.3 percent compared to 2011 mainly due to donor support for the crop failure in 2011. Grants, however, fell short of its projection by 10.1 percent.

Expenditure and Net Lending

Total government expenditure and net lending in 2012 is estimated to have reached D7.7 billion (26.9 percent of GDP) relative to D6.8 billion (25.7 percent of GDP) in 2011. Total current spending amounted to D5.1 billion (17.9 percent of GDP), an increase of 14.2 percent from last year's level. The wage bill for the year rose by 6.6 percent to D1.8 billion or 43.1 percent of the annual tax revenue. Other charges constituted the largest component of current budget amounting to D2.1 billion or 10.8 percent over the previous year's level.

Interest on debt continued to consume a large share of government revenues (25.9 percent) in 2012, much of which was in the form of interest on short-term domestic debt. Interest payments, which constituted 23.8 percent of current spending compared to 18.4 percent in 2011, amounted to D1.2 billion in 2012 or 35.7 percent over 2011 level. In recent years, government's borrowing pattern has skewed towards the domestic market rather than the traditional external sources. Domestic interest payments rose by 40.3 percent to D1.0 billion while external interest payments increased by 17.3 percent to D214.0 million.

Development expenditure rose to D2.5 billion (8.8 percent of GDP) or by 10.7 percent in 2012. External financing continued to be the major source of capital investments in the Gambia. In 2012, about 88.2 percent of development spending by government was externally funded through grants (69.1 percent) and loans (19.2 percent). Government local fund financed just 11.8 percent of public investment in 2012.

Fiscal Deficit and Financing

Since 2007 when the overall budget balance recorded a surplus of D27.7 million, overall government fiscal position has been on a deficit year after year. In 2012, the overall fiscal balance (including grants) on commitment widened to a deficit of D1.3 billion compared to a deficit of D1.2 billion in 2011. Budget deficit excluding grants on commitment basis deteriorated to D3.0 billion (10.4 percent of GDP) compared to D2.6 billion (9.7 percent of GDP) a year ago. Consequently, both the primary balance (including interest payments) and basic balance (excluding interest payments) at D455.7 million and D769.1 million were above their preceding year's level by D161.3 million and D188.9 million respectively.

Domestic Debt

Government's attempt to rein on the domestic debt in 2011 could not be sustained as borrowing from the banking system in the twelve months to end December 2012 ballooned to D1.2 billion or by 41.0 percent compared to a contraction of 52.1 percent in 2011. The huge rise in domestic borrowing was attributed largely to increased issuance of short-term treasury bills. As a result, outstanding stock of

domestic debt increased to D10.7 billion (37 percent of GDP) or 14.3 percent over the preceding year. Total interest bearing debts, which constituted 98.0 percent of total debt stock, rose to D10.4 billion or by 0.3 percent over the previous year.

Interest bearing debts constitutes treasury bills, sukuk Al-salam and government bonds of varying maturity. Treasury bills constituting 76.74 percent of total marketable interest bearing debt increased to D8.2 billion, or 22.01 percent from the previous year. Sukuk Al-salam also rose to D0.4 billion, or to 1.95 percent. However, 30-year government bond and 10-year government bond decreased to D1.7 billion or by 3.44 percent and D0.2 billion, or by 11.1 percent respectively whilst 3-year government bond remained the same.

3.1.7 External Sector Developments

Balance of Payments estimates for the year ending 2012 indicate an overall surplus of US\$62.31 million relative to a surplus US\$98.74 in 2011. The current account was in surplus of US\$66.29 million, lower than US\$119.41 million a year ago. The deficit in the capital and financial account narrowed from US\$20.66 million in 2011 to US\$3.98 million in 2012.

Summary of Balance of Payments Developments 2011-2012

B Millions of USD			
	2011	2012	% Change
Current Account Balance	119.41	66.29	-44.5
Goods Account	-133.49	-176.43	32.16
Exports of which	153.88	176.49	14.69
Re-exports	120.47	146.59	21.68
Exports in Trade Statistics	33.41	29.89	-10.53
Imports	-294.97	-358.95	21.69
Services Account	75.59	71.19	-5.82
Current Transfers	183.71	181.88	0.99
Capital Account Balance	-20.66	-3.98	80.73
Change in Reserve Assets	-23.16	-34.49	48.92
Overall Balance	98.75	62.31	36.89

Merchandise Trade

The deficit in the goods account worsened by 32.16 percent to US\$176.43 million in 2012 relative to US\$133.49 million last year. The widening of the goods account balance was due mainly to the increase in import bill in the face of rising commodity prices and depreciation of the domestic currency vis-a-vis major trading partner currencies. Import bill rose from US\$294.97 million in 2011 to US\$358.95 million in 2012.

Total exports rose to US\$176.49 million in 2012 from US\$153.88 million last year, an increase of 14.69 percent. Re-export trade amounted to US\$146.59 million relative to US\$120.47 million in 2011, an increase by 21.68 percent. Exports in trade statistics recorded US\$29.89 million in 2012 relative to US\$33.41 million in 2011, a drop by 10.53 percent.

Proceeds from goods procured in ports dropped during the review period to US\$6.03 million from US\$7.60 million last year or by 20.65 percent. The decline was mainly on account of the huge decline in proceeds from catering services to US\$ 0.64 million in 2012 relative to US\$ 2.97 million last year. However, there was an improvement in proceeds from both the sale of bunker fuel in the fourth quarter of 2012.

Services, Income and Current Transfers

The services account balance contracted on a net basis by 5.82 percent, from a surplus of US\$75.59 million in 2011 to US\$71.19 million in 2012 reflecting the contraction in almost all the other line items under the services account particularly the transportation services in 2012 relative to 2011.

Proceeds from transportation services declined from a surplus of US\$ 4.62 million in 2011 to a deficit of US\$ 1.53 million in 2012, due mainly to the widening of the deficit in sea transportation from US\$24.59 million in 2011 to US\$35.45 million in 2012. Proceeds from air transportation increased from US\$29.21 million in 2011 to US\$33.92 million in 2012, thanks to mainly to the rise in n Air - Chartered flights in 2012 by 10.5 percent.

Transfers due to business related travel expenditures indicate a narrower deficit of US\$3.46 against US\$5.57 million in 2012. Education related expenditures also declined by 10.7 percent. However, proceeds from tourism increased in 2012 to US\$87.67 million from US\$83.31 million last year or by 5.23 percent, mainly on account of the increase in Air-Chartered Arrival numbers in 2012.

Receipts from communication services to non residents during the review period declined from US\$ 5.47 million in 2011 to a much lower surplus of US\$0.88 million in 2012. Proceeds from Insurance services deteriorated on a net basis from a deficit of

US\$6.59 million to US\$8.71 million. Income from construction services also declined from US\$2.91 million to US\$0.99 million or by 65.97 percent during the review period.

The Income Account The deficit in the income account widened from US\$6.41 million in 2011 to US\$10.35 million in 2012, due largely to the increase in interest payments on portfolio investments which increased from US\$ 2.61 million in 2011 to US\$5.86 million in 2012. Income payments on equity increased slightly from US\$1.94 million to US\$1.96 million, compensation of employees also increased from US\$1.85 million to US\$ 2.53 million in the review period.

Current transfers declined to US\$181.88 million against US\$183.71 million last year. Transfers to general government increased by 15.19 percent from US\$61.23 to US\$70.53 million. Transfers to other sectors which comprises of workers' remittances and other unclassified transfers registered US\$111.35 million in 2012 relative to US\$122.48 million in 2012, a drop by 9.08 percent and was mainly due to the decline in other transfers, which according to data obtained from the banks and bureaus declined from US\$49.27 million in 2011 to US\$15.39 million or by 68.76 percent. Remittances however, increased from US\$73.22 million to US\$95.96 million or by 31.05 percent during the review period.

3.1.8 Foreign Exchange Development

Developments in the domestic foreign exchange market in the year to end-December 2012 was characterised by exchange rate volatility despite the increase in activity volumes. Volume of transactions, measured by aggregate sales and purchases of foreign currency, increased to US\$1.61 billion from US\$1.43 billion in 2011. Supply of foreign currency in the domestic foreign exchange market, measured by total purchases, increased to US\$802.4 million from US\$663.8 million in 2011. Similarly, demand for foreign currency, gauged by total sales, increased to US\$807.4 million compared to US\$681.6 million.

Reflecting reduced inflows following the 2011 drought, the Dalasi depreciated in 2012 against all major currencies traded in the domestic foreign exchange market. Depreciation pressures were largely driven by larger deficits in the trade account of the balance of payments as import bills surged arising from the crop failure in 2011 while exports of major cash crops almost collapsed. Year-on-year, the domestic currency depreciated against the US Dollar by 12.2 percent, Euro by 9.2 percent, Pound Sterling by 20.6 percent and CFA by 11.2 percent.

3.2 GHANA

3.2.0 Overview

The domestic economy remained fairly buoyant in 2012. The Ghanaian economy was estimated to have grown by 7.9 per cent in 2012, down from 14.4 per cent in the previous year when oil production commenced. In the first half of the year, economic stability was threatened by increased volatility in the foreign exchange market for which decisive policy measures were implemented to dampen foreign exchange pressures and regain stability in the foreign exchange market.

In terms of the specific policy measures implemented, the Monetary Policy Rate (MPR) was raised cumulatively by 250 basis points at the first three meetings in response to volatility in the domestic exchange rate market. Others were: re-introduction of the Bank of Ghana bills to provide additional avenues for cedi investments; reduction in the limits of Net Open Positions (NOPs) of Deposit Money Banks (DMBs); requirement for banks to maintain the mandatory 9.0 per cent cash reserve requirement on both domestic and foreign currency deposit liabilities in only domestic currency and a 100 per cent cash cover for Vostro account balances of Domestic Money Banks (DMBs) to be maintained at the Bank of Ghana.

Headline inflation at the end of 2012, was estimated at 8.8 per cent. Developments in the external sector, however, showed a worsening in the trade and current account deficits as imports of both oil and non-oil imports increased at a faster pace than exports growth. The country's gross international reserves consequently declined by US\$33.9 million to US\$5,348.9 million in December 2012 from a stock position of US\$5,382.8 million at the end of December 2011. The level of gross international reserves at the end December 2012 was enough to provide cover for 3.0 months of imports of goods and services, compared to 3.2 months of imports cover as at the end of December 2011.

3.2.1 The Real Sector

3.2.1.1 Gross Domestic Product

Real GDP growth moderated in 2012 driven mainly by base effects compared with the situation in 2011 when buoyant economic activities was supported by the added oil sector. The Ghana Statistical Service (GSS) has estimated real GDP growth in 2012 at 7.9 per cent for 2012 compared to 14.4 per cent in 2011. The projected growth is expected to be driven by Services (10.2%), Industry (7.0%) and Agriculture (1.3%).

Table 2: Growth Rates of GDP by Sector (%)

Sectors	2010	2011	2012
Agriculture	5.3	0.8	1.3
Industry	6.9	41.1	7.0
Services	9.8	8.3	10.2
GDP	8.0	14.4	7.9

3.2.2 Inflation

Annual CPI inflation inched up from 8.6 per cent at end December 2011 to peak of 9.5 per cent in July 2012 on account of exchange rate pressures and rising food prices. Thereafter, headline inflation declined to end the year at 8.8 per cent, slightly above the point end year target of 8.5 per cent but firmly within the target band of 6.5 – 10.5 per cent. The Non-food index, which rose sharply to a peak of 12.5 per

cent in July reflecting the pass through effect of rapid depreciation in the exchange rate, stabilized in the fourth quarter to end the year at 11.64 per cent. The Food inflation index however remained in single digit throughout the period ending the year at 3.93 per cent.

Looking ahead, the upside risks to inflation remain fiscal overruns and possible hikes in utility charges and fuel products prices.

Chart 1: Domestic Inflationary Trends (%): Year-on-Year

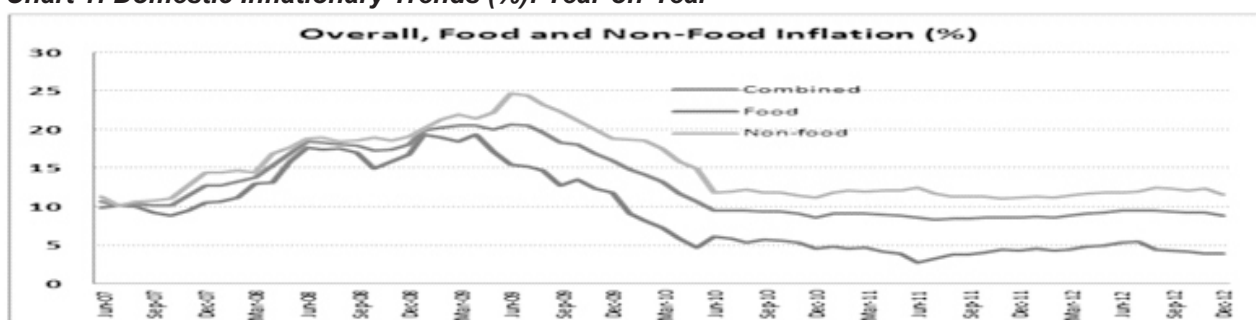


Table 3.1: Selected Economic Indicators

	2009	2010	2011	2012*
GDP				
Real GDP Growth With Oil (%)	4.0	7.7	14.4	7.9
Real Non-Oil GDP Growth (%)	4.0	7.7	9.0	
Nominal GDP (Gh¢ million)	36,867.4	46,232.0	56,282.4	73,109.0
Nominal Non-Oil GDP (Gh¢million)	36,598.0	45,864.0	55,518.0	
Inflation (%)				
Year-on-year	16.0	8.6	8.6	8.8
Annual Average	19.3	10.7	8.7	9.2
Exchange Rate (End Period, Transaction Rates)				
Gh¢/US\$	1.4284	1.4738	1.5505	1.8800
Gh¢/Pound Sterling	2.2991	2.2709	2.4946	3.0574
Gh¢/Euro	2.0484	1.9407	2.1076	2.4769
Commodity Prices				
Cocoa (US\$/tonne)	2,801.6	2,950.7	2,947.8	2,365.0
Gold (US\$/fine ounce)	968.9	1,133.2	1,569.4	1,678.8
Crude oil, IPE Brent Crude (US\$/Barrel)	62.5	74.0	111.3	109.2
External Sector				
Exports of Goods and Services (US\$' m)	7,609.4	9,437.4	12,785.4	13,513.0
Imports of Goods and Services (US\$' m)	10,989.4	13,925.3	15,958.4	17,760.4
Current Account Balance (US\$' m)	-1,598.5	-2,700.5	-3,675.1	-4,921.6
Overall Balance of Payments (US\$' m)	1,158.8	1,462.7	546.5	-1,210.9
Gross International Reserves (end period. In US\$' m)	3,164.8	4,724.9	5,382.8	5,349.0
(Months of imports of Goods and Services)	2.9	3.7	3.2	3.0
External Debt (US\$' m)	5,007.9	6,118.3	7,589.5	8,208.3
Interest Rates (%)				
Bank of Ghana Policy Rate	18.0	13.5	12.5	15.0
91-day Treasury Bill	23.7	12.3	10.3	22.9
182-day Treasury Bill	26.5	12.7	11.1	22.9
1-year Note	20.0	12.7	11.3	22.9
2-year Note	23.3	12.7	12.4	23.0
Monetary Aggregates Annual Growth Rates (%)				
Total Domestic Credit	16.1	15.4	17.0	39.3
Private Sector Credit	15.8	19.9	26.3	34.1
Reserve Money	24.9	45.0	31.1	36.0
Money Supply (M2+)	24.7	33.8	33.2	24.3
Money Supply (M2)	18.5	44.8	30.2	22.9
Government Finance (% of Non-Oil GDP)				
				<i>% of GDP</i>
Domestic Revenue	15.4	17.4	20.8	25.1
Grant	3.0	2.4	2.1	1.6
Total Expenditure	22.4	26.0	23.8	34.5
Overall Balance (Including Grant & Divestiture)	-5.6	-6.8	-4.3	-12.0
Overall Balance (Excluding Divestiture)	-5.6	-6.5	-4.3	-10.9
Domestic Primary Balance	0.3	0.1	2.9	-3.7

* Provisional

Note: Government Finance numbers for 2012 are % of GDP

3.2.3 Monetary Developments

Monetary growth in 2012 moderated, reflecting subdued inflation expectations. Provisional data indicated that year-on-year growth in Broad Money including foreign currency deposits (M2+) slowed down to 24.3 per cent in 2012 compared with a growth of 33.2 per cent recorded in December 2011.

The growth in M2+ reflected mainly the 22.9 per cent

growth recorded in the broad money (excluding foreign currency deposits) (M2) and 29.4 per cent growth in foreign currency deposits. The main driving force behind the growth in M2+ was the Net Domestic Assets (NDA) of the banking system which went up by 49.9 per cent (GH¢5,144.6 million). However, Net Foreign Assets (NFA) of the banking system declined by 9.1 per cent (GH¢719.2 million) to moderate the growth in M2+ during the period.

Table 3: Monetary Indicators (GH¢' million)

	Levels			Variations (year-on-year)					
	Dec-10	Dec-11	Dec-12	As at end-Dec. 2010		As at end-Dec 2011		As at end-Dec 2012	
				abs	per cent	abs	per cent	abs	per cent
Reserve Money	4,409.60	5,779.60	7,861.00	1,369.70	45.01	1,370.00	31.07	2,081.40	36.01
Narrow Money (M1)	6,401.82	8,714.44	11,157.28	2,254.12	54.35	2,312.62	36.12	2,442.84	28.03
Broad Money (M2)	10,935.09	14,241.07	17,501.81	3,385.09	44.84	3,305.98	30.23	3,260.73	22.90
Broad Money (M2+)	13,663.00	18,195.23	22,618.60	3,451.70	33.80	4,532.23	33.17	4,423.38	24.31
Currency with the Public	2,927.20	3,763.30	4,918.60	844.80	40.57	836.10	28.56	1,155.30	30.70
Demand Deposits	3,474.62	4,951.14	6,238.68	1,409.32	68.24	1,476.52	42.49	1,287.54	26.00
Savings & Time Deposits	4,533.28	5,526.64	6,344.53	1,130.98	33.24	993.36	21.91	817.89	14.80
Foreign Currency Deposits	2,727.91	3,954.15	5,116.80	66.61	2.50	1,226.25	44.95	1,162.64	29.40
Sources of M2+									
Net Foreign Assets (NFA)	5,753.95	7,879.96	7,160.85	1,818.88	46.22	2,126.01	36.95	-719.12	-9.13
BOG	5,240.90	6,669.60	5,988.52	1,969.90	80.22	1,428.70	27.26	-681.08	-10.21
DMBs	513.05	1,210.36	1,172.33	-151.02	-22.74	697.31	135.91	-38.04	-3.14
Net Domestic Assets	7,909.04	10,315.26	15,457.76	1,632.62	26.02	2,406.22	30.42	5,142.49	49.85
Claims on Government (net)	4,248.71	5,180.51	7,734.56	573.01	15.59	931.79	21.93	2,554.06	49.30
BOG	1,371.30	1,943.00	4,139.50	-18.40	-1.32	571.70	41.69	2,196.50	113.05
DMBs	2,877.41	3,237.51	3,595.06	591.41	25.87	360.09	12.51	357.56	11.04
Claims on Public Sector	1,164.09	764.74	1,512.26	43.18	3.85	-399.35	-34.31	747.52	97.75
BOG	24.10	24.10	24.10	18.60	338.18	0.00	0.00	0.00	0.00
DMBs	1,139.99	740.64	1,488.16	24.58	2.20	-399.35	-35.03	747.52	100.93
Claims on Private Sector	6,521.12	8,436.86	11,221.87	801.83	14.02	1,975.74	30.30	2,725.01	32.07
BOG	-255.50	-255.50	-255.50	-208.61	444.89	0.00	0.00	0.00	0.00
DMBs	6,776.62	8,752.36	11,477.37	1,010.44	17.52	1,975.74	29.16	2,725.01	31.13
Other Items (Net) (OIN)	-4,024.88	-4,126.84	-5,010.93	214.79	-5.07	-101.96	2.53	-884.09	21.42
ofw BOG OMO (Sterilisation)	-920.84	-975.50	-511.40	-313.44	51.60	-54.66	5.94	464.10	-47.58

3.2.3.1 Banks' Outstanding Credit

In the review period, credit extension by the banking sector to both the public and private sectors went up. On a year-on-year basis, banks' outstanding credit increased by GH¢3,673.1 million (39.3%) compared with a growth of GH¢1,357.7 million (17.0%) registered a year ago. Outstanding credit at end of December 2012 stood at Gh¢ 13,025.5.2 million. In real terms the growth trend rose from 7.7 per cent at the end of December 2011 to 28.0 per cent in December 2012. The private sector's share of total outstanding credit fell to 88.1 per cent at end-2012, from 95.5 per cent at end-2011.

Outstanding credit to the private sector went up by GH¢2,916.5 million (34.1%) to GH¢11,477.4.07 million at the end of December 2012, compared with a growth of GH¢1,784.3 million (26.3%) in December 2011. In real terms, credit to the private sector grew by 23.2 per cent at the end of December 2012, up from 16.3 per cent at the end of 2011.

3.2.3.2 Developments in Interest Rates

Interest rate policy during the review year were largely geared towards restoring the external value of the Ghana Cedi after the rapid depreciation in the value of the domestic currency experienced during

the first half of 2012.

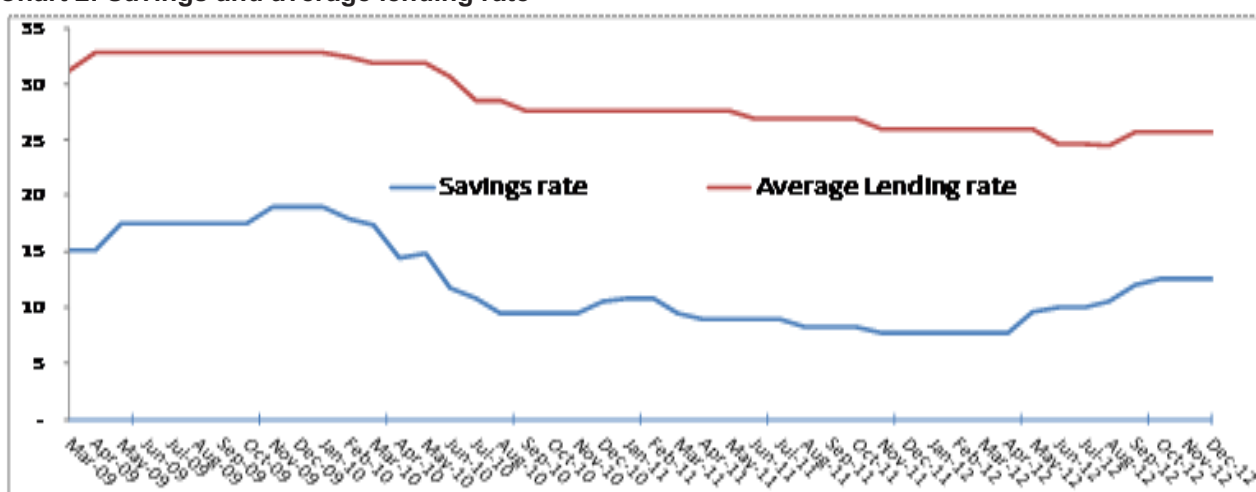
The Monetary Policy Committee raised the Monetary Policy Rate (MPR) by a cumulative 250 basis points to 15.0 per cent at end June 2012 and thereafter maintained at that rate to the end of the year. As a consequence, interest rates trended up in the second half of the year but the pace of increase moderated in the last quarter.

The 91-day and 182-day instruments gained 1,223 and 1,175 bps respectively to 22.90 per cent and 22.88 per cent at the end of 2012 from 10.85 per cent and 11.19 per cent at the beginning of the year. The 1-year fixed rate gained 1,160 bps points to settle at 22.90 per cent.

DMBs average 3-month time deposit rate increased by 475 bps to 12.50 per cent at the end of 2012 from 7.75 per cent in 2011 whereas the savings rate gained by 120 bps to 5.25 per cent from 4.05 per cent in 2011.

The average lending rates however declined marginally by 21 bps to 25.72 per cent during the period. In effect the spread between the borrowing and lending rates narrowed to 9.0 per cent at the end of December 2012 from 18.2 per cent in the corresponding period in 2011. The average base rate of banks also declined by 95 bps to 21.52 per cent in December 2012 compared with a reduction of 332 basis points for the same period in 2011.

Chart 2: Savings and average lending rate



3.2.3.3 Exchange Rate

The Ghana cedi traded weak in both the Inter-Bank and Forex Bureau markets during the first half of 2012 but recovered markedly during the second half due to further tightening in monetary policy.

The depreciation experienced in the review year was as the result of exceptional demand pressures and speculative activity in the foreign exchange (forex) market.

Cumulatively, the Ghana cedi recorded depreciations 17.5 per cent, 18.4 per cent and 14.9 per cent against the US dollar, the pound sterling and the euro respectively on the interbank market in 2012. These compared with a much lower depreciations of 4.9 per cent, 9.0 per cent and 7.9 per cent against the US dollar, the Pound Sterling and the Euro respectively in 2011.

Developments in the forex bureau market were similar to that of the interbank market as the Ghana cedi depreciated by 15.4 per cent, 18.0 per cent and 15.5 per cent respectively against the US dollar, the pound sterling and the euro over the review period.

3.2.4 Fiscal Developments

The 2012 budget aimed at achieving fiscal consolidation and macroeconomic stability by targeting the overall fiscal deficit of 6.7 per cent of GDP. However, there were major fiscal slippages in the year driven by implementation of the Single Spine Salary Structure (SSSS) and related arrears, shortfalls in revenues and grants, and election related expenditures among others.

Government fiscal operations ended 2012 with overall deficit of GH¢8,648.7 million (12.0% of GDP) compared with the revised budget deficit target of GH¢4,648.7 million (6.7% of GDP), and the outturn of 4.3 per cent deficit registered in 2011. The domestic primary balance also recorded a deficit of GH¢1,172.1 million (1.6% of GDP) at the end of the review year on account of higher domestic expenditures.

The deficit was financed from domestic sources by GH¢7,018.0 million (11.8% of GDP) while the remainder GH¢1,275.6 million (1.8% of GDP) was financed from foreign sources.

Total government revenue and grants amounted to GH¢16,668.4 million (23.2 % of GDP), 1.5 per cent lower than the programmed receipts

2012. Tax revenue amounted to GH¢12,655.1 million (76.0% of total receipts), Non-Tax Revenue was GH¢ 2,853.0 million (17.0%) and Grants (Programme Grants, HIPC and MDRI Assistance) totaled GH¢1,160.3 million (7.0%).

While PAYE outperformed the budgeted target of GH¢1,789.4 million by 23.2 per cent, other components of tax revenues including corporate tax on oil, fell below their targets. However, non-tax revenue recorded a positive deviation of 6.7 per cent above the budget target. Grant disbursements amounted to GH¢1,160.3 million, about 25.1 per cent below the target of GH¢1,549.7 million.

Total government expenditures in 2012 amounted to GH¢20,994.7 million (29.2% of GDP),

10.0 per cent higher than the budgeted amount of GH¢ 19,035.7 million (27.3% of GDP). Recurrent expenditures for the year far exceeded the budget target driven by high levels of wages and salaries, MDA unbudgeted expenses as well as fuel & utility subsidies.

Interest expenditure also exceeded the target, reflecting high domestic borrowing and the associated high cost of debt servicing. Capital expenditures constituted 6.9 per cent of GDP, falling short of the budget target of 8.6 per cent of GDP. The capital expenditure was mainly on account of low disbursement of project loans and grants from development partners.

Table 4. Fiscal Indicators (GH¢' millions)

Indicators	2008	2009	2010	2011	2012
Overall Balance(Incl. Divestiture)	-1,976.50	-2,056.20	-2,999.90	-2,395.40	-8,648.70
% of GDP	-6.5	-5.6	-6.5	-4.3	-12
TAX REVENUE	4,368.50	4,803.60	6,504.50	9,854.60	12,655.10
% of GDP	14.5	13	14	17.5	17.6
TOTAL REVENUE	4,802.40	5,674.00	7,730.60	11,676.60	15,508.10
% of GDP	15.9	15.4	16.7	20.7	21.6
REVENUE & GRANTS	5,619.70	6,775.20	8,810.90	12,851.60	16,668.40
% of GDP	18.6	18.4	19	22.8	23.2
TOTAL EXPENDITURE & NET LENDING	8,009.80	8,248.20	11,532.20	13,380.00	20,944.70
% of GDP	26.5	22.4	24.9	23.8	29.2
DOMESTIC PRIMARY BALANCE	-1,773.20	122.5	33.6	1,601.60	-1,172.10
% of GDP	-5.9	0.3	0.1	2.8	-1.6
Net Domestic Financing	1,152.70	1,042.10	2,142.60	1,988.10	7,018.00
% of GDP	3.8	2.8	4.6	3.5	9.8
GDP	30,179.00	36,867.00	46,342.00	56,282.00	71,847.00

3.2.4.1 Domestic Debt

Composition of Domestic Debt

The stock of domestic debt increased by 56.5 per cent during the year to GH¢18,535.2 million (25.8% of GDP) at the end of December 2012. The rise in the stock of debt was on account of increases of GH¢1,485.8 million in short-term instruments and GH¢3,943.50 million in the medium-term instruments, as well as GH¢1,264.8 million in the long-term instruments. The growth in the medium-term instruments was driven mainly by changes in the 3- and 5-Year Government of Ghana bonds which went up by GH¢2,219.8 million and GH¢972.8 million respectively.

The structure of the debt also changed significantly in 2012. At the end of the review year, short term debt, medium-term and long term instruments constituted 31.5, 51.5 and 17.0 per cent

respectively, compared with the respective shares of 36.8, 47.3 and 15.9 per cent in 2011.

3.2.4.2 Holdings of Domestic Debt

Bank of Ghana's holdings of domestic debt stock at the end of December 2012 stood at GH¢3,769.7 million, representing 20.3 per cent of the total. The holdings of Deposit Money Banks (DMBs) increased by 21.1 per cent GH¢908.9 million to GH¢ 5,211.25 million and constituted 28.1 per cent of the total. SSNIT held GH¢753.4 million (4.1%) and "other holders" made up of the Rural Banks, individuals as well as firms and institutions held GH¢ 3,815.4 million (20.6%). The non-resident net holdings of 3-year note and 5-year bond rose by GH¢2,671.3 million to GH¢4,939.4 million and represented 26.6 per cent of total holdings at the end of December 2012.

Table 5: Composition of Domestic Debt: December 2012 (GH¢ millions)

Instruments	2011		2012				(As a) % of
	DECEMBER		MARCH	JUNE	SEPTEMBER	DECEMBER	DEC 2012 TOTAL
A. Short-Term Instruments							
91-Day Treasury Bill	1,225.0		2,221.1	3,220.8	3,352.5	3,573.9	19.3
182-Day Treasury Bill	1,291.1		1,206.0	706.1	742.3	1,134.4	6.1
1-Year Treasury Note	1,733.0		1,686.8	1,318.6	1,051.9	1,026.6	5.5
Short term Advance	104.2		104.2	104.2	104.2	104.2	0.6
SUB-TOTAL (A)	4,353.3		5,218.2	5,349.8	5,250.9	5,839.2	31.5
B. Medium-Term Instruments							
2-Year Fixed Treasury Note	1,174.1		792.3	796.2	1,275.5	1,715.5	9.3
3-Year Fixed Treasury Note	2,743.8		2,963.6	3,497.7	3,497.7	4,963.7	26.8
3-Year Floating Treasury Note(SADA-UBA)			167.5	167.5	167.5	202.5	1.1
3-Year Stock(SBG)	29.9		29.9	29.9	29.9	29.9	0.2
3-Year Stock(SSNIT)	162.0		162.0	162.0	162.0	162.0	0.9
5-Year GOG Bond	34.1		695.1	820.0	1,718.7	1,667.9	9.0
5-year Golden Jubilee Bond	80.0		35.3	36.6	38.0	41.1	0.2
GOG Petroleum Finance Bond	682.0		80.0	80.0	80.0	80.0	0.4
TOR Bonds	682.0		682.0	682.0	682.0	682.0	3.7
SUB-TOTAL (B)	5,587.9		5,607.7	6,272.0	7,651.3	9,544.5	51.5
C. Long-Term Instruments							
Long Term Government Stocks	1,320.6		1,320.6	1,320.6	1,320.6	2,585.3	13.9
Telekom Malaysia Stocks	109.5		109.5	109.5	109.5	109.5	0.6
Revaluation Stock	455.7		455.7	455.7	455.7	455.7	2.5
Others Government Stocks	1.0		1.0	1.0	1.0	1.0	0.0
SUB-TOTAL (C)	1,886.7		1,886.7	1,886.7	1,886.7	3,151.5	17.0

Table 6: Holdings of Domestic Debt: December 2012 (Gh¢ millions)

HOLDERS	2011		2012							
	DECEMBER	%	MARCH	%	JUNE	%	SEPTEMBER	%	DECEMBER	%
A. Banking system	7,004.6	59.2	7,330.4	57.7	7,249.0	53.7	6,666.8	45.1	8,980.9	48.5
Bank of Ghana	2,702.3	22.8	2,829.9	22.3	2,895.0	21.4	2,955.1	20.0	3,769.7	20.3
Deposit Money Banks	4,302.3	36.3	4,500.5	35.4	4,354.0	32.2	3,711.7	25.1	5,211.2	28.1
B. Nonbank sector	2,568.5	21.7	2,903.4	22.8	3,404.3	25.2	3,945.2	26.7	4,614.9	24.9
SSNIT	475.1	4.0	497.4	3.9	513.1	3.8	572.7	3.9	753.4	4.1
Insurance Companies	39.0	0.3	47.8	0.4	56.5	0.4	66.6	0.5	46.2	0.2
Others Holders	2,054.3	17.3	2,358.2	18.6	2,834.7	21.0	3,305.9	22.4	3,815.4	20.6
Rural Banks	197.6	1.7	255.1	2.0	377.8	2.8	367.5	2.5	424.6	2.3
Firms & Institutions	1,052.4	8.9	1,189.9	9.4	1,408.8	10.4	1,697.3	11.5	2,037.4	11.0
Individuals	804.4	6.8	913.2	7.2	1,048.0	7.8	1,241.1	8.4	1,353.4	7.3
C. Foreign sector (Non-Residents)	2,268.1	19.2	2,478.8	19.5	2,855.3	21.1	4,176.9	28.2	4,939.4	26.6
TOTAL (A+B+C)	11,841.1	100.0	12,712.7	100.0	13,508.5	100.0	14,789.0	100.0	18,535.2	100.0

3.2.5 External Sector

The overall balance of payments recorded a deficit of US\$1,210.9 million in 2012 against a surplus of US\$546.5 million in 2011. The outturn in 2012 was underpinned by worsening current account balance and reduction in the net inflows into the capital and financial account.

3.2.5.1 The Current Account

The current account registered a deficit of US\$4,921.6 million (14.5% of GDP) in 2012, compared to a deficit of US\$3,541.3 million (10.4% of GDP) recorded in 2011. This development in the current account was on account of deterioration in the trade account, increased net payments in the income account and a decline in private transfers.

3.2.5.2 Merchandise Trade

Trade Balance

The trade balance worsened from a deficit of US\$3,052.3 million recorded in 2011 to US\$4,221.4 million in 2012. This was attributed to increases in both oil and non-oil imports which outpaced growth in merchandise exports.

Merchandise Exports and Imports

The value of merchandise exports in 2012 amounted to US\$13,541.4 million, an increase of 5.9 per cent from US\$12,785.4 million recorded in 2011. This development was largely attributed to combined effects of growths in receipts from the gold, cocoa and crude oil export.

The value of merchandise imports in the review year was estimated at US\$17,762.8 million, up by 12.2 per cent from US\$15,837.7 million recorded in 2011. The higher import value in 2012 was on account of increased demand for both oil and non-oil products. Total oil imports (oil, gas and products) at the end of 2012 were estimated at US\$3,330.2 million, compared with US\$3,165.4 million recorded in the corresponding period of 2011. Total crude oil imports amounted to US\$885.1 million, reflecting a decrease of US\$403.2 million from the level in 2011. The value of total non-oil merchandised imports for 2012 was provisionally estimated at US\$14,432.6 million, showing an increase of 13.9 per cent from US\$12,672.3 million recorded for the corresponding period of 2011. This increase in the value of non-oil imports was on account of a rise in imports in all the major categories as domestic demand expanded in tandem with economic increased economic activity.

3.2.5.3 Services, Income and Current Transfers

The Services, Income and Transfers account recorded a deficit of US\$700.2 million compared to a deficit of US\$489.0 million recorded in the previous year. The deficit for the review period was due to net outflows in the services and income accounts which

were complemented by a marginal decline in net inflow of current (official and private) transfers. The Services and Income accounts recorded net outflows of US\$975.4 million and US\$2,130.5 million respectively in 2012 compared to net outflows of US\$1,856.3 million and US\$1,230.1 million in 2011. On the other hand, the Current transfer account recorded a net inflow of US\$2,405.6 million in 2012 compared to net inflow of US\$2,597.4 million in 2011.

3.2.5.4 Capital and Financial Account

The Capital and Financial account recorded 31.0 per cent decrease in net inflow to US\$3,090.5 million in 2012. The capital account received a net inflow of US\$144.6 million in 2012 compared with US\$445.1 million in 2011.

Transactions in the financial account recorded a net inflow of US\$2,946.0 million showing a reduction of US\$1,088.3 million compared to US\$4,034.3 million registered in 2011. The period witnessed a large outflow in other investment category, namely net short term capital payments, which moderated the significant inflows of foreign direct investment and portfolio investments during the year.

3.2.6 International Reserves

The stock of net international reserves (NIR) at the end of December 2012 was estimated at US\$3,228.1 million; indicating a drawdown of US\$1,210.9 million from a stock position of US\$4,439.0 million at the end of December 2011.

Gross international reserves also declined by US\$33.9 million to US\$5,349.0 million at the end of 2012. This level was sufficient to provide cover for 3.0 months of imports of goods and services, compared to 3.2 months cover at the end of December 2011.

3.2.7 External Debt

Ghana's external debt stock as at the end 2012 was US\$8,835.6 million, showing an increase of 16.4 per cent above the US\$7,589.5 million recorded at the end of 2011. The external debt sustainability indicators show that the external debt-to-GDP ratio stood at 23.1 per cent. Similarly, the debt service-to-exports of goods and services and debt service-to-revenue ratios for 2012 were 2.3 per cent and 5.9 per cent respectively, below the respective policy-dependent thresholds of 25.0 per cent and 35.0 per cent.

Multilateral creditors held 47.8 per cent of the debt stock, followed by bilateral creditors (32.9%) and commercial creditors (19.3%).

Table 7: Developments in Balance of Payments (in US\$'M)

	2010	2011	2012	2012 - 2011	
	Annual	Annual	Annual	Absolute	% Change
CURRENT ACCOUNT	-2,769.73	-3,541.28	-4,921.62	-1,380.34	38.98
Merchandise Exports (f.o.b.)	7,960.09	12,785.40	13,541.43	756.03	5.91
Cocoa beans and products	2,219.54	2,870.87	2,828.61	-42.26	-1.47
Gold	3,803.52	4,920.22	5,643.32	723.10	14.70
Timber products	189.47	165.66	121.44	-44.22	-26.69
Oil	0.00	2,778.53	2,976.06	197.53	7.11
Others (including non-traditionals)	1,747.56	2,050.12	1,972.00	-78.12	-3.81
Merchandise Imports (f.o.b.)	-10,922.11	-15,837.73	-17,762.82	-1,925.09	12.16
Non-oil	-8,686.18	-12,672.28	-14,432.59	-1,760.31	13.89
Oil	-2,235.93	-3,165.45	-3,330.23	-164.78	5.21
Trade Balance	-2,962.02	-3,052.33	-4,221.39	-1,169.06	38.30
Services (net)	-1,595.19	-1,856.28	-975.39	880.89	-47.45
Receipts	1,477.28	1,810.12	3,259.41	1,449.29	80.07
Payments	-3,072.47	-3,666.40	-4,234.80	-568.40	15.50
Income (net)	-534.95	-1,230.09	-2,130.45	-900.36	73.19
Receipts	52.92	55.37	55.27	-0.10	-0.18
Payments	-587.87	-1,285.46	-2,185.72	-900.26	70.03
Current Transfers (net)	2,322.43	2,597.42	2,405.61	-191.82	-7.38
Official	199.74	228.65	258.10	29.45	12.88
Private	2,122.69	2,368.77	2,147.51	-221.27	-9.34
Services, Income and Current Transfers (net)	192.29	-488.95	-700.23	-211.28	43.21
CAPITAL & FINANCIAL ACCOUNT	4,064.56	4,479.32	3,090.56	-1,388.76	-31.00
Capital Account	337.47	445.06	144.60	-300.46	-67.51
Capital transfers	337.47	445.06	144.60	-300.46	-67.51
Financial Account	3,727.09	4,034.26	2,945.96	-1,088.30	-26.98
Direct Investments	2,527.36	3,222.25	3,293.43	71.18	2.21
Portfolio Investments	620.47	117.57	1,121.82	1,004.25	854.17
Of which					
Sovereign bond					
Other Investments	579.26	694.44	-1,469.29	-2,163.73	-311.58
Of Which					
Official Capital (net)	879.63	649.62	380.95	-268.67	-41.36
Sovereign bond					
Other Private Capital (net)	-493.38	-359.11	-310.01	49.10	-13.67
Short-term capital (net)	193.01	403.93	-1,397.38	-1,801.31	-445.95
Government Oil Investments (net)	0.00		-142.85	-142.85	
ERRORS AND OMISSIONS	167.84	-391.51	620.16	1,011.67	-258.40
OVERALL BALANCE	1,462.67	546.53	-1,210.90	-1,757.43	-321.56
FINANCING	-1,462.67	-546.53	1,210.90	1,757.43	-321.56
Changes in international reserves	-1,462.67	-546.53	1,210.90	1,757.43	-321.56
Of which					
Sovereign Bond					
* Provisional					

Note: + Classification of Balance of Payments is according to Balance of Payments M

3.3 LIBERIA

3.3.1 Real Sector Developments

Real GDP was estimated at US\$835.1 million in 2012, from US\$768.0 million in 2011, an increase of 8.7 percent. This was driven by increased activities in the mining & panning, agriculture & fisheries and services sectors.

Rubber production at end-2012 plummeted by 56.7 percent to 56,350 metric tons, from 88,318 metric tons reported in 2011. This was largely attributed to fall in the global prices of the product and scale down in production by one of the major rubber plantation companies. Output of cocoa also significantly fell by 18,610 metric tons to 8,082 metric tons, from 26,692 metric tons at end-2011. The decline in cocoa output was mainly due to bad harvest and poor state of storage facilities.

Total production of round logs dramatically surged by 110.4 percent to an estimated 155,888 cubic meters in 2012, from 74,107 cubic meters recorded in the preceding year. The rise in output of logs was on account of increase in the number of companies engaged in logging activities during the year under review. However, output of sawn timber trended downward, posting a 25.8 percent decline.

An estimated 34,271 carats of diamond were mined during 2011 (2012?), representing 14.0 percent or 5,595 carats lower than the output of the previous year. The decline was mainly due to the shifting of labor from diamond mining to gold production. However, gold output in 2012 recorded an increase of 6,182 ounces or 42.9 percent to 20,609 ounces, from 14,427 ounces mined in 2011. The increase in gold output was largely influenced by a rise in global demand for the commodity and increased number of licensed companies active in the sector in the country.

Cement production substantially rose in 2012 to 108,840 metric tons, from 80,594 metric tons in 2011, representing an increase of 35.0 percent. This increased production is in response to the growing demand for the commodity in the implementation of several construction projects. The last few years have witnessed the intensification of infrastructural development within the country.

Iron-ore production rose significantly in 2012. The quantity of iron ore mined was estimated at 2,369,850 metric tons, up from 386,968 metric tons produced in the preceding year. The rise in production was largely on account of the scaling up of iron-ore mining activities which began in the second half of 2011.

3.3.2 Price Developments

Annual headline inflation stood at 6.9 percent in

2012, down from 8.5 percent reported at end-2011. The slowdown in inflation was largely influenced by improved domestic food production and prudent management of monetary policy. In 2012, average core inflation (inflation excluding food and transport) declined by 1.0 percentage points to 3.0 percent, from 4.0 percent reported in 2011. The year-on-year decline in core inflation was largely attributed by moderation in alcoholic beverages, tobacco and narcotics to 3.7 percent, from 10.3 percent; clothing and footwear to 3.2 percent, from 5.9 percent; housing, water, gas & others to 4.1 percent, from 5.7 percent; communication to 0.2 percent, from 2.9 and recreation and culture to 2.9 percent, from 4.4 percent. Food and transport constitute 51.3 percent of the overall weights of the Liberian consumer basket.

3.3.3 Fiscal Developments

The thrust of fiscal policy in Liberia is to focus interventions towards achieving the Government of Liberia's priorities as outlined in the Agenda for Transformation (AFT), which endeavors to make Liberia a middle income country by 2030. Total revenue and grants between January to December, 2012 summed to US\$509.02 million, while total expenditure and net lending amounted to US\$434.50 million, resulting into a surplus of US\$74.52 million.

3.3.4 Banking Sector Developments

In 2012, the banking sector experienced strong growth in its balance sheet, as total assets rose by 10.6 percent. Total capital and deposits expanded by 5.8 percent and 7.5 percent, respectively. The sector remained highly liquid during the year with 43.6 percent ratio, which is above the 15.0 percent benchmark. At end-December, 2012, the Capital Adequacy Ratio (CAR) of the banking industry was 20.9 percent, 10.9 percent higher than the statutory requirement of 10.0 percent. Gross earnings for the period ended December, 2012 stood at L\$5.3 billion and net income for the same period was L\$5.0 billion before loan loss provision and taxes reflecting improvement of 35.0 percent in gross earnings and 34.0 percent in operating profit, compared to the levels for the same period in 2011.

3.3.4.1 Non-bank Financial Sector

During the year, the Bank commenced the enforcement exercises against illegal foreign exchange dealers in Monrovia and its environs as part of its efforts to effectuate reforms in the financial system. The Bank for several months, engaged foreign exchange operators in a bid to have them better organized and brought into the formal sector. The CBL conducted a one-week sensitization and

notification exercise to inform foreign exchange operators on the importance and benefits they stand to gain as legally registered actors. This exercise has led to a considerable reduction in the number of illegal operators.

In 2012, the Board of Governors of the CBL endorsed the revised Insurance Reform Road Map which was issued to insurance companies in 2011. The Board's decision to revise the road map was an outcome of the regulatory flexibility and commitments made by the Chief Executive Officers of operating insurance companies to fully cooperate with the CBL in the reform process. The road map which is being jointly implemented under the technical guidance of the First Initiative, an institutional partner of the World Bank, requires each insurance company operating in Liberia to comply with a number of requirements including: adequate capitalization, strong corporation governance structure, adequate risk management policies and adequate re-insurance cover.

Also, the number of insurance companies that applied to the CBL's Registry increased by 10, to 24 in the review period. Similarly, the number of insurance brokers rose by 2, from 1 in 2011 to 3 in 2012.

The Bank also established a separate unit with the mandate to spearhead the process of payments system modernization project in an effort to reduce transaction costs, eliminate risks, and enhance efficiency in the banking sector. To this end, the African Development Bank (AfDB) has provided funding support for the modernization of the payments system in Liberia as part of a regional project in some member countries of the West African Monetary Zone (WAMZ). The project is being implemented through the West African Monetary Institute (WAMI) in 4 selected countries in West Africa.

The objective of the project is to improve payments system through the installation of network infrastructure and electronic operating system including the Real Time Gross Settlement System (RTGS), Automated Clearing House (ACH), Automated Check Processing (ACP), and Scripless Settlement System (SSS) in the 4 countries of the WAMZ. The improvement of the payments system is expected to contribute in the short term to facilitating trade, financial intermediation and access to financial services.

The implementation of the modernization process commences with upgrading the physical infrastructure. The infrastructure upgrading components include IT room and Energy Upgrade, Network Upgrade and reconfiguration, and Internet and MAN. The CBL, in partnership with the AfDB, began the process in 2011, which was continued during 2012 and is expected to be concluded at the end of 2013 with the completion of all of the

infrastructure upgrade components.

3.3.4.2 Exchange Rate Developments

The average exchange rate of the Liberian dollar vis-à-vis the United States dollar during the year depreciated by 1.8 percent, to L\$73.52/US\$1.00 in 2012, compared with L\$72.23/US\$1.00 for 2011 as a result of rising demand for foreign exchange during the year; resulting from growth in business activities. However, stability was maintained in the end-of-period exchange rate despite the upward pressure faced during the first half of the year. The Liberian dollar stabilized at L\$72.50/US\$1.00 at end-2011 and 2012. The stability was largely due to the CBL's aggressive intervention in the foreign exchange market during the second and third quarters of the year.

3.3.5 External Sector Developments

3.3.5.1 Balance of Payments

Liberia's balance of payments (BOP) position in 2012 significantly improved from a deficit of US\$21.0 million recorded in 2011 to a surplus of US\$3.4 million. However, the current account balance recorded a deficit of US\$1,676.2 million, reflecting a deterioration of US\$902.44 million largely on account of reinvested earnings of direct investment enterprises operating in the country.

The trade balance improved markedly from a deficit of US\$1,438.4 million in 2011 to US\$650.6 million in 2012, largely due to declining import payments. The services account also recorded a net outflow of US\$815.6 million in 2012, from US\$636.3 million, representing an increase in outflow of 28.2 percent which was mainly ascribed to increase in business travel and transportation.

In 2012, investment income recorded net outflows of US\$1,244.0 million, from a net inflow of US\$87.7 million reported in 2011. The increase was partly a result of growth in retained earnings made by direct investment enterprises (DIEs) during the year.

3.3.5.2 Merchandise Exports

Aggregate export receipts grew during the year by US\$109.0million or 29.7 percent to US\$476.0 million at end-December, 2012, from US\$367.0 million reported at the close of 2011. This development was mainly attributed to increased transshipment of iron ore and round logs, improved infrastructure as well as gradual recovery of the extractive sector in the economy. Other commodities that also contributed to the expansion were gold and 'Other commodities' category.

3.3.5.2.1 Merchandise Export Structure

Iron ore was one of the biggest export earners during the year accounting for 24.6 percent of overall receipts. Compared with the preceding year, iron ore

exports expanded significantly by five-folds to an estimated US\$117.1 million, up from US\$22.2 million of 2011 solely influenced by increased mining activities by a major mining company. The increased activities in mineral development by three other multibillion dollars concession companies indicate a positive medium term outlook in the iron ore sub-sector of the country.

Rubber products remained the dominant traditional source of export earnings, despite its poor performance during the year with a slowdown by 31.6 percent. Proceeds from rubber account for 33.7 percent of total export receipts in 2012. Total receipts declined to US\$154.6 million at the close of December, 2012, from US\$226.1 million recorded during the previous year, largely driven by slump in the world prices of rubber coupled with a fall in production by a major company in the rubber industry.

Round logs recorded increased receipts, to US\$48.3 million in 2012 against US\$21.3 million reported at end-December, 2011. As a ratio to total export, proceeds from the commodity accounted for 10.5 percent. The increase in the number of concession companies operating in the sector was the main driver.

Proceeds from gold also rose to US\$26.3 million in 2012, from US\$17.2 million at the close of December, 2011, representing a growth rate of 52.9 percent. This development was due to increased world prices of gold. Contribution of gold to overall export receipts was 5.7 percent.

Increased earnings were also recorded for "Other commodities" category, rising to US\$92.0 million at end-December, 2012, from US\$50.4 million for the previous year. Commodities included in this basket are mainly non-traditional exports such as scrap metals, palm oil, among others. It constituted about 20.0 percent of overall export receipts.

3.3.5.3 Merchandise Imports

3.3.5.3.1 Merchandise Imports

During the year, 2012, the total value of imports was estimated at US\$1,035.3 million, up from US\$1,044.2 million recorded in 2011, an increase of 0.9 percent. This slight rise was largely driven by Machinery & Transport Equipment and Petroleum Products which rose by 23.9 and 18.4 percent, respectively.

The total import bills for Manufactured Goods Classified chiefly by Materials grew by 14.5 percent over the year to US\$107.7 million, from US\$94.1 million of 2011. This was on account of worldwide price increase for capital goods coupled with robust investment activities currently taking place in the country.

Payments for Machinery & Transport Equipment were also on the rise in 2012; increasing by 5.8

percent to US\$265.4 million, from US\$250.9 million registered in 2011. The growth was influenced by expansion in private investment in the mining and construction subsectors. Import bills for petroleum products also rose in 2012, to US\$235.7 million, from US\$216.9 million a year ago, an 8.7 percent rise, largely due to an increase in the price of oil on the world market during the year. However, decline in payments was recorded in other categories, including Food & Live Animals, Minerals, Fuel & Lubricants, and Miscellaneous Manufactured Articles.

3.3.6 National Stock of Debt

Liberia's public debt stock at end-December, 2012 stood at US\$579.2 million, a 7.7 percent increase relative to the level recorded at end-December, 2011, which was largely due to increases in both domestic and external obligations. The composition of the debt stock shows that external and domestic debts constituted 50.2 percent and 49.8 percent of the country's total public debt, respectively.

3.3.6.1 External Debt

Total external debt at end-December, 2012 stood at US\$290.9 million, 12.8 percent higher than the level recorded at end-December, 2011. A disaggregation of external debt indicates that at end-December, 2012, multilateral and bilateral creditors accounted for US\$157.1 (54.0 percent) and US\$133.9 million (46.0 percent) of the country's external debt stock, respectively. Viewed against the corresponding period in 2011, multilateral debt expanded by US\$34.1 million (27.7 percent), but bilateral debt shrank by US\$0.9 million (0.7 percent), respectively.

3.3.6.2 Domestic Debt

The stock of Domestic debt amounted to US\$288.3 million at end-December, 2012. Matched against the same period in 2011, it rose by US\$8.3 million (3.0 percent), from US\$280.0 million.

Debt obligation to financial institutions constituted the largest share of domestic debt stock. At end-December, 2012, domestic debt to financial institutions stood at US\$280.5 million or 97.3 percent of the country's total domestic debt stock. It grew by US\$11.4 million (4.2 percent), compared to the corresponding period in 2011. Suppliers' credit, salary & allowances, pre-NTGL salary arrears, and others accounted for US\$1.9 million, US\$3.7 million, US\$1.3 million, and US\$0.8 million, respectively.

3.3.7 Remittances

Remittance inflows for the review period amounted to US\$1,388.2 million, reflecting an increase of 10.1 percent compared with US\$1,261.2 million reported for 2011. The growth was largely due to an expansion in service payments to US\$402.4 million at-end December, 2012, from US\$174.6

million recorded for 2011. This is the only category that recorded increase for the period. Compared with 2010, total inward remittances expanded by 31.3 percent, from US\$980.5 million. A disaggregation of inward remittances by category reveals that workers' inward remittance accounted for the largest share of 36.7 percent; followed by service payment, 29.0 percent; exports, 22.5 percent; grants, 8.3percent; official transfers, 3.5 percent and loan, 0.02 percent.

Total outward remittances declined by 8.6 percent to US\$1,245.3 million over the US\$1,362.3 million reported during the preceding year. The slump was mainly on account of 27.9 percent reduction in import payments to US\$716.5 million for the 12-month period, from US\$994.2 million in 2011. A breakdown of total outflows indicates that import payments accounted for the highest portion of 57.5 percent; workers' outward remittances, 29.6 percent; service payments, 10.5 percent; official transfers outside of the economy, 2.3 percent; and loan payments of 0.04 percent.

3.3.8 Monetary Policy Stance

The focus of monetary policy by the CBL during the period under consideration remained the achievement of broad exchange rate stability as the intermediate objective and price stability as the ultimate target. To this end, and in the face of limited policy tools, the CBL has persistently relied on the weekly sale of foreign exchange as the only available instrument to influence domestic monetary conditions. The Bank is working along with other key stakeholders to introduce the Treasury bills which will add to the number of policy instruments.

3.3.9 Monetary Aggregates

At end-December, 2012, Liberian dollars in circulation¹ amounted to L\$8,614.2 million, reflecting

an increase of 18.8 percent, from L\$7,251.6 million at end-December, 2011. Of this amount, currency outside banks accounted for 84.6 percent while currency in banks constituted 15.4percent. The expansion in currency in circulation was on account of a more than 100.0 percent increase in currency in banks, from L\$547.3 million at end-December, 2011 to L\$1,322.9 million at end-December, 2012. Currency outside banks grew by 8.8 percent to L\$7,291.3 million at end-December, 2012, from L\$6,704.3 million at end-December, 2011. The sharp expansion of currency in banks reflects growing public confidence in the banking sector arising from the continuous stability in the industry.

Money supply (M1) in the review period totaled L\$30,132.7 million, expanding modestly by 0.2 percent compared with L\$30,069.0 million reported at end-December, 2011, driven largely by an 8.8 percent growth in currency outside banks. Quasi Money grew by 9.2 percent to L\$14,549.7 million in 2012, from L\$13,329.2 million at end-December, 2011, on account of a 16.9 percent increase in savings and time deposits. Broad money (M2), in the review period, rose by 3.0 percent, to L\$44,682.3 million, from L\$43,398.2 million at end-December, 2011, largely on account of 16.2 percent growth in net domestic assets (NDA). Compared with the level in 2010, broad money rose by 39.5percent. Reserve money, as well, expanded by 4.1 percent in the reporting period, spurred by increases in currency outside banks and commercial banks' reserves. The US dollar share in the total liquidity level amounted to 72.2 percent (L\$32,241.7 million⁵) and the Liberian-dollar component accounted for 27.8percent (L\$12,440.7 million), reflecting the highly dollarized nature of the Liberian economy.

3.4 NIGERIA

3.4.0 Overview

The performance of the Nigerian economy was modest in 2012 as the real gross domestic product (GDP), measured in 2012 basic prices, grew by 6.6 percent with the main drivers being the service, wholesale/retail, agriculture, building/construction, and industry sub-sectors. Though inflation rate was above the single digit benchmark, the tight policy stance of the monetary authority contained headline inflation at 12.0 percent and also engendered moderate growth in the major monetary aggregates. The external sector remained robust as in the previous year and the overall balance of payments position maintained a healthy surplus, underpinned by improve current account position owing to the favorable developments in the international oil market. Thus, the naira exchange rate vis-à-vis the US dollar remained stable for most part of the year.

Nevertheless, the fiscal operations of the Federal Government remained expansionary, as it resulted in an overall deficit of N975.7 billion, or 2.4 percent of GDP.

3.4.1 Sectoral Developments

3.4.1.1 Domestic Output

The GDP measure in 1990 constant basic prices, grew by 6.6 percent in 2012, compared with 7.4 percent in the previous year. The lower growth relative to 2011 was attributed to the contraction in oil GDP. However, non-oil GDP grew by 7.9 percent, compared with 8.4 percent in the previous year, driven by the agriculture, services, building and construction, and the wholesale and retail trade. Growth in industrial output (excluding crude petroleum) remained sluggish at 1.3 percent as in the previous year.

Further analysis of the real GDP revealed that the share of agriculture in total GDP was 39.2 percent; industry, 18.4 percent; crude oil, 13.8 percent and the services sector contributed 20.4 percent.

3.4.1.2 Domestic Prices

Available data from the National Bureau of Statistics (NBS) indicated that the all-items composite Consumer Price Index (CPI), stood at 141.1 (November 2009=100), at end-December 2012 and represented a year-on-year headline inflation of 12.0 percent. A trend analysis showed that headline inflation which stood at 12.6 percent at end-January 2012 rose to 12.9 percent in April, but fell to 11.3 percent at end-September, before closing at 12.0 percent at end-December 2012. Similarly, core inflation (all-items less farm produce) grew from 12.7 percent at end-January 2012 to 14.7 percent in April.

However, it declined to 13.1 percent at the end of the third quarter, before increasing to 13.7 percent at end-December 2012. Food inflation stood at 13.1 percent at end-January 2012, but moderated to 10.2 percent at end-December 2012. The lower inflationary pressure was attributed to the relatively tight monetary policy of the monetary authorities.

3.4.2 Fiscal Sector

The overall fiscal operations of the Federal Government resulted in a deficit of N975.7 billion, or 2.4 percent of GDP, compared with the deficit of N1,158.5 billion, or 3.1 percent of GDP in 2011. The deficit was within the West African Monetary Zone (WAMZ) primary convergence criteria maximum target of 4.0 percent of GDP. The consolidated Federal Government debt stock at end-December 2012 was N7,564.4 billion, or 18.7 percent of GDP, compared with N6,519.6 billion, or 17.4 percent of GDP in 2011.

At N3,629.6 billion, the Federal Government retained revenue was above the budget benchmark of N3,561.0 billion and the level in 2011 by 1.9 and 2.1 percent, respectively. Analysis of the revenue showed that the share of the Federation Account was N2,499.5 billion, or 68.9 percent of the total; the VAT Pool Account amounted to N102.3 billion (2.8 percent); the Federal Government Independent Revenue was N206.8 billion (5.7 percent); the excess crude oil (including augmentation) accounted for N485.0 billion (13.3 percent); share from SURE-P distribution was N130.0 billion (3.6 percent) while 'Others' accounted for the balance of N205.8 billion (5.7 percent).

At N4,605.3 billion, the estimated aggregate expenditure of the Federal Government was below the N4,707.2 billion target for 2012 and the level attained in the preceding fiscal year by 2.2 and 2.3 percent, respectively. The breakdown reveal that current expenditure which stood at N3,325.2 billion (72.2 percent of the total), was above the budget benchmark for 2012. At N874.8 billion, capital expenditure (19.0 percent of the total expenditure), was below the budget benchmark of 32.8 percent.

3.4.3 Monetary Sector

The growth in broad money supply (M2), at 13.7 percent, was below the indicative benchmark growth rate of 24.6 percent for fiscal year 2012 and the 15.4 percent attained at end-December 2011. The development reflected largely the sluggish growth in domestic credit (net) due to the significant decline in net claims on the Federal Government. Similarly, growth in narrow money supply (M1) was sluggish at 4.3 percent at end-December 2012, compared with 21.5 percent recorded at end-December 2011.

Aggregate bank credit to the domestic economy (net) grew by 2.0 percent, compared with the benchmark of 52.2 percent for fiscal year 2012 and the 57.2 percent recorded at end-December 2011. The development reflected wholly the significant decline of 167.2 percent in claims (net) on the Federal Government. Base money, the operating target of monetary policy, was above the indicative benchmark for fiscal year 201 by 18.6 percentage points.

3.4.4 Deposit and Lending Rates

Available data revealed that DMBs' deposit rates increased in 2012. The annual average savings deposit rate rose slightly by 0.3 percentage point to 1.73 percent. Similarly, the average term deposit rate on depositors of various maturities rose to a range of 4.69–8.38 percent, from a range of 2.40–6.11 percent in 2011. The rise in banks' deposit rates was attributed to the tight liquidity conditions in the banking system and the upward review of the Monetary Policy Rate (MPR) towards the end of the year. The annual weighted average prime and maximum lending rates rose by 1.0 and 1.5 percentage points to 17.02 and 23.90 percent, respectively, in 2012. Consequently, the spread between the average term deposit and maximum lending rates narrowed to 16.74, from 17.68 percentage points in 2011.

3.4.5 External Sector

The estimated overall balance of payments (BOP) position exhibited a surplus of N1,749.3 billion (US\$11.2 billion), or 4.3 percent of GDP, compared with N47.1 billion (US\$0.3 billion) in 2011. The surplus in the current account rose significantly to N2,653.9

billion (US\$17.0 billion) or 6.6 percent of GDP, which almost doubled the N1,336.8 billion (US\$8.8 billion) or 3.6 percent of GDP recorded in 2011. The development was attributable to the enhanced exports receipts, workers' remittances and lower import bills occasioned by the reforms in the oil sector. The deficit in the capital and financial account narrowed by 7.1 percent to N772.0 billion (US\$4.9 billion) as a result of improved portfolio inflows. Aggregate foreign capital inflow also increased by 78.9 percent to N3,851.3 billion in 2012.

Nigeria's gross external reserves as at end-December 2012 stood at US\$43.83 billion, representing an increase of 34.3 percent, compared with the level at end-December 2011. The accretion to external reserves was due largely to the increase in crude oil exports and the decline in foreign exchange demand under the wDAS segment of the foreign exchange market. The external reserves could support 9.0 months of import, compared with 6.3 months in 2011.

3.4.6 Exchange Rate Movements

The average nominal exchange rate of the naira vis-à-vis the US dollar at the wDAS segment of the foreign exchange depreciated by 2.3 percent from the level in 2011 to N157.50 per US dollar. Similarly, at the inter-bank and the BDC segments, the naira depreciated by 1.9 and 1.0 percent from their levels in 2011 to N158.84 and N160.86 per US dollar, respectively. Notwithstanding the depreciations, the premium between the average wDAS/inter-bank and wDAS/BDC rates narrowed from 1.3 and 3.5 percent in 2011 to 0.9 and 2.1 percent in 2012, respectively.

3.5 SIERRA LEONE

3.5.0 Overview

Sierra Leone's economic activity remains strong in 2012, despite the mild pace of global economic recovery. Real GDP growth was estimated at 18.0 percent including iron ore and 6.8 percent excluding iron ore, as compared to 6.3 percent in 2011. This was achieved as a result of improved activities in the mining sector, agriculture, construction and financial services. The end-period inflation (year-on-year) at end December 2012 eased to 11.41 percent on the back of the central bank's tight monetary policy and relative stability of the exchange rate. The 12 month moving average inflation also dropped to 12.87 percent at end December 2012, compared with 16.06 percent in 2011. Fiscal outturn improved with overall fiscal deficit (including grants) at 2.9 percent GDP, below the 4.61 percent of GDP recorded in 2011. This was mainly financed through the banking sector amounting to 2.38 percent of GDP. Monetary aggregates accelerated in both reserve money and broad money exceeding their targets in 2012. The growth in money stock was attributed mainly to an expansion in government borrowing from the banking sector. The performance of the external sector remained robust, with the trade deficit contracting significantly to US\$495.00mn from US\$1,367.34mn recorded in 2011. The development reflected the increase in foreign direct investment and a decline import bills. The level of external debt was within a sustainable level, while the gross external reserves stood at US\$417.92mn at end-December 2012 and could finance 3 months of current import commitments meeting the minimum requirements of WAMZ convergence criteria. The foreign exchange rate remains stable, supported by increased foreign exchange inflows as well as tight monetary policy.

The buoyancy in the economy noted during the year is expected to continue into 2013, supported by steady gains in the mining sector, based on the ongoing expansions in the iron ore production, alongside foreign-direct investment led construction activity. However the outlook is expected to remain subdued arising from the lingering Eurozone and the implementation of austerity measures in the US that could restrict economic growth in the near term.

3.5.1 Real Sector Developments

Real sector activities were mixed in 2012, as evidenced by the impressive performance in the tourism and transport subsector as well as the mining sector but a decline in manufacturing and construction related activities.

Real GDP growth was estimated at 18.0 percent trending upwards from 6.3 percent recorded in 2011. The growth in GDP was largely accounted for by

growth in mining activities, agricultural activities, services sector and infrastructural investments. The major drivers of this growth were led by the agricultural sector and services sector, with 41.98 percent and 27.72 percent, respectively.

The agricultural sector being the leading sector in the Government's Agenda for Change experienced a boost in 2012, given an increased government budgetary allocation and assistance from development partners. Cocoa production increased significantly with a volume of 63.55 thousand metric tons in the review period. This was led by the establishment of Government's small-holder commercialization programme and increased supply of farming inputs. Despite an increase in electricity generation at 1.55 percent in 2012, the manufacturing industry depicted low production levels with output of beer & stout, paint, cement, flour and confectionary dropping considerably. The mining sector, however, experienced the highest contribution to GDP at 12.7 percent with iron ore production contributing the bulk of the total at 11.6 percent of GDP. Diamond and Rutile production increased by 49.9 percent and 39.02 percent respectively, reflecting increased mining activities and renewed investments in dry mining projects. However, bauxite, gold and zircon recorded decline, due to shutdown of one of the dredges and a fall in gold prices during the fourth quarter of 2012. The service industry was also impressive with 2.1 percent contribution to GDP growth in 2012.

Consumer price inflation narrowed to an annualized 11.40 percent reflecting stability of the exchange rate, expansive domestic food supply and relaxation on customs duty for petroleum products. Average inflation (12-months moving average) stood at 16.06 percent in 2011 declining steadily to 12.87 percent in 2012. The trend in inflation during the year emanated from both the food and non-food, with respective declines of 13.74 percent and 9.71 percent in December 2012 from 23.89 percent and 11.73 percent in January 2012.

3.5.2 Fiscal Operations

In 2012, fiscal strategy focused at supporting economic growth and improving productivity and efficiency in public service delivery. Fiscal policy was also supportive of the tight monetary policy stance pursued by the Bank of Sierra Leone during most of 2012. The fiscal space was further constraint by the high interest cost associated with servicing of government securities. To accommodate these challenges, fiscal policy was contractionary, resulting in an improvement in government's fiscal operations in 2012. This was translated in narrowing of the overall deficit (including grants) to 2.90 percent of GDP, compared to a deficit of 4.62 percent of GDP registered in 2012. Total revenue and grants grew by

3.52 percent but 9.78 percent below the budgeted position of 2012. This was occasioned by 66.72 percent increase in income tax receipts and 18.83 percent in goods and services tax. There was a shortfall in custom & excise receipts during the review period by 0.67 percent, but however exceeded the target by 1.22 percent. This was partly accounted for by the suspension of discretionary duty waiver and the restoration of excise tax on petroleum products. Total expenditure was 1.27 percent lower than the previous year. The contraction was driven by a 39.38 percent decline in capital expenditures, while recurrent expenditure increased by 12.91 percent. The muted growth in capital expenditures was linked to a decrease in expenditures funded by foreign loans and grants.

3.5.3 Monetary Developments

During 2012, monetary policy management was challenged by the combined effects of fiscal expansion and an increase in net foreign capital inflows. The rise in foreign inflows witnessed high liquidity in the banking system. Against this backdrop, the MPR was maintained at 20.00 percent throughout 2012 and monetary operations were also strengthened through active OMO operations to contain the excess liquidity and inflationary pressures. Accordingly, the restrictive monetary policy stance of the Central Bank led to a modest growth in money supply, particularly domestic credit to the economy. However, credit to government increased during the review period and would remain a threat to price stability if the trend persists in the near term.

Monetary developments were marked by expansive growth in both reserve money and broad money. Broad money grew by 23.13 per cent as against a growth of 21.86 per cent in end December 2011. The increase in broad money was underpinned by a mild growth in Net Foreign Asset (NFA) and Net Domestic Asset (NDA) by 21.04 percent and 29.55 percent, respectively. Positive trend in the Net Foreign Assets (NFA) was buoyed by an increase in external budgetary support, payment of taxes by mining companies and claims of commercial banks on foreign banks. Reserve money also firmed up by 18.53 percent compared to 12.97 percent registered in 2011. This was precipitated by an increase in government borrowing from the banking sector and expansion in credit to the private sector by commercial banks.

Net Claims on Government extended by 20.08 percent and was 0.80 percent above the level in 2011. The marginal growth was as a result of 17.71 percent shortfall in Net Claims of Government to central bank. Credit to the private sector by commercial banks grew by 6.17 percent which is

lower the 22 percent recorded in 2011. The slowdown in the growth of private sector credit reflected the crowding out effect of Government borrowing from the banking system, coupled with the positive impact of the operations of the credit reference bureau.

Interest rate developments continued to be mixed reflecting diminishing inflation expectations and a contraction in government borrowings. The monthly average annual yield on 3-months treasury bills which was 23.42 percent at end December 2011 declined to 6-months and 12-months Treasury 18.99 percent in December 2012. Similarly, interest rates on 6-months and 12-months treasury bills also declined, albeit slightly, from 29.55 and 28.63 percent in 2011 to 25.48 and 25.83 percent, respectively in 2012. Average Interest rate on Savings, 1 month 3 months 6 months, 9 months and 12 months' time Deposit remained unchanged at 6.42, 9.16, 9.75, 10.39, 10.25 and 11.91 percent, respectively. The Interest rate on 12 months Treasury Bonds remained unchanged at 20 per cent whilst the lending rate on overdraft also remained unchanged in the range of 21-29 percent.

3.5.4 External Sector

The external sector performance remained strong during the year, following a build-up in total merchandise trade (i.e. exports plus imports) to US\$2,712,058.54mn, representing US\$646.29mn above the level in 2011. The merchandise trade deficit, however, declined considerably to US\$495.00mn in 2012 from US\$1,367.34mn in the previous year, due to increased export receipts and a falloff in imports bills.

Total merchandise exports for the period more than doubled to US\$ 1,108.53mn, in contrast to US\$ 349.22mn recorded in 2011. The growth in exports was largely attributed to the growth in earnings from mineral exports, namely diamond, rutile and iron ore coupled by huge jumps in earning from other exports. A total of 532.56 thousand carats of diamond worth US\$161.72mn were exported, reflecting an increase of 532.56 thousand carats in volume terms and 24.62 percent in value terms over the previous year record. Gold and bauxite export decreased from 1,421.76 thousand metric tons, and 5.28 thousand ounces in 2011 to 715.53 thousand metric tons and 4.53m thousand ounces in 2012. Corresponding values also decreased by 156.19 percent to US\$17.08mn and 21.15 percent to US\$ 5.74mn respectively. Export of rutile and iron ore registered significant increase in both volume and value terms in 2012. From a volume of 44.62 thousand metric tons, valued at US\$34.44mn in 2011, rutile exports receipts increased to 245.98 thousand metric tons, valued at US\$203.74mn in 2012. Similarly, export of iron ore increased significantly from 339.33 thousand metric

tons in volume terms, valued at US\$14.86mn in 2011 to 448.98 thousand metric tons, valued at US\$327.83mn in 2012. Agricultural export receipt contracted to US\$29.93mn on account of 41.60 percent decline in the earnings from cocoa to US\$25.71mn from US\$44.02mn recorded in the previous year. This development more than offset the significant receipts from coffee exports to US\$3.75mn in the reporting period from US\$2.00mn recorded in 2011. Other exports increased significantly from US\$29.00mn in 2011 to US\$226.25mn consistent with growth in domestic economic activities.

Aggregate import stood at US\$1,603.5mn in 2012, showing a decline of 6.58 percent from US\$1716.56mn recorded in 2011. The outturn in imports was mirrored in payments for manufactured goods and machinery and transport and equipment. The bills for consumer goods, intermediary goods, mineral fuel and lubricants and fuel however registered upward trends. Imports of consumption goods also went up by 19.37 per cent to US\$344.55mn, reflecting an increase in import payments for food subcategory which account for over 88.82 percent of consumer items. Payments for 257.06 thousand metric tons of rice imported during the reporting period amounted to US\$111.42mn, representing 31.50 percent increase on the 155.41 thousand metric tons valued at US\$84.73mn in 2011. Intermediate goods imported during the year amounted to US\$140.40mn, indicating an increase of 64.19 per cent over the level in 2011 US\$365.76 million recorded for the same period in 2011. Import payment for manufactured goods and machinery & transport equipment dropped by 7.83 percent and 35.75 percent to US\$286.08mn and US\$485.93mn respectively in the year under review. The import value for petroleum products (Mineral fuel & lubricants) increased by 25.68 percent from US\$257.76mn in 2011 to US\$346.57mn in 2012. The import for fuel, both in volume and value terms scaled up by 15.90 percent and 32.17 percent to 280.59 thousand metric tons and US\$322.11mn respectively in 2012.

3.5.5 Exchange Rate Development

Exchange rate movement during the year ended 2012 was largely stable, supported by the central bank's strict monetary policy and accelerated foreign inflows across key sectors of the economy. The central bank weekly auction, however, continued to be the mechanism for the management of the exchange rate.

The yearly average exchange rates in all the market segments appreciated in 2012, compared to 2011. The BSL average mid-rate of the Leone against the US dollar as well as the commercial banks,

bureaux and the parallel market rates appreciated by 0.20%, 0.22%, 0.43% and 1.07% from Le4352.12/US\$, Le4352.37/US\$, Le4347.78/US\$ and Le4427.94/US\$ in 2011 to Le4343.62/US\$, Le4343.00/US\$, Le4329.16/US\$ and Le4380.34/US\$ in 2011. The yearly average auction rate appreciated by 1.45% from Le4,382.12/US\$ in 2011 to Le4318.72/US\$ in 2012.

The BSL monthly average midrate also followed an appreciable trend from Le4375.54/US\$ as at end December 2011 to Le4330.04/US\$ as at end December 2012, whilst the monthly average commercial banks' rate appreciated by 0.93% from Le4372.95/US\$ as at end December 2011 to Le4332.23/US\$ as at end December 2012. The monthly average foreign exchange auction rate appreciated by 1.96% from Le4381.10/US\$ as at end December 2011 to Le4295.27/US\$ as at end December 2012. The Le/US\$ official mid-rate appreciated by 1.00% from Le4377.71/US\$ as at end December 2011 to Le4334.11/US\$ as at end December 2012. During the previous period in 2011, the official Le/US\$ depreciated by 4.28% from Le4198.01/US\$ to Le4377.71/US\$. The commercial bank's weighted average mid-rate appreciated by 0.84% from Le4371.28/US\$ in January 2012 to Le4334.56/US\$ as at end December 2012. During the previous period in 2011, the commercial bank's weighted average mid-rate depreciated by 4.35% from Le4189.09/US\$ to Le4371.28/US\$. The parallel market midrate appreciated by 1.63% from Le4442.50/US\$ in January 2012 to Le4370.00/US\$ as at end December 2012. During the same period last year, the parallel market rate depreciated by 2.95% from Le4315.00/US\$ to Le4442.50/US\$.

3.5.6 International Reserves

The Gross External Reserves of the Bank of Sierra Leone expanded from US\$376.79mn as at end December 2011 to US\$417.93mn as at end December 2012. This represented a surplus of US\$41.14mn or 10.59 percent, enough to cover 3 months of import cover for goods and non-factor services. The growth reflected a contraction in trade deficit and an increase in inflows from the mining companies in the form of taxes and loan disbursements. The end December 2012 reserves target of US\$ 378.80 was clearly met.

Total inflows for the year 2012 grew by 21.6 percent from US\$ 159.85mn in 2011 to US\$ 194.36mn in 2012. The increase in inflows was accumulated mainly from disbursements for both budgetary and balance of payment support amounting to US\$ 79.65mn or 40.98 percent of total inflows. Among the key donors were disbursements fund of US\$ 6.86mn from International Monetary Fund (IMF), US\$16.28mn budgetary support fund

from UK/DFID, European Union(US\$15.34mn)in respect of Poverty Reduction Budget Support and a World Bank loan of US\$ 24.03mn.Other disbursements were mainly from IDA/World Bank(US\$1.60mn),African Development Bank(US\$ 6.57mn) and Japan Food Aid project amounting toS\$8.00mn.Other inflows realized were transactions with commercial banks(US\$ 15.50mn),other government receipts of US\$16.84mnand petroleum resources receipt of US\$ 25.00mn.Receipts from exports increased significantly from US\$26.97mn in 2011 to US\$ 54.19mn in 2012.The impressive performance was generated mainly from Sierra Rutile (US\$ 20.37mn) and African Mineral Mining Co. (US 24.88mn).Other key contributions include US\$ 0.80mn from London Mining Co, Diamond license fees (US\$1.60mn), income tax from diamond exporters (US\$2.90mn) and receipts from fishing royalty/license fees (\$10.76mn).

Total outflows increased by 23.57 percent from US126.26mn as at end December 2011,to US\$156.02mn as at end December 2012..Significant outflows constitute US\$ 47.31mn in respect of foreign exchange provided to the private sector through the weekly foreign exchange auction, US\$ 24.32mn being government infrastructural project in water and energy, US\$ 15.28mn being cost of printing currency by Bank of Sierra Leone, whilst payment by embassy/mission for goods and services amounted to US\$ 13.42mn.Total debt service payments amounted to2 US\$ 28.24mn in 2012 ,compared to US\$ 22.77mn recorded in 2012.of the total, US\$ 7.06mn was paid to IMF, US\$1.85mn to World Bank, US\$0.90mn to the African Development Bank (ADB), other multilateral and bilateral institutions (US\$8.33mn), payment made to OPEC/OFID (US\$

3.57mn)and other commercial debts (US\$6.50mn)

3.5.7 External Debt Management

The Government's total disbursed and outstanding official long-term debt, including principal arrears at end-December 2012 was US\$966.80million or 25.9 per cent of GDP. This represented an increase of 8.62 per cent compared to US\$890.10million at end December 2011. The increase was mainly as a result of disbursements received from the International Development Association (IDA), IMF, Exim Bank of India and the African Development Bank, which more than outweighed the principal repayments made during the period. Further analysis indicated that 63.76 per cent was owed to multilateral creditors, while bilateral creditors and commercial debts accounted for the balance of 36.24 per cent.

Under the auspices of HIPC Initiative, the Government has been consistent and timely in debt service disbursements to all its external creditors. Principal and interest arrears are owed mainly to the commercial creditors. Discussions are still underway with the World Bank to assist in the implementation of a second debt buyback programme to settle the long outstanding arrears to the commercial creditors.

Total disbursements received from external creditors during the period amounted to US\$89.08mn. Of this amount, US\$37.76mn was from IDA; US\$14.53mn from ECOWAS Bank for Int'l Development; US\$4.31mn from ADF; US\$5.73mn from Badea, and the residual of US\$26.75mn was from Exim Bank of India and China, Kuwait Fund, IFAD, IDB, Saudi Fund and OPEC under various projects.

4.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN WEST AFRICA

4.1.0 Introduction

The economy of West Africa continues to grow robustly since the end of the global financial crisis. The main risk to this growth remains the external environment, particularly for middle income and mineral exporting countries. The region recorded a growth rate of 6.9 percent in 2012 from 6.7 percent in 2011. This growth can be attributable to domestic momentum in private consumption and investment as well as exports. The general inflationary pressure in the sub-region moderated from 7 percent in 2011 to around 5.8 percent in 2012 (Table 4.2).

4.1.1 CFA Countries

Countries among the CFA zone recorded an average low growth. Niger recorded the highest growth rate in the zone at 11.2 percent, closely followed by Coted'Ivoire and Burkina Faso with 9.8 percent and 8.0 percent respectively. Togo, Benin, and Senegal recorded growth rates of 5.0 percent, 3.8 percent and 3.5 percent. However, Mali and Guinea Bissau recorded negative growth rates of 1.2 and 1.5 percent respectively as a result of political upheaval in the country.

The CFA countries continue to enjoy low inflationary pressure in 2012 with consumer prices ranging from 1.1 percent to 6.7 percent. Benin, Burkina Faso, Mali

and Togo recorded significant increases in inflation over the last year while the increase in inflation was moderate in Coted'Ivoire, Guinea Bissau, Niger, and Senegal. The highest inflationary pressures were recorded in Benin and Mali at 6.7 and 5.3 percent respectively. Niger, Senegal and Cote'Ivoire experience the most stable prices in the CFA zone at 0.5, 1.1 and 1.3 percent respectively.

4.1.2 Non-CFA Countries

Among the non-CFA countries, Sierra Leone recorded the highest growth rate of 19.8 percent followed by Liberia and Ghana at 8.3 percent and 7.0 percent respectively. Nigeria, the biggest economy in the region recorded a growth rate of 6.3 percent while Cape Verde recorded 4.3 percent growth and The Gambia and Guinea recorded 3.9 percent each.

Inflationary situation in the non-CFA zone moderated generally across countries in the region in 2012 compared to 2011. The inflation rates in Guinea, Sierra Leone and Nigeria remained in double-digits in 2012 just like in 2011 but at lower rates of 15.2 percent compared to 21.5 for Guinea; 13.8 percent compared to 18.5 percent for Sierra Leone but that of Nigeria increases by 1.4 percentage points from 10.8 percent in 2011 to 12.2 percent in 2012. Inflation moderated in Cape Verde, The Gambia and Liberia.

Real GDP Growth in West Africa									
CFA	1995 - 2004	2005	2006	2007	2008	2009	2010	2011	2012
Benin	4.8	2.9	3.8	4.6	5	2.7	2.6	3.5	3.8
Burkina Faso	6.3	8.7	6.3	4.1	5.8	3	7.9	4.2	8
Coted'Ivoire	1.9	1.9	0.7	1.6	2.3	3.7	2.4	-4.7	9.8
Guinea Bissau	0.2	4.3	2.1	3.2	3.2	3	3.5	5.3	-1.5
Mali	4.7	6.1	5.3	4.3	5	4.5	5.8	2.7	-1.2
Niger	2.8	8.4	5.8	0.6	9.6	-1	10.7	2.2	11.2
Senegal	4.4	5.6	2.4	5	3.7	2.2	4.3	2.6	3.5
Togo	2.2	1.2	4.1	2.3	2.4	3.5	4	4.9	5
Non-CFA									
Cape Verde	7	6.5	10.1	8.6	6.2	3.7	5.2	5	4.3
The Gambia	4.2	-0.9	1.1	3.6	5.7	6.4	6.5	-4.3	3.9
Ghana	4.7	6	6.1	6.5	8.4	4	8	14.4	7
Guinea	3.8	3	2.5	1.8	4.9	-0.3	1.9	3.9	3.9
Liberia	0	5.9	9	13.2	6.2	5.3	6.1	7.9	8.3
Nigeria	6.5	5.4	6.2	7	6	7	8	7.4	6.3
Sierra Leone	-0.8	4.4	4.4	8	5.3	3.2	5.3	6	19.8
Consumer Prices									
CFA	1995 - 2004	2005	2006	2007	2008	2009	2010	2011	2012
Benin	4.2	5.4	3.8	1.3	7.4	0.9	2.2	2.7	6.7
Burkina Faso	2.9	6.4	2.4	-0.2	10.7	2.6	-0.6	2.7	3.6
Coted'Ivoire	4	3.9	2.5	1.9	6.3	1	1.4	4.9	1.3
Guinea Bissau	14.6	3.2	0.7	4.6	10.4	-1.6	1.1	5.1	2.2
Mali	2.4	6.4	1.5	1.5	9.1	2.2	1.3	3.1	5.3
Niger	2.9	7.8	0.1	0.1	10.5	1.1	0.9	2.9	0.5
Senegal	2.1	1.7	2.1	5.9	5.8	-1.7	1.2	3.4	1.1
Togo	3.4	6.8	2.2	0.9	8.7	1.9	3.2	3.6	2.6
Non-CFA									
Cape Verde	3.4	0.4	4.8	4.4	6.8	1	2.1	4.5	2.5
The Gambia	6	5	2.1	5.4	4.5	4.6	5	4.8	4.6
Ghana	26.5	15.1	10.2	10.7	16.5	19.3	10.7	8.7	9.2
Guinea	6.3	31.4	34.7	22.9	18.4	4.7	15.5	21.4	15.2
Liberia	0	6.9	7.2	13.7	17.5	7.4	7.3	8.5	6.8
Nigeria	18.3	17.9	8.2	5.4	11.6	12.5	13.7	10.8	12.2
Sierra Leone	14.6	12	9.5	11.6	14.8	9.2	17.8	18.5	13.8

Source: World Economic Outlook, April 2013

5.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN AFRICA

5.1 Introduction

Africa continued its resilience against external shock in 2012 which has been the case since the end of the 2007-2009 global financial crisis. Resource rich countries continues to benefit from high commodity prices which evidenced by the variations in gross domestic product growth across the different regions. However, the continent continued to show good economic performance as North Africa sees resurgence in economic activities while Sub-Sahara Africa benefits from natural resource boom.

5.2 Macroeconomic Outcomes in 2012

The African continent continued its resilience in 2012 with GDP growing at 6.6 percent compared to the 3.5 recorded in 2011. This came as result of strong economic performance in Libya where GDP nearly double as the oil sector returned to its pre-crisis capacities. Also in West and Central Africa, net oil exporting countries grew at 6 percent. With the Exception of South Africa which grew at 2.5 percent, Southern and Eastern Africa Countries grew at 4.5 percent on average.

The inflation rate grew marginally averaging

around 9.1 percent compared to 2011. High inflation rates in East Africa points to the fact that more is desired in terms of prudent fiscal and monetary policies. The fiscal deficit reduced to 2.5 percent from 3.1 percent in 2011 with noticeable differences between net oil importers and oil exporters. Foreign direct investment inflow and remittances remained high at USD 42.7 billion and 41.8 billion but net aid inflows remain moderate.

5.3 Prospects for 2013

The continent is projected to grow at 4.8 percent in 2013 but with significant variations across regions. In West and Central Africa, commodity rich countries would grow at between 5-7 percent (1.2 percentage points higher than East and Southern Africa). North Africa is projected to grow at less than 4 percent. Countries are expected to continue the exploration of innovative means of raising revenue including sources such as the international market as has been pursued by countries such as Nigeria, Zambia, Kenya and Ghana. Inflation forecast is expected to remain in single digits and subsequently decline as the effect of the droughts on the continent subsides.

6.0 DEVELOPMENTS IN THE INTERNATIONAL ECONOMY

6.1 Global Economic Development

Growth in world output decelerated to 3.2 percent in 2012, compared with a strong growth of 4.0 and 5.1 percent recorded in 2010 and 2011, respectively. As in 2011, the slowdown reflected the much slower recovery in advanced economies, with a 1.2 percent growth, than the 5.1 percent achieved in the emerging and developing economies. This asymmetrical pattern of growth reflected largely sluggish growth in consumption in many advanced economies. All the economies of the world excluding United States and Japan which experienced improved growth performance, contributed to the deceleration in growth of world output.

6.2 Developments in Advanced Economies

At 1.2 percent in 2012, real growth in advanced economies declined compared with the 1.6 percent recorded a year earlier. With the exception of Japan and the United States which recorded increases in growth, all the other advanced economies contributed to the overall decline. In particular, although overall growth of the United States recorded a marginal increase in 2012, growth remained weak, reflecting tight fiscal policy and the interplay of several other factors including the resilient private demand, the unwinding of a spurt of inventory investment and defense spending and across the board public spending cuts which were expected to take a toll on the recovery in 2013. The Euro Area recorded negative growth, reflecting not only weakness in the periphery countries (notably Italy and Spain) but also some weakness in the core Euro Area, especially Germany and France. Output growth was subdued in the periphery, reflecting fiscal adjustment, financial fragmentation and balance sheet adjustments. Although Germany's growth is strengthening it was still forecast to be less than one percent in 2013. France's growth was forecast to be negative in 2013, reflecting a combination of fiscal consolidation, poor export performance, and low confidence. Most Euro Area periphery counties are expected to have substantial contractions in 2013.

6.3 Developments in the Emerging Market and Developing Economies

At 5.1 percent in 2012, real growth in emerging market and developing economies declined by 1.3 percentage points compared with the position a year earlier. The slowdown was contributed to by declines

in virtually all the component member countries except Middle East which recorded a marginal increase of 0.7 percentage point over the preceding year. Against the 2011 growth rates, the worst decline by 2.7 percentage points was posted by the countries of Central and Eastern Europe. However, in the emerging market and developing economies, the strong growth areas in 2012 were developing Asia, Africa, Middle East and commonwealth of Independent States and Latin America, in that order but the performance of developing Asia and Latin America depend importantly on a reacceleration of activity in India and Brazil, respectively.

The Sub-Saharan Africa's growth performance has been helped by favourable commodity prices, increased export diversification toward faster-growing Asian markets, and financial markets that are, for the most part, insulated from the immediate effect of stresses in global financial markets. Besides, there was new natural resource production in several countries (including Angola, Niger and Sierra Leone), some rebound from drought in the Sahel and parts of Eastern Africa, and strong post-conflict recovery in Cote d' Ivoire. Adjusting for these one-off effects the region's output growth slowed in 2012 by a projected 0.7 percentage point, driven in large part by the weaker economic outlook for South Africa. Constraining output in the region has also been high inflation and the consequential tightening in monetary policy in many countries.

6.4 Inflation

Inflation rates were generally subdued in advanced economies reflecting the absence of excess demand pressures. The rates also remained under control in emerging market and developing economies.

At 1.3 percent, inflation measured by the percentage change in GDP deflator, in advanced economies decelerated compared with 1.9 percent in 2011. However, measured by percent change in consumer price index, inflation in the same group of economies was marginally elevated at 3.0 percent, compared with 2.6 percent a year earlier. Under both measures of inflation, all the member countries of advanced economies successfully subdued inflation pressures in 2012. At 5.9 percent, inflation in the emerging market and developing economies, was relatively elevated with rates ranging from 4.5 percent for developing Asia to 10.7 percent for the Middle East. In the advanced economies inflation rates had

ranged from zero percent for Japan to 2.5 percent for EuroAsia in 2012.

Even so, in the emerging market and developing economies inflation has remained controlled, reflecting the slowdown and lower food and energy prices as well as output running appreciably above pre-crisis trends in emerging Asia and Latin American economies. However so, inflation pressure is projected to remain fairly elevated, considering that the major oil exporters appear to be operating close to or above capacity and some Middle East and North African economies (MENA) in transition have seen large price increases to various CIS and Sub-Saharan African economies in response to macroeconomic shocks.

6.5 World Trade

World trade slowed down considerably in 2012, reflecting the setbacks to global recovery in that year. At 5.8 percent in 2012, the growth of world trade volume reflected a sharp deceleration from the 7.5 percent growth recorded a year earlier. Both groups of advanced and emerging market and developing economies contributed to the decline, especially the group of advanced economies where the growth of imports trade volume plummeted from 5.9 to 0.6 percent in 2012. The corresponding figures for emerging market and developing economies were 11.1 and 4.6 percent. In the emerging markets and developing economies, the growth of exports plummeted by more than 50 percent and in the advanced economies by about 70 percent.

The slowdown in world trade attests to the spillovers of macroeconomic policies via the trade channel. In general currencies responded appropriately to recent changes in macroeconomic policies and falling risk aversion: there has been some appreciation of the euro and various emerging market currencies and some deprecation of the US dollar. In 2012 the Yen depreciated by about 20 percent in response to expectations for easier monetary policy and higher inflation, as well as a higher trade deficit and lower global risk aversion. The exchange rate changes affected the competitiveness of world economies with significantly inhibitive impact on world trade volume. In addition, growth in world output declined by some 0.8 percentage point relative to 2011.

6.6 World Economic Prospects in 2013

In its World Economic Outlook, the IMF projected continued prospects of world economic recovery in 2013 and 2014. Projections indicate that real GDP growth would reach 3.3 and 4.0 percent in 2013 and 2014, respectively.

Advanced Economies: Growth prospects.

In advanced economies, recovery will continue in each of the component economies but at different speeds. Real GDP growth in the United State was forecast to reach about 2.0 percent in 2013 and accelerate to 3 percent in 2014, following largely the resilient private demand, notwithstanding the across the board cuts in public spending.

With the easing of lending conditions, the euro area economies will experience a spurt of economic activity. Even so, output is projected to remain subdued, contracting by about 0.3 percent in 2013 following continued fiscal adjustment, financial fragmentation, and ongoing balance sheet adjustments in the periphery economies, notably Italy and Spain.

Activity in Japan has been projected to accelerate sharply following the impact of fiscal stimulus, a weaker yen, and strong external demand. Growth has been projected at 1.6 percent in 2013, softening only slightly to 1.4 percent in 2014 in the wake of rising private demand, and monetary ease, moderated, however, by the winding down of the stimulus and the increase in consumption tax.

Emerging Market and Developing Economies: Growth Prospects

Output growth was expected to increase steadily from 5.1 percent in 2012 to 5.3 percent in 2013 in emerging market and developing economies. It is expected to rise further to close to 6 percent by 2014. Growth in this group of economies was driven by easy macroeconomic conditions and recovering demand from the advanced economies.

In particular, in Asia, while external demand better monsoon season, etc are expected to boost activity in India, large monetary policy rate cuts and measures targeted at boosting private investment are expected in 2013 to lift activity in Brazil, Latin America's largest economy. The emerging European and Commonwealth of Independent States (CIS) economies are expected to be driven by upturn in the advanced economies as well as easier macroeconomic policies. Robust domestic demand is expected to lift activity in sub-Saharan Africa. On the downside, however, ongoing political transition, a difficult external environment and a pause in old production would inhibit growth prospects in the Middle East and North Africa (MENA) region.

Inflation

In the major advanced economies inflation was projected to stagnate at some 1.4 percent in 2013, rising slightly to about 2 percent in 2014, reflecting the absence of excess demand pressures in those economies. In the United States, inflation would ease from about 2 percent in 2012 to 1.6 and 2.0 percent in

2013 and 2014, respectively. Japan would experience near zero percent inflation in 2013 but some elevation in the rate to 1.8 percent in 2014 in response to increases in consumption tax, and to the Bank of Japan's new quantitative and qualitative monetary easing framework.

Inflation pressure was projected to remain subdued in 2013 and 2014 in emerging market and developing economies, reflecting the slowdown and lower food and energy prices. In Africa region inflation was projected to decelerate to 7.2 percent in 2013 and further to 6.3 percent in 2014. In both years inflation pressure, stagnated at below 7 percent in the Commonwealth of Independent States (CIS). The same pattern existed for inflation pressure averaging about 5 percent in developing Asia. Although inflation is projected to trend downward to an average of 9 percent in 2013 and 2014 from 10.7 percent in 2012 in the Middle East and North Africa (MENA), region, it is feared that it might remain fairly high especially in Argentina, Venezuela, parts of the MENA region, various CIS and sub-Saharan African economies, spurred by food prices.

World Trade

Projections for world exports in 2013 and 2014 have indicated a rebound compared with the weak

growth estimates for the commodities in 2012, reflecting in part of the recovery of commodity prices, moderated by a weaker global demand outlook. The movements of real exchange rates also accounted for the rebound. In general, currencies have responded appropriately to changes in macroeconomic policies and falling risk aversion; there has been some appreciation of the euro and various emerging market currencies and some depreciation of the US dollar. The yen depreciated by 20 percent in 2012.

At 2.4 percent in 2013, the growth of world exports in advanced economies represented a rebound compared with the 1.8 percent growth projected for the commodities in 2012, and 4.3 percent in 2014. A similar pattern existed for the emerging market and developing economies where exports have been projected to grow by 4.7 and 6.3 percent in 2013 and 2014, respectively, up from the 4.2 percent forecast for 2012.

Import growths have also responded in sync with an improved global demand or income. From a trough of 0.6 percent in 2012, growth of world import is forecast to accelerate to 2.1 and 4.3 percent in 2013 and 2014, respectively in advanced economies. The corresponding figures for emerging market and developing economies were 4.6, 6.5 and 7.5 percent, respectively in 2012, 2013 and 2014.

ANNEXES

Annex 1: SUB-SAHARAN AFRICA: SELECTED MACROECONOMIC INDICATORS (%GDP)

Indicators	2008	2009	2010	2011	2012	2013	2014
Real GDP Growth rate (%)	5.4	1.5	3.8	5	5.9	5.4	5.3
GDP Per Capita (US\$)	3.1	-0.6	2.7	3.3	3.6	3.2	3
Consumer Price Inflation (% charge)	11.6	10.5	7.1	8.1	6.7	3.6	7
Central Govt. Fiscal Balance (% of GDP)	2.1	-4.8	-3.1	-1.8	-0.9	-0.7	-0.5
Gross Domestic Investment (billions of US\$)	22.4	23.7	23.3	22.2	22.2	21.8	22.3
National Savings (% of GDP)	24.5	17.6	18.7	21.8	21.9	19.3	19.4
Export of Goods and Services (% of GDP)	40.8	32.1	33.1	38.5	38.1	37.7	36.6
Imports of goods & Services (% of GDP)	38.5	38.0	37.6	36.1	35.5	37.6	37
Trade Balance (%GDP)	7.0	-1.3	0.3	7.6	7.9	6	5.2
External Current A/C (% of GDP)	-1.3	-7.5	-5.5	0.5	0.5	-2	-2.6
GDP Per Capita (US\$)	669.0	668.0	684.0	700	717		735
Reserves (Months of Imports)	5.4	5.5	5.2	5	5.5	4.8	5.1
Total External Debt (% of GDP)	9.7	10.1	10.0	9.7	n.a	n.a	n.a
Official Grants (% of GDP)	0.8	1.0	0.9	0.8	0.7	0.7	0.6

Source: IMF Regional Economic Outlook, April 2013

(1) including grants

(2) IMF projections

Annex 2: REGIONAL OUTPUT GROWTH RATE (%)

Regions	2008	2009	2010	2011	2012	2013 ¹	2014 ¹
Sub-Saharan Africa...	5.5	2.8	5.4	5.2	4.8	5.6	6.1
Commonwealth of Independent States (CIS)	5.5	-6.4	4.6	4.6	3.4	3.4	4
Developing Asia	7.9	7.2	9.5	8.2	6.6	7.1	7.3
Middle East and North Africa	5.1	2.6	4.4	4.0	4.8	3.1	3.7
Latin America & the Caribbean	4.3	-1.8	4.0	4.5	3	3.4	3.9

¹IMF Projections

Georgia and Mongolia, which are not members of the Commonwealth of Independent States, are included in this group for reasons of geography and similarities in economic structures

Source: IMF Regional/World Economic Outlook, April 2013

Annex 3: REAL GDP AND CONSUMER PRICES (ANNUAL PERCENT CHANGE)

	Real GDP							Consumer Prices						
	2008	2009	2010	2011	2012	2013	2014	2008	2009	2010	2011	2012	2013	2014
Advanced Economies	0.5	-3.2	3.1	1.6	1.2	1.2	2.2	3.4	0.1	1.6	2.6	2	1.7	2
United States	0.4	-2.4	3.1	1.5	2.2	1.9	3	3.8	-0.3	1.6	3.0	2.1	1.8	1.7
Euro Area	0.6	-4.3	1.8	1.6	-0.6	-0.3	1.1	3.3	0.3	1.6	2.5	2.5	1.7	1.5
Japan	-1.2	-6.3	4.0	-0.5	2	1.6	1.4	1.4	-1.4	-0.7	0.4	0	0.1	3
Major Advanced Economies	-0.3	-3.3	2.9	1.2	1.8	1.8	0.2	3.2	-0.1	1.4	2.4	2	2.1	2.4

Source: IMF World Outlook, April 2013

Annex 4: SUMMARY OF WORLD OUTPUT(ANNUAL PERCENTAGE CHANGES)

	2008	2009	2010	2011	2012	2013 ¹	2014 ¹
World Output	3.0	-0.7	5.1	4.0	3.2	3.3	4.0
Advanced Economies	0.5	-3.7	3.1	1.6	1.2	1.2	2.2
United States	0.4	-3.5	3.0	1.5	2.2	1.9	3.0
Euro Area	0.6	-4.3	1.8	1.6	-0.6	-0.3	1.1
Japan	-1.2	-6.3	4.0	-0.5	2.0	1.6	1.4
Other Advanced economies ²	1.7	-2.3	4.3	2.8	1.4	1.9	2.8
Emerging and Developing Economies³	6.1	2.8	7.3	6.4	5.1	5.3	5.7
Regional Groups							
Africa	5.5	2.1	4.7	5.5	4.5	5.6	6.1
Central and Eastern Europe	3.0	-3.7	4.5	4.3	1.6	2.2	2.8
Commonwealth of Ind. States	5.5	-6.4	4.6	4.6	3.4	3.4	4
Excluding Russia	5.3	-3.5	3.9	5.5	n.a	n.a	n.a
Russia	5.6	-7.9	4.0	4.8	n.a	n.a	n.a
Developing Asia	7.9	7.2	9.5	8.2	6.6	7.1	7.3
Middle East	5.1	2.6	4.4	4	4.7	3.1	3.7
Latin America and the Caribbean	4.3	-1.8	6.1	4.5	3.0	3.4	3.9
Memorandum							
Output Per capita							
Advanced Economies	-0.2	-4.3	2.5	1.1	0.7	0.7	1.7
Emerging and Development Economies	5.0	1.6	6.2	5.4	4	4.3	4.7
Emerging and Developing Economies	5.0	1.5	3.7	n.a	n.a	n.a	n.a
Africa	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Central and Eastern Europe	n.a	n.a	n.a	n.a	n.a	n.a	n.a
C.I.S.	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Developing Asia	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Middle Eastern	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Latin America and the Caribbean	n.a	n.a	n.a	n.a	n.a	n.a	n.a

1 IMF projections

2 sub-Saharan Africa

3 Middle East and North Africa

Source: IMF World Economic Outlook, April 2013

Annex 5: INFLATION (PERCENT)

	2008	2009	2010	2011	2012	2013 ¹	2014 ¹
GDP Deflators							
Advanced Economies	2.0	0.8	1.0	1.9	1.3	1.4	1.8
United States	2.1	1.1	1.2	2.1	1.1	1.6	2
Euro Area	2.3	0.9	0.8	1.4	1.4	1.5	1.3
Japan	-0.8	-0.4	-2.1	-1.5	-0.5	0.7	1.8
Other Advanced Economies	3.1	1.5	2.4	3.5	2.6	1.8	2
Consumer Prices							
Advanced Economies	3.4	0.1	1.6	2.6	1.4	1.7	2
United States	3.8	-0.3	1.6	3.0	1.2	1.8	1.7
Euro Area	3.3	0.3	16.0	2.5	1.5	1.7	1.5
Japan	1.4	-1.4	-0.7	-0.4	-0.5	0.1	3
Other Advanced economies	3.8	1.5	2.4	3.5	2.6	2.1	2.1
Emerging and Developing Countries	9.2	5.2	6.1	7.5	5.9	5.9	5.6
Regional Groups							
Africa	11.6	10.6	7.5	8.4	8.3	7.2	6.3
Central & Eastern Europe	8.1	4.7	5.3	5.2	4.5	4.4	3.6
Commonwealth of Independent States (CIS) 3	15.6	11.2	7.2	10.3	8.7	6.8	6.5
Excluding Russia	n.a	n.a	na	na	na		na
Russia	n.a	n.a	na	na	na		na
Developing Asia	7.4	3.1	5.7	7	5.1	5	5
Middle East	13.5	6.6	6.6	6.8	9.9	9.4	9
Latin America and the Caribbean	7.9	6.0	6.0	6.7	6.0	6.1	5.7

1 IMF Projections**Source: IMF World Economic Outlook, April 2013****Annex 6: World Trade Volume (goods & services)**

	Averages				Projections¹		
	2001 - 08	2009	2010	2011	2012	2013	2014
	(Annual Percent Change)						
World Trade, Volume	6.1	-10.7	12.8	7.5	5.8	n.a	n.a
Imports							
Advanced Economies	4.6	-12.4	11.7	5.9	0.6	2.1	4.3
Emerging & Developing Economies	10.1	-8.0	14.9	11.1	4.6	6.3	7.5
Exports							
Advanced Economies	4.9	-11.9	12.3	6.2	1.8	2.4	4.3
Emerging & Developing Economies	9.2	-7.7	13.6	9.4	4.2	4.7	6.3

Source: IMF World Economic Outlook, April 2013¹ IMF Projections

FINANCIAL STATEMENTS

**WEST AFRICAN INSTITUTE FOR FINANCIAL
AND ECONOMIC MANAGEMENT
Lagos, Nigeria**

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

Report On Financial Statements

We have audited the accompanying financial statements of the West African Institute for Financial and Economic Management, which comprise the balance sheet as at 31 December 2012, the income and expenditure account, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Governors' Responsibility for the Financial Statements

The Board of Governors is responsible for the preparation and fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the entity's internal control. An audit also include evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimate made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements give a true and fair view of the financial position of the West African Institute for Financial and Economic Management as at 31 December 2012, and its financial performance and cash flows for the year then ended in accordance with the Constitution of the Institute and relevant statements of accounting standards issued by the Financial Reporting Council of Nigeria.

Report on Donor Funding Utilisation

In accordance with the requirements of the Grant Agreement between West African Institute for Financial and Economic Management (WAIFEM) and African Capacity Building Foundation (ACBF), we confirm that: The management of the special account is in compliance with the Grant Agreement between WAIFEM and the ACBF.

Lagos, Nigeria

25 July 2013

FRC/2012/ICAN/0000000155

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2012

The following are the summary of the significant accounting policies used by the Organization in the preparation of the financial statements:

BASIS OF ACCOUNTING

The accounting framework adopted by the Institute for the preparation of its Financial Statements is the Nigerian General Principle of Accounting Practice issued by the Financial Reporting Council of Nigeria in which the historical cost convention is applied and values are expressed in United States Dollar (USD)

INCOME RECOGNITION

Credits to income and expenditure accounts are recognized as follows:

- Subscription is recognized on accrual basis
- Grant received from donor organization is accounted for on cash basis
- Interest and other income is recognized on cash basis and credited to the account in the period in which it is received.

FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on a straight-line basis to write off the cost of the assets over their expected useful lives at the following annual rates:

	%
Motor vehicles	33/1/3
Office furniture	20
Office equipment	20
Household furniture	20
Household equipment	25

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - Continued****FOR THE YEAR ENDED 31 DECEMBER 2012****INTANGIBLE ASSETS**

Intangible assets consist of computer software and cost associated with the development of the software for internal use. Costs that are directly associated with the production of identifiable and unique software products which are controlled by the Organization and which will probably generate economic benefits exceeding cost are recognized as intangible assets. These costs are amortized on the basis of straight line rate of 50%. Costs associated with maintaining the software programs are recognized as an expense when incurred.

STOCKS

Stocks are stated at the lower of cost and net realizable value. Cost includes purchase cost and other cost incurred in bringing the stocks to present location and condition.

DEBTORS

Debtors are stated after provisions have been made for debts doubtful of recovery.

FOREIGN CURRENCY TRANSLATIONS

Transactions denominated in currencies other than the United States Dollar are recorded at the rate of exchange ruling at the date of transactions.

Monetary assets and liabilities in foreign currencies are converted to USD at the rate of exchange ruling at the balance sheet date.

Gains and loss arising there from are included in the income and expenditure account.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - Continued****FOR THE YEAR ENDED 31 DECEMBER 2012****STAFF PROVIDENT FUND**

The Institute operates a pension scheme, which is managed in-house. The Institute and employee make contribution at 20% and 10% of the employee's annual total salary respectively.

TAXATION

According to Article vii (1) of The Headquarters agreement between WAIFEM and the Government of the Federal Republic of Nigeria, West African Institute of Financial and Economic Management (WAIFEM) is exempted from taxes and duties of any kind whether State, Provincial, Local and any other authority and whether such taxes and duties are now in existence or are to be imposed or issued in the future.

DEFERRED CHARGES

Deferred charges represent major reconstruction work done on the official residence of the Directors. Such charges are amortized over five years commencing from the year the costs were incurred.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

INCOME	Note	2012 US \$	2011 US \$
Subscriptions	2	3,347,069	2,313,145
Grants	3	716,132	382,774
Interest on current account		2,259	856
Other Income	4	404,551	233,633
		-----	-----
		4,470,011	2,930,408
		-----	-----
EXPENDITURE			
Staff cost	5	1,672,603	1,374,284
Official mission and travels		217,561	71,581
Training expenses	6	1,537,526	1,290,625
Board expenses		162,453	129,361
Motor vehicle running expenses	7	20,105	19,250
Postages and telecommunications	8	39,267	46,321
Cleaning materials and staff uniforms		5,625	18,347
Entertainment		7,146	6,878
Finance charges		37,517	34,983
Audit fee		20,000	20,000
Repairs and maintenance	9	42,007	50,000
Staff training and recruitment		101,498	69,535
Printing and stationery		101,790	56,332
Upkeep of grounds and building		4,307	11,398
Journals, periodicals and newspapers		8,382	8,882
Depreciation and amortization of asset		148,729	140,896
Medical expenses		20,664	24,788
Social programs		26,008	2,736
Electricity, lighting and rates		40,412	42,900
General insurance		15,470	20,881
Website maintenance		31,024	16,022
Management expenses		162,140	39,772
Amortization of deferred charge		5051	5051
		-----	-----
		4,427,285	3,500,823
		-----	-----
SURPLUS / (DEFICIT) FOR THE YEAR		42,726	(570,415)
		=====	=====

See notes to the financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT**BALANCE SHEET****AS AT 31 DECEMBER 2012**

	Note	2012 US \$	2011 US \$
ASSETS			
Fixed assets	10	223,705	260,569
Library books	11	27,246	26,123
Intangible assets	12	25,754	838
Deferred charges	13	5,920	10,971
		-----	-----
		282,625	298,501
		-----	-----
Currents assets			
Stocks	14	27,058	17,946
Debtors and prepayments	15	286,953	260,837
Short-term deposit (Staff Provident Fund)		98,000	98,000
Cash and bank	16	519,212	105,158
		-----	-----
		931,223	481,941
Current liabilities			
Creditors and accruals	17	(311,819)	(190,504)
		-----	-----
Netcurrent assets			
		619,404	291,437
		-----	-----
Total assets less current liabilities			
		902,029	589,938
Staff Provident Fund	18	(851,704)	(582,339)
		-----	-----
NET ASSETS			
		50,325	7,599
		=====	=====
FINANCED BY			
Accumulated funds		19	50,325
7,599		=====	=====

See notes to the financial statements.

Approved and signed on behalf of the Board of Governors by:

Chairman-----
Director General

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 US \$	2011 US \$
Cash flows from operating activities			
Subscriptions and other receipts.		3,751,620	2,546,778
Payment to suppliers and employees		(3,918,053)	(3,343,306)
		-----	-----
Net cash used in operating activities	20	(166,433)	(796,528)
		-----	-----
Cash flows from investing activities			
Interest received		2,258	856
Purchase of fixed assets	10	(104,491)	(63,161)
Purchase of intangible assets		(32,291)	(1,104)
Purchase of library books		(1,121)	(1,431)
		-----	-----
Net cash used in investing activities		(135,645)	(64,840)
		-----	-----
Cash flows from financing activities			
Grants	3	716,132	382,774
		-----	-----
Net decrease in cash and cash equivalents		414,054	(478,594)
		-----	-----
Cash and cash equivalents at the beginning of the financial year		105,158	583,752
		-----	-----
Cash and cash equivalents at the end of the financial year		519,212	105,158
		=====	=====

See notes to the financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT**NOTES TO THE FINANCIAL STATEMENTS****1. The Institute****1.1 Legal form**

The West African Institute for Financial and Economic Management (WAIFEM) was established in 1996 by the Central Banks of Nigeria, The Gambia, Sierra Leone, Ghana and Liberia. The Institute commenced operations in January 1997.

1.2 Principal activities

The principal activities of the Institute continued to be strengthening capacity building for macro-economic management in the West African sub-region by offering short-term customized courses to professional staff of Central banks, Ministries of finance and economic planning and other agencies involved in the formulation and implementation of macro-economic policies in the West African sub-region.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

	2012 US \$	2011 US \$
2 SUBSCRIPTIONS		
Bank of Ghana	727,337	578,330
Bank of Sierra Leone	403,332	308,443
Central Bank of Gambia	403,244	308,268
Central Bank of Liberia	403,333	308,443
Central Bank of Nigeria	1,006,490	809,661
Central Bank Republic of Guinea	403,333	-
	-----	-----
	<u>3,347,069</u>	<u>2,313,145</u>
3 GRANTS		
African Capacity Building Foundation	456,421	135,000
UNECA	20,000	36,770
Debt Relief International	-	8,156
World Bank	159,711	122,848
International Monetary Fund Institute	80,000	
	716,132	382,774
	=====	=====
4 OTHER INCOME		
Sundry Income (4i)	402,236	227,426
Exchange Gain	2,315	6,207-
	-----	-----
	<u>404,551</u>	<u>233,633</u>
	=====	=====

4i) Sundry income represents income from consultancy, courses execution and business development

	2012	2011 US \$	US \$
5 STAFF COST			
Salaries and wages	1,189,073		976,120
Overtime allowance	5,611		1,040
Provident fund expenses	339,577		277,678
Leave Allowance and Ex-gratia Allowance	112,842		91,446
Resettlement Cost	3500		5,500
Utility Allowance	22,500		22,500
	-----		-----
	1,672,603		1,374,284
6 TRAINING EXPENSES	=====		=====
Program fees	1,378,776		917,595
Training materials and course administration	158,750		373,030
	-----		-----
	1,537,526		1,290,625
	=====		=====
7 MOTOR VEHICLE RUNNING COST			
Fuel	13,021		10,041
Repairs and maintenance	7,084		9,209
	-----		-----
	20,105		19,250
	=====		=====
Telephone and fax	25,571		29,088
Postages and freight	13,696		17,233
	-----		-----
	39,267		
8 POSTAGE AND TELECOMMUNICATION			
	2012		2011
	US \$		US \$
9 REPAIRS AND MAINTENANCE			
Household equipment	30,185		21,522
Office equipment	11,822		28,478
	-----		-----
	42,007		50,000
	=====		=====

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

10	FIXED ASSETS	Motor Vehicles US \$	Office Furniture US \$	Office Equipment US \$	Household Furniture US \$	Household Equipment US \$	Total US \$
	COST						
	At 01 January 2012	145,333	363,146	85,670	71,056	877,559	
	Additions	3,742	49,371	2,240	5,580	104,491	
	At 31 December 2012	149,075	412,517	87,910	76,636	982,050	
	DEPRECIATION						
	At 01 January 2012	117,972	274,926	46,328	25,135	616,990	
	Charge for the year	13,238	46,259	12,560	17,486	141,355	
	At 31 December 2012	131,210	321,185	58,888	42,621	758,345	
	NET BOOK VALUE						
	At 31 December 2012	17,865	91,332	29,022	34,015	223,705	
	At 31 December 2011	27,361	88,220	39,342	45,921	260,569	

11	LIBRARY BOOKS	2012	2011		
				US \$	US \$
	At 01 January			26,125	24,693
	Additions during the year			1,121	1,430
				<u>27,246</u>	<u>26,123</u>
	At 31 December			<u>27,246</u>	<u>26,123</u>
12	INTANGIBLE ASSETS - COMPUTER SOFTWARE				
	COST:				
	At 01 January			10,512	9,408
	Additions during the year			32,291	1,104
				<u>42,803</u>	<u>10,512</u>
	At 31 December			<u>42,803</u>	<u>10,512</u>
	AMORTIZATION:				
	Charge for the year			7,375	276
				<u>17,049</u>	<u>9,674</u>
	At 31 December			<u>17,049</u>	<u>9,674</u>
	NET BOOK VALUE:			<u>25,754</u>	<u>838</u>
	13 DEFERRED CHARGES			2012	2011
				US \$	US \$
	COST:				
	At 01 January			25,255	25,255
	Additions during the year			-	-
				<u>25,255</u>	<u>25,255</u>
	At 31 December			<u>25,255</u>	<u>25,255</u>
	AMORTIZATION:				
	At 01 January			14,284	9,233
	Charge for the year			5,051	5,051
				<u>19,335</u>	<u>14,284</u>
	At 31 December			<u>19,335</u>	<u>14,284</u>
	NET BOOK VALUE:			<u>5,920</u>	<u>10,971</u>
13b)	Deferred charges represent major reconstruction work done on the official residence of the Directors. The cost is being deferred and amortized over a period of five years commencing from 2009.				
14	STOCKS			2012	2011
				US \$	US \$
	Stationery, training and cleaning materials			27,058	10,594
	Publications			-	6,886
	Souvenir			-	466
				<u>27,058</u>	<u>17,946</u>
15	DEBTORS AND PREPAYMENTS				
	Advance to Suppliers			-	2,988
	Contribution in Arrears			201,667	-
	Receivable from donor agencies			-	257,849
	Sundry debtors (Note 15.1)			85,286	22,500
	Provision for doubtful balances			-	(22,500)

	----- 286,953 =====	----- 260,837 =====
15.1. Sundry debtors represent receivables from various organizations in respect of courses and consultancy services		
16 CASH AND BANK BALANCES	2012	2011
	US \$	US \$
Central bank of Nigeria/UBA (SPF Dom. account)-dollars (Note 16.1)	432,086	40,986
First Bank Naira account	12,553	3,657
First City Monument Bank Plc - (Naira account 2)	226	226
Central bank of Nigeria/UBA (New York) - dollars	12,491	17,458
CBN/UBA special project account	-	-
Fidelity Bank Plc - ACBF Naira account 1	117	130
Fidelity Bank Plc-ACBF domiciliary account	59	58
Fidelity Bank Plc - domiciliary account 2	1,668	1,653
Fidelity Bank Plc - DRI domiciliary account 3	3,208	3,208
Fidelity Bank Plc- domiciliary account 4	23,405	200
Fidelity Bank Plc - Naira account 2	1,312	1,312
First Bank Plc – ACBF domiciliary account	6,934	-
First Bank Plc – ACBF Naira account	2,002	-
First Bank Plc Dorm Account	3,548	15,263
First City Monument Bank Plc - (Naira account 1)	45	45
First Bank Plc – VISA GOLD account	7,936	-
Zenith Bank Plc – Research Dom A/c	7,679	-
Zenith Bank Plc – Research Naira A/c	285	-
Cash at hand - dollars	3,658	20,962
	----- 519,212 =====	----- 105,158 =====
16.1 The amount represents the staff's provident fund with the Central Bank of Nigeria		
17 CREDITORS AND ACCRUALS	2012	2011
	US \$	US \$
Accrued SPF Contributions	141,419	118,683
Accruals	152,882	70,025
Other creditors	5,775	-
Grant received in advance-ACBF	10,120	173
Grant received in advance- COMSEC	1,623	1,623
	----- 311,819 =====	----- 190,504 =====
18 STAFF PROVIDENT FUND		
Balance at 01 January	582,339	476,781
Unremitted SPF now paid in 2012	118,682	-
Contributions by Staff	66,053	52,851
Contributions by the Institute	132,106	106,144
Interest on investments	50	180
	----- 899,230 -----	----- 635,956 -----
Withdrawals by staff	(47,526)	(53,617)
	----- 851,704 =====	----- 582,339 =====

In accordance with the Financial Rules and Regulations of the Institute, Management is charged with the administration of the Staff Provident Fund.

19 ACCUMULATED FUNDS

Balance at 01 January	7,59957	8,014
Surplus/(deficit)for the year	42,726	(570,415)
	-----	-----
Balance at 31 December	<u>50,325</u>	<u>7,599</u>

20 RECONCILIATION OF (DEFICIT)/ SURPLUS FOR THE YEAR TO NET CASH USED IN OPERATING ACTIVITIES

	2012 US \$	2011 U S \$
Surplus/(deficit) for the year	42,726	(570,415)
Adjustment for non cash items:		
Depreciation	148,729	140,896
Amortization of deferred expenditure	5,051	5,051
	-----	-----
	196,506	(424,468)
Grant	(716,132)	(382,774)
Interest on current account	(2,259)	(856)
Changes in assets and liabilities		
(Increase)/Decrease in debtors and prepayment	(26,117)	(254,837)
Decrease/(Increase) in stocks	(9,112)	7,510
Increase/ (Decrease)in creditors and accruals	121,316	153,339
Increase in staff provident fund	269,365	105,558
	-----	-----
Net cash used in operating activities	<u>(166,433)</u>	<u>(796,528)</u>

21. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities as at 31 December 2012 (2011- Nil)

22 RECONCILIATION OF ACBF GRANTS

	US \$
Total inflows for the year	727,088
Amount utilized from grant during the year	(456,421)
Amount utilized for activity agreement with ECOWAS (reimbursable)	(125,546)
Prior year utilization settled in current year	(135,000)
Bank charges	(1,009)

Balance (Note 22(i))	<u>9,112</u>

22(I) **ANALYSIS OF ACBF BALANCES**

Fidelity Bank Plc-ACBF Naira account 1	117
Fidelity Bank Plc-ACBF Domiciliary account 2	59
First Bank Plc-ACBF Domiciliary account	6,934
First Bank Plc ACBF Naira account	2,002

	<u>9,112</u>

23. **SUBSEQUENT EVENT**

The Director General of the Institute was subsequently re appointed by the Board of Governors of the Institute for another four year period with effect from 01 June 2013.

24. **APPROVAL**

The financial statements were approved by the Board of Governors at its meetings held on 25 July, 2013.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 US \$	%	2011 US \$	%
Gross income	4,470,011		2,930,408	
Bought in goods and services	(2,483,792)		(1,891,321)	
	-----	----	-----	----
Value added	1,986,219	100	1,039,087	100
	=====	====	=====	====
Applied as follows:				
To pay employees:				
Salaries and other benefits	1,794,764	90	1,468,606	141
Retained for maintenance and expansion:				
- Depreciation & amortization	148,729	8	140,896	14
- Retained in business	42,726	2	(570,415)	(55)
	-----	----	-----	----
	1,986,219	100	1,039,087	100
	=====	====	=====	====

The value added represents the additional wealth which the Institute has been able to create by its own and its employees' efforts. This statement shows the allocations of that wealth among employees, capital providers and for replacement of assets and that retained for the future creation of wealth.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

FIVE-YEAR FINANCIAL SUMMARY

	← 31 December →				
	2012	2011	2010	2009	2008
	US \$	US \$	US \$	US \$	US \$
ASSETS					
Fixed assets	223,705	260,569	338,027	206,091	240,533
Library books	27,246	26,123	24,694	20,826	19,483
Intangible assets	25,754	838	10	10	10
Deferred charges	5,920	10,971	16,022	21,073	-
	-----	-----	-----	-----	-----
	282,625	298,501	378,753	248,000	260,026
	-----	-----	-----	-----	-----
Current assets					
Stocks	27,058	17,946	25,456	22,577	58,407
Debtors and prepayments	286,953	260,837	5,998	165,235	516,840
Short-term deposit (Staff Provident Fund)	98,000	98,000	98,000	98,000	98,000
Bank and cash	519,212	105,158	583,752	907,515	599,924
	-----	-----	-----	-----	-----
	931,223	481,941	713,206	1,193,327	1,273,171
	-----	-----	-----	-----	-----
Current liabilities					
Creditors and accruals	(311,819)	(190,504)	(37,164)	(586,635)	(358,232)
	-----	-----	-----	-----	-----
Net current assets	619,404	291,437	676,042	606,692	914,939
	-----	-----	-----	-----	-----
Total assets less current liabilities					
Staff Provident Fund	902,029	589,938	1,054,795	854,692	1,174,965
	(851,704)	(582,339)	(476,781)	(318,025)	(301,119)
	-----	-----	-----	-----	-----
NET ASSETS	50,325	7,599	578,014	536,667	873,846
	=====	=====	=====	=====	=====
FINANCED BY					
Accumulated fund	50,325	7,599	578,014	536,667	873,846
	=====	=====	=====	=====	=====
Total income	4,470,011	2,930,408	2,689,448	2,801,709	2,621,546
	=====	=====	=====	=====	=====
Surplus/(Deficit) for the year	42,726	(570,415)	41,347	(337,179)	8,585
	=====	=====	=====	=====	=====

B

STATISTICS OF WAIFEM ACTIVITIES

TABLE 1 - PARTICIPATION AT WAIFEM CAPACITY BUILDING ACTIVITIES (1997 - 2012)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Total
Number of Programmes Executed	6	9	11	12	22	24	29	29	36	37	51	31	31	31	34	39	432
Number of Participants	168	241	328	327	518	633	754	1,052	847	961	1,583	819	801	857	982	1,250	12,121

Table 2 - WAIFEM 2012 PROGRAMME ACTIVITIES AND PARTICIPATION RATE BY DEPARTMENTS

Programme	Programme Activities		Distribution of Participants by Country											
	By Type		Total											
	National	Regional	The Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Others	Total				
Debt Management Programme	3	5	13	76	4	74	137	12	30	346				
Financial Sector Management Programme	4	9	71	82	25	45	99	73	1	396				
Macroeconomic Management Programme	8	9	34	83	6	31	296	42	7	499				
Business Development Unit	0	1	1	1	0	4	1	2	0	9				
Total	15	24	119	242	35	154	533	129	38	1250				

Table 3: Distribution by User Institutions

Institution	1997		1998		1999		2000		2001		2002		2003		2004		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Central Banks	117	69.6	144	59.8	162	49.4	165	39.8	206	39.8	242	38.2	282	37.4	369	35.1	4,898	40.4
Ministries of Finance & Economic Planning	17	10.1	32	13.3	43	13.1	39	19.1	99	19.1	115	18.2	175	23.2	143	13.6	2,836	23.4
Others (Public & Private Sector)	34	20.2	65	27.0	123	37.5	123	41.1	213	41.1	276	43.6	297	39.4	540	51.3	4,387	36.2
Total	168	100	241	100	328	100	327	100	518	100	633	100	754	100	1,052	100	12,121	100

Table 4: Distribution by Country

Country	1997		1998		1999		2000		2001		2002		2003		2004	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%
The Gambia	14	8.3	34	14.1	36	11.0	45	13.8	53	10.2	140	22.1	123	16.3	54	5.1
Ghana	48	28.6	53	22.0	96	29.3	85	26.0	80	15.4	150	23.7	158	21.0	95	9.0
Guinea	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liberia	7	4.2	8	3.3	4	1.2	16	4.9	16	3.1	1	0.2	1	0.1	7	0.7
Nigeria	87	51.8	130	53.9	178	54.3	156	47.7	183	35.3	234	37.0	298	39.5	639	60.7
Sierra Leone	12	7.1	16	6.6	14	4.3	17	5.2	183	35.3	104	16.4	161	21.4	138	13.1
Others	-	-	-	-	-	-	8	2.4	3	0.6	4	0.6	13	1.7	119	11.3
Total	168	100	241	100	328	100	327	100	518	100	633	100	754	100	1,052	100

Country	2005		2006		2007		2008		2009		2010		2011		2012		Total
	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	
The Gambia	190	22.4	64	6.7	140	8.8	126	15.4	162	20.2	193	22.5	213	21.7	119	9.5	1,706
Ghana	140	16.5	172	17.9	181	11.4	109	13.3	127	15.9	161	18.8	175	17.8	242	19.4	2,072
Guinea	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35	2.8	35
Liberia	22	2.6	73	7.6	149	9.4	78	9.5	106	13.2	61	7.1	106	10.8	154	12.3	809
Nigeria	355	41.9	568	59.1	917	57.9	371	45.3	235	29.3	292	34.1	308	31.4	533	42.6	5,484
Sierra Leone	135	15.9	80	8.3	168	10.6	99	12.1	171	21.3	125	14.6	120	12.2	129	10.3	1,672
Others	5	0.6	4	0.4	28	1.8	36	4.4	-	-	25	2.9	60	6.1	38	3.0	343
Total	847	100	961	100	1,583	100	819	100	801	100	857	100	982	100	1,250	100	12,121

Programs by Departments

Departments	2009		2010		2011		2012	
	Programmes	Attendees	Programmes	Attendees	Programmes	Attendees	Programmes	Attendees
Macroeconomic Management	11	298	12	317	13	359	17	499
Debt Management	10	236	10	262	10	263	8	346
Financial Sector Management	10	267	9	278	11	360	13	396
Business Development Unit	-	-	-	-	-	-	1	9
Total	31	801	31	857	34	982	39	1250

2012 Programs by Countries

Countries	Debt Management Absolute	%	Financial Sector Mgt. Absolute	%	Macroeconomic Mgt Absolute	%	Business Dev. Unit Absolute	%	TOTAL Absolute	%
The Gambia	13	3.8	71	17.9	34	6.8	1	11.1	19	9.5
Ghana	76	22.0	82	20.7	83	16.6	1	11.1	242	19.4
Guinea	4	1.2	25	6.3	6	1.2	0	-	35	2.8
Liberia	74	21.4	45	11.4	31	6.2	4	44.4	154	12.3
Nigeria	137	39.6	99	25.0	296	59.3	1	11.1	533	42.6
Sierra Leone	12	3.5	73	18.4	42	8.4	2	22.2	129	10.3
others	30	8.7	1	0.3	7	1.4	0	-	38	3.0
Total	346	100	396	100	99	100	9	100.0	1250	100.0

2012 Programs by Gender

Gender	Debt Management Absolute	Financial Sector Mgt. Absolute	Macroeconomic Mgt Absolute	Business Dev. Unit Absolute	TOTAL Absolute
Male	268	230	387	7	892
Female	78	166	112	2	358
Total	346	396	499	9	1250

2012 Programs by User Institutions

Institutions	Debt Management Absolute	Financial Sector Mgt. Absolute	Macroeconomic Mgt Absolute	Business Dev. Unit Absolute	TOTAL Absolute
Central Banks	65	191	346	2	604
Ministries of Finance & Econ. Planning	182	37	102	-	321
Other Public Sector Agencies	87	135	51	3	276
Private Sector	12	33	-	4	49
Total	346	396	499	9	1250

**Table 6: DEBT MANAGEMENT DEPARTMENT
CAPACITY BUILDING ACTIVITIES FROM JANUARY - DECEMBER 2012**

Activity Title	Venue	Duration	Distribution of Participants by Country								Gender		Distribution by User Institutions					
			The Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Others	Total	Male	Female	Central Banks	Min. of Fin. & Eco. Plan.	Other Pub. Institution	Private Sector		
1 WAIFEM/World Bank Liberia Debt Management Reform Plan	Monrovia Liberia	Jan 12 - 20, 2012	0	0	0	51	0	0	0	0	0	51	43	8	9	24	12	6
2 WAIFEM/World Bank Sub-National DeMPA Mission to Ondo State, NIGERIA	Akure Nigeria	Feb 29 - Mar 6, 2012	0	0	0	0	30	0	0	0	30	23	7	0	12	16	2	2
3 Joint WAIFEM/World Bank DEMPA Mission to Nigeria	Abuja Nigeria	March 26 - 30 2012	0	0	0	0	88	0	0	0	88	77	11	23	26	39	0	0
4 Joint WAIFEM/World Bank/ Regional Training on Debt Management Performance Assessment (DeMPA) for Francophone Countries	Dakar Senegal	June 4 - 8 2012	0	0	4	0	0	0	23	0	27	19	8	0	24	3	0	0
5 Ghana Debt Management Performance Assessment (DeMPA)	Accra Ghana	June 4 - 8 2012	0	63	0	0	0	0	0	0	63	44	19	11	43	6	3	3
6 WAIFEM/ACBF Training on Commonwealth Secretariat Debt Recording and Management System (CS-DRMS 2000+) for Post-Conflict Countries	Monrovia Liberia	Aug 6 - 14 2012	2	0	0	18	0	0	0	6	26	20	6	4	18	4	0	0
7 Joint WAIFEM/World Bank Training on Sub-national Debt Management Performance Assessment (DeMPA) Tool for African Countries	Accra Ghana	Sep 17 - 21 2012	1	7	0	0	8	1	7	1	24	13	11	5	18	1	0	0
8 WAIFEM/ACBF/COMSEC/IMF Regional Course on Public Sector Debt Statistics - Guide for Compilers and Users	Banjul The Gambia	Nov 26 - 30 2012	10	6	0	5	11	5	0	37	37	29	8	13	17	6	1	1
TOTAL			13	76	4	74	137	12	30	346	268	78	65	182	87	12		
PERCENTAGE of PARTICIPATION			3.8	22.0	1.2	21.4	39.6	3.5	8.7	100.0	77.5	22.5	18.8	52.6	25.1	3.5		

**Table 7: FINANCIAL SECTOR MANAGEMENT DEPARTMENT
CAPACITY BUILDING ACTIVITIES FROM JANUARY - DECEMBER 2012**

Activity Title	Venue	Duration	Nature of Programme	Distribution of Participants by Country										Gender		Distribution by User Institutions			
				The Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Others	Total	Male	Female	Central Banks	Min. of Fin. & Eco. Plan.	Other Pub. Institution	Private Sector		
1 Regional Course on Managing Human Resource for Organizational Effectiveness	Freetown Sierra Leone	Mar 12-16, 2012	Regional	8	7	-	2	8	9	0	34	13	21	12	6	13	3		
2 Regional Course on Specialized Report Writing Skills and Presentation Techniques	Banjul The Gambia	April 16-24, 2012	Regional	16	9	2	2	6	9	-	44	27	17	15	10	17	2		
3 Regional Course on Combating Money Laundering and Other Financial Crimes	Accra Ghana	May 7-11, 2012	Regional	8	15	1	3	8	6	0	41	20	21	15	4	16	6		
4 Regional Course on International Financial Reporting Standards (IFRS)	Lagos Nigeria	May 28-Jun 1, 2012	Regional	10	13	2	6	11	10	0	52	42	10	16	4	25	7		
5 Regional Course on Foundation Banking Supervision	Lagos Nigeria	June 4-8, 2012	Regional	3	5	5	2	1	3	0	19	13	6	18	0	1	0		
6 National Course on the Development, Regulation and Supervision of Payments Systems for Developing Countries	Freetown Sierra Leone	June 18-22, 2012	National	1	0	3	9	0	8	0	21	17	4	7	0	3	11		
7 Course on Report Writing Skills and Presentation Techniques for Staff of The Central Bank of Nigeria	Lagos Nigeria	July 16-20, 2012	National	0	0	0	0	27	0	0	27	19	8	27	0	0	0		
8 Course on Report Writing Skills and Presentation Techniques for Staff of The West African Monetary Institute	Accra Ghana	July 23-27, 2012	National	6	7	5	1	4	3	0	26	18	8	0	0	26	0		
9 Regional Course on Banking Supervision (Intermediate Level)	Lagos Nigeria	August 6-10, 2012	Regional	3	5	4	0	3	3	1	19	15	4	15	0	4	0		
10 Regional Course on Productivity Enhancement for Executive Assistants and Personal Secretaries to CEOs	Monrovia, Liberia	August 27-31, 2012	Regional	7	6	0	9	5	13	0	40	4	36	18	5	15	2		
11 Regional Course on Computer Applications in Accounting, Auditing and Financial Management	Lagos Nigeria	Sept 17-21, 2012	Regional	4	11	0	10	7	6	0	38	27	11	19	7	10	2		
12 Course on Productivity Enhancement for Secretaries and Personal Assistants in the Central Bank of Nigeria	Accra Ghana	Oct 29-Nov 2, 2012	National	0	0	0	0	13	0	0	13	4	9	13	0	0	0		
13 Regional Course on Advanced Banking Supervision and Financial Stability	Lagos Nigeria	Nov 5-13, 2012	Regional	5	4	3	1	6	3	0	22	11	11	16	1	5	0		
TOTAL				71	82	25	45	99	73	1	396	230	166	191	37	135	33		
PERCENTAGE of PARTICIPATION				17.9	20.7	6.3	11.4	25.0	18.4	0.3	100.0	58.1	41.9	48.2	9.3	34.1	8.3		

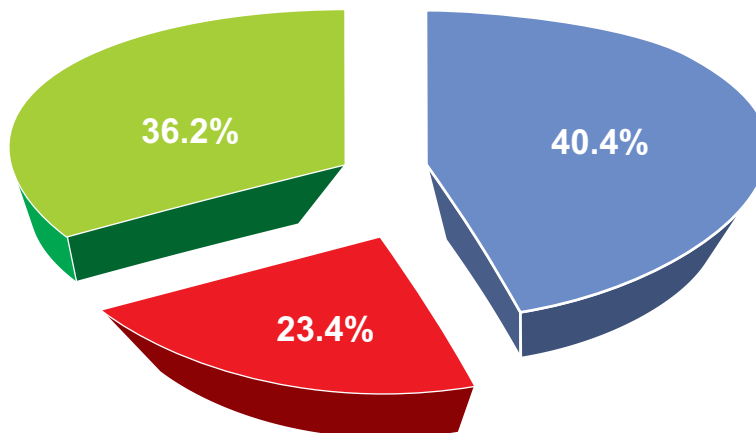
**Table 8: MACROECONOMIC MANAGEMENT DEPARTMENT
CAPACITY BUILDING ACTIVITIES FROM JANUARY - DECEMBER 2012**

Activity Title	Venue	Duration	Nature of Programme	Distribution of Participants by Country										Gender				Distribution by User Institutions			
				The Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Others	Total	Male	Female	Central Banks	Min. of Fin. & Eco. Plan.	Other Pub. Institution	Private Sector				
1 WAIFEM/IMF Regional Course on Financial Programming and Policies	Accra Ghana	Feb 13 - 24 2012	Regional	3	10	2	4	8	4	0	0	0	31	25	6	12	19	0	0		
2 Regional Course on Public Financial Management: Budgeting, Planning and Performance	Banjul The Gambia	Mar 19 - 30 2012	Regional	9	14	0	2	9	6	0	0	0	40	26	14	16	23	0	1		
3 WAIFEM/UNECA Regional Course on West Africa's International Trade, Taxes, and Policies	Freetown Sierra Leone	April 23 - May 2, 2011	Regional	4	9	0	2	6	9	0	0	30	26	4	8	9	0	0	13		
4 WAIFEM/ACBF Regional Course on Monetary Operations and Liquidity Management	Monrovia Liberia	June 11 - 19, 2012	Regional	5	7	1	10	6	4	0	0	33	27	6	19	7	0	0	7		
5 WAIFEM/CURRENCY RESEARCH Regional Workshop on Banknote and Currency Management and Forecasting in Central Banks	Accra Ghana	July 2 - 6, 2012	Regional	1	13	0	4	5	4	6	0	33	17	16	15	6	0	0	12		
6 Techniques of Economic Analysis, Monetary Policy and Financial Management for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	August 13 - 31 2012	National	0	0	0	0	29	0	0	0	29	18	11	29	0	0	0	0		
7 Regional Course on Macroeconomic Modeling and Forecasting for Policy Analysis	Lagos Nigeria	August 20 - 31, 2012	Regional	2	9	0	3	16	3	1	0	34	26	8	15	9	0	0	10		
8 Techniques of Economic Analysis, Monetary Policy and Financial Management for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Sept 3 - 21, 2012	National	0	0	0	0	34	0	0	0	34	26	8	34	0	0	0	0		
9 Advanced Macroeconomic Analysis for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Sept 24 - 28, 2012	National	0	0	0	0	26	0	0	0	26	22	4	26	0	0	0	0		
10 Advanced Macroeconomic Analysis for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Sept 24 - 28, 2012	National	0	0	0	0	18	0	0	0	18	15	3	18	0	0	0	0		
11 Econometric Modelling and Forecasting for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Oct 8 - 13, 2012	National	0	0	0	0	26	0	0	0	26	25	1	26	0	0	0	0		
12 Econometric Modelling and Forecasting for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Oct 15 - 19, 2012	National	0	0	0	0	24	0	0	0	24	21	3	24	0	0	0	0		
13 WAIFEM/IMF Regional Course on External Vulnerabilities and Policies	Banjul The Gambia	Oct 29 - Nov 9, 2012	Regional	5	10	0	3	10	4	0	0	32	25	7	15	17	0	0	0		

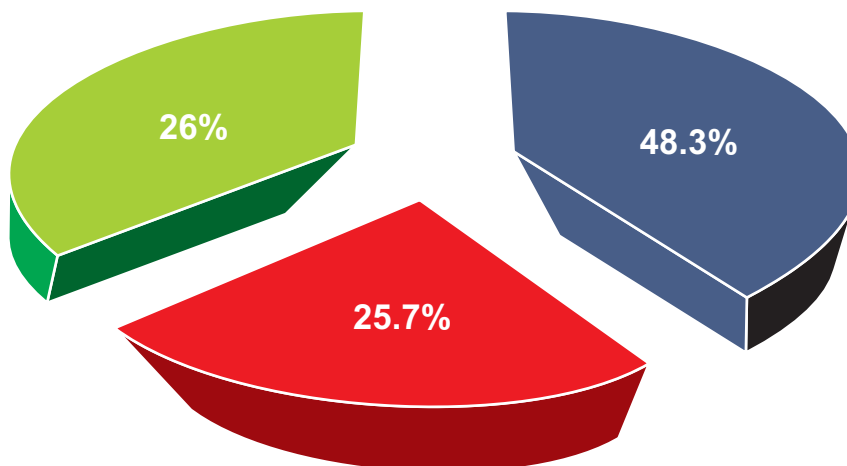
**Table 8: MACROECONOMIC MANAGEMENT DEPARTMENT
CAPACITY BUILDING ACTIVITIES FROM JANUARY - DECEMBER 2012 (contd.)**

Activity Title	Venue	Duration	Nature of Programme	Distribution of Participants by Country										Distribution by User Institutions			
				The Gambia	Ghana	Guinea	Liberia	Nigeria	Sierra Leone	Others	Total	Male	Female	Central Banks	Min. of Fin. & Eco. Plan.	Other Pub. Institution	Private Sector
14 WAIFEM/ECONWAS/ACBF Workshop on Computable General Equilibrium (CGE)	Banjul The Gambia	Nov 5 - 16, 2012	Regional	3	3	0	3	11	3	0	23	22	1	6	9	0	8
15 Techniques of Economic Analysis, Monetary Policy and Financial Management for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Nov 5 - 23, 2012	National	0	0	0	0	27	0	0	27	17	10	27	0	0	0
16 Regional Course on Modelling and Forecasting for Monetary Policy Analysis for Directors of Research and Senior Economists	Lagos Nigeria	Nov 26 - 30 2012	Regional	2	8	3	0	7	5	0	25	24	1	22	3	0	0
17 Techniques of Economic Analysis, Monetary Policy and Financial Management for Staff of Central Bank of Nigeria (CBN)	Lagos Nigeria	Nov 26 - Dec 14, 2012	National	0	0	0	0	34	0	0	34	25	9	34	0	0	0
TOTAL				34	83	6	31	296	42	7	499	387	112	346	102	0	51
PERCENTAGE of PARTICIPATION				6.8	16.6	1.2	6.2	59.3	8.4	1.4	100.0	77.6	22.4	69.3	20.4	-	10.2

Participation in WAIFEM Programme Activities by Institutions (1997-2012)

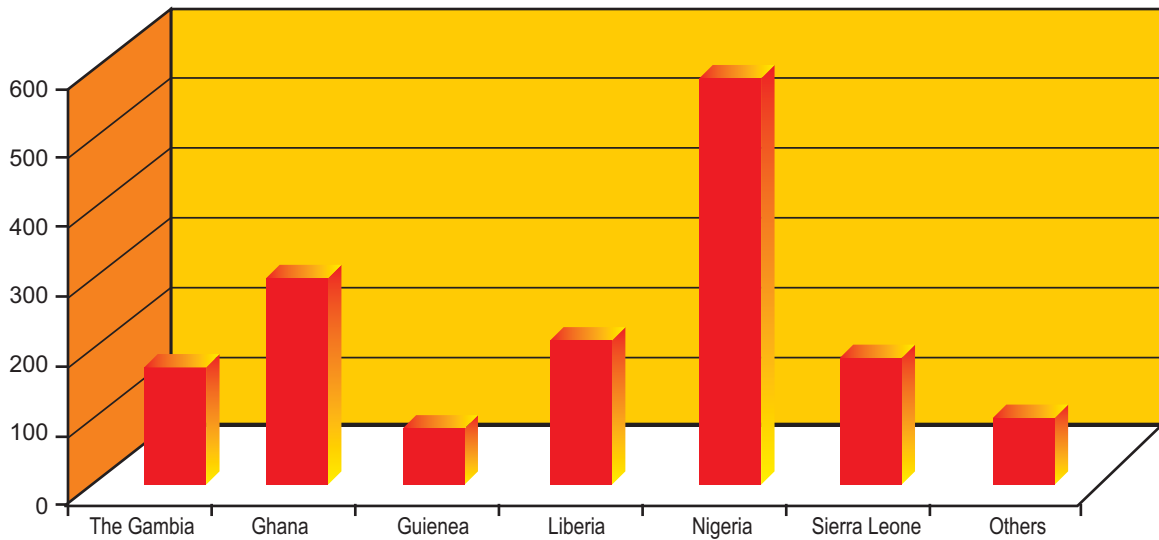


Participation in WAIFEM Programme Activities by Institutions in 2012

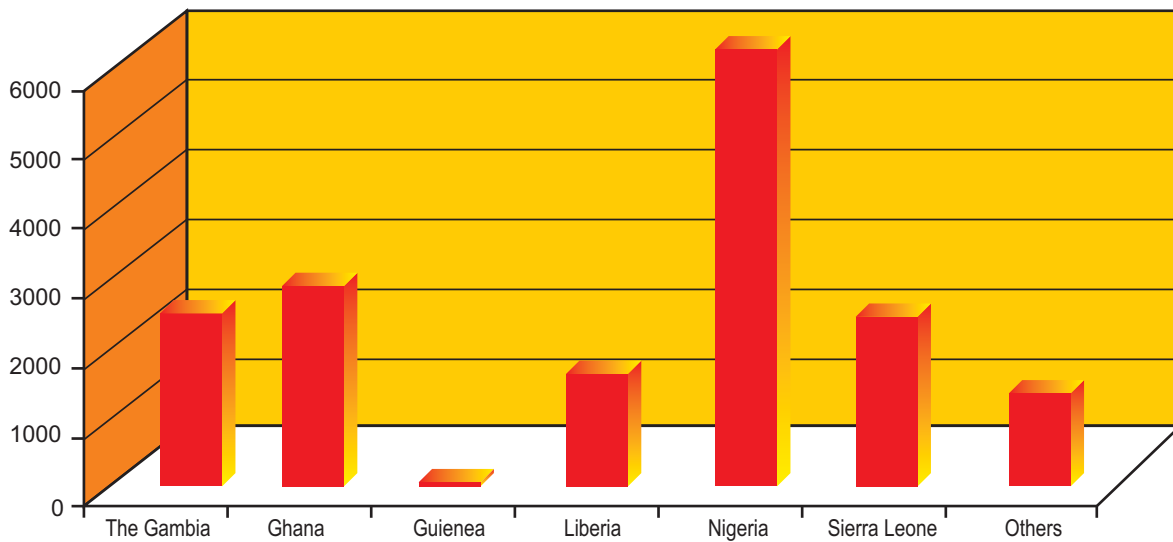


- Central Banks
- Ministries of Finances & Econ. Planning
- Others (Public & Private Sectors)

Participation in WAIFEM Programme Activities by Country (1997-2012)



Participation in WAIFEM Programme Activities by Country in 2012



DATA OF WAIFEM MEMBER COUNTRIES

The GAMBIA DATA

Table 1: GROSS DOMESTIC PRODUCT (In D'000) - At Current 2004 Prices

	2007	2008	2009	2010	2011 Est.
Gross Domestic Product (GDP)	19,944,612	21,749,446	24,134,369	26,658,544	28,463,364
Agriculture	4,025,388	5,366,139	6,876,759	8,120,123	7,706,694
Crops	1,703,464	2,818,392	4,120,901	4,999,346	4,399,429
Livestock	1,807,568	2,003,397	2,192,190	2,528,424	2,687,647
Forestry	113,745	115,349	113,735	122,340	126,585
Fishing	400,611	429,002	449,933	470,013	493,033
Industry	2,720,319	2,890,808	3,012,752	3,186,697	3,302,998
Mining and quarrying	393,906	524,413	602,516	704,775	715,983
Manufacturing	1,326,770	1,240,984	1,200,923	1,230,974	1,308,276
Electricity, gas and water supply	255,779	280,634	299,477	330,536	349,350
Construction	743,863	844,777	909,835	920,412	929,389
Services	11,821,464	12,231,203	13,164,325	14,006,393	16,325,677
Wholesale and retail trade	5,531,683	5,414,318	5,306,729	5,574,684	6,772,552
Hotels and restaurants	740,066	797,788	806,835	552,707	799,598
Transport, storage, communication	2,485,370	2,329,480	2,544,712	2,724,101	3,109,141
<i>of wich: Communication</i>	1,219,777	1,379,981	1,493,496	1,725,271	1,967,717
Finance and Insurance	1,312,001	1,662,087	2,220,828	2,530,899	2,816,898
Real estate, renting & business activities	735,027	765,234	812,820	845,475	871,004
Public administration	505,410	723,802	870,417	1,114,998	1,231,957
Education	212,868	234,896	249,105	277,075	304,694
Health and social work	205,678	207,263	253,027	282,635	311,552
Other community, social & personal serv.	93,363	96,334	99,853	103,818	108,282
Adjustments	1,377,441	1,261,296	1,080,534	1,345,332	1,127,995
Less: FISIM	-676,372	-748,942	-1,018,321	-851,390	-1,146,772
Plus: Taxes less subsidies on products	2,053,813	2,010,238	2,098,855	2,196,722	2,274,767
Memorandum Items					
GDP at basic price	17,890,799	19,739,208	22,035,514	24,461,822	26,188,597
Population estimates	1,516,197	1,557,778	1,600,499	1,644,391	1,689,487
GDP per Capita (GMD)	13,154	13,962	15,079	16,212	16,847
GDP per Capita (USD)	534	625	566	579	568
Exchange rate (1USD to GMD) annual ave.	24.65	22.35	26.64	28.01	29.64

Source: Gambia Bureau of Statistics (GBOS)

Table 2. Gross Domestic Product by Kind of Activity - At Constant 2004 prices (in '000GMD)

	2007	2008	2009	2010	2011 Est.
Gross Domestic Product (GDP)	18,152,857	19,324,379	20,614,675	21,749,640	22,472,898
Agriculture	3,795,651	4,839,397	5,471,604	6,134,114	5,817,863
Crops	1,690,973	2,624,001	3,264,217	3,731,176	3,283,435
Livestock	1,622,089	1,718,603	1,706,251	1,891,865	2,011,001
Forestry	107,384	108,458	108,592	111,828	115,708
Fishing	375,205	388,335	392,544	399,246	407,718
Industry	2,473,405	2,543,615	2,581,545	2,647,544	2,682,009
Mining and quarrying	343,405	445,751	499,648	570,533	579,605
Manufacturing	1,237,530	1,135,066	1,091,980	1,096,535	1,139,500
Electricity, gas and water supply	222,077	233,653	238,898	257,245	260,799
Construction	670,393	729,145	751,019	723,232	702,104
Services	10,794,773	10,779,579	11,473,143	11,601,825	12,705,101
Wholesale and retail trade	5,004,470	4,689,889	4,683,016	4,665,789	5,116,305
Hotels and restaurants	694,277	714,395	689,131	443,453	594,939
Transport, storage, communication	2,306,459	2,122,216	2,288,204	2,415,133	2,661,279
<i>of which: Communication</i>	<i>1,208,677</i>	<i>1,359,215</i>	<i>1,463,208</i>	<i>1,682,689</i>	<i>1,918,097</i>
Finance and Insurance	1,182,705	1,434,545	1,833,173	1,988,704	2,128,018
Real estate, renting and business activities	647,772	665,537	683,789	702,541	721,808
Public administration	455,603	624,713	709,049	742,374	788,402
Education	209,200	230,546	242,945	268,491	288,197
Health and social work	204,095	205,072	248,629	277,521	305,653
Other community, social & personal services	90,192	92,666	95,207	97,818	100,501
Annual Real GDP Growth rates by Sector	2007	2008	2009	2010	2011
GDP	4.0%	6.5%	6.7%	5.5%	3.3%
Agriculture	-2.9%	27.5%	13.1%	12.1%	-5.2%
Industry	-0.9%	2.8%	1.5%	2.6%	1.3%
Services	7.2%	-0.1%	6.4%	1.1%	9.5%
Population estimates	1,516,197	1,557,778	1,600,499	1,644,391	1,689,487
GDP per Capita (GMD)	11,973	12,405	12,880	13,227	13,302
GDP per Capita (USD)	486	555	483	472	449
Exchange rate (1USD to GMD) annual ave.	24.65	22.35	26.64	28.01	29.64

Source: Gambia Bureau of Statistics (GBOS)

Table 3: CENTRAL BANK OF THE GAMBIA: ASSETS AND LIABILITIES -

(end December figures, in millions of Dalasi)

	2007	2008	2009	2010	2011 Est.
Foreign Reserves	3,221.03	3,347.43	4,937.20	4,555.20	5,527.40
Claims on non-banks:	728.78	701.02	380.28	2,329.55	2,483.31
Government	371.83	369.41	250.00	2,283.46	2,437.24
Public entities	136.91	102.68	84.68	0.00	0.00
Private sector	220.04	228.93	45.60	46.09	46.07
Claims on Banks	33.62	44.83	12.00	21.15	11.66
Seasonal Advance	0.00	0.00	0.00	0.00	0.00
Others	33.62	44.83	12.00	21.15	11.66
Revaluation Account	457.69	0.00	50.81	40.96	0.00
Fixed Assets	263.28	294.49	544.42	564.99	378.02
Other Assets	-32.35	599.69	553.24	45.52	154.71
Total Assets = Total Liabilities	4,672.05	4,987.46	6,477.95	7,557.37	8,555.11
Currency Issued	1,893.50	2,050.17	2,216.72	2,436.40	2,700.49
Notes	1,864.56	2,019.78	2,180.74	2,401.89	2,663.72
Coins	28.94	30.39	35.98	34.51	36.77
Deposits	2,516.91	1,440.84	1,440.84	1,442.84	3,010.25
Banks	851.04	851.97	851.97	852.97	1,233.72
Government	1,665.87	588.87	588.87	589.87	1,776.53
Others	0.00	0.00	0.00	0.00	0.00
Allocation of SDR	214.26	166.33	166.33	167.33	168.33
Revaluation Account	0.00	377.75	377.75	378.75	379.75
Foreign Liabilities	167.36	259.84	259.84	260.84	261.84
Capital and Reserves	53.85	65.31	65.31	66.31	105.31
Other Liabilities	-173.83	627.22	1,951.16	2,804.90	1,929.14

Source: Central Bank of The Gambia

Table 4: COMMERCIAL BANKS: ASSETS AND LIABILITIES
(end December figures, in millions of Dalasi)

	2007	2008	2009	2010	2011
Cash Holdings	204.29	217.26	211.91	371.77	324.16
Balance with Central Bank	884.46	851.86	999.25	1,116.22	1,385.56
Treasury bills & Other Govt. securities	2,605.68	2,949.50	3,683.93	4,735.49	5,617.95
Loans, Advances, Discount & Other Investments	2,654.86	3,443.94	4,338.01	5,064.59	5,380.92
Official Entities	91.66	325.66	679.92	870.37	811.28
Private Sector	2,563.20	3,118.28	3,658.09	4,194.22	4,569.64
Foreign Assets	1,458.98	1,301.42	1,469.08	1,845.92	1,953.18
Foreign Currency	118.14	401.33	348.04	401.73	285.31
Balance held abroad	1,340.84	900.09	1,121.04	1,444.19	1,667.87
Fixed Assets	548.85	840.12	1,140.84	1,112.09	1,136.92
Other Assets	869.00	1,428.30	1,198.43	1,087.81	946.89
Total Assets = Total Liabilities	9,226.12	11,032.40	13,041.45	15,333.89	16,745.58
Demand Deposits	2,519.30	3,286.70	3,594.96	3,957.34	4,290.48
Official Entities	219.43	593.65	413.93	345.60	345.80
Private Sector	2,299.87	2,693.05	3,181.03	3,611.74	3,944.68
Time & Savings Deposits	4,065.39	4,676.77	6,095.22	7,270.26	8,086.57
Official Entities	375.84	558.60	701.23	878.39	948.59
Private Sector	3,689.55	4,118.17	5,393.99	6,391.87	7,137.98
Borrowings from Central Bank	-	-	20.00	40.00	-
Other Domestic Borrowings	-	12.00	45.02	-	20.00
Foreign Liabilities	485.93	539.61	763.19	489.98	493.46
Capital & Reserves	1,219.20	1,447.99	1,586.09	2,580.43	2,657.90
Other Liabilities	936.30	1,069.33	936.97	995.88	1,197.17

Source: Central Bank of The Gambia

Table 5: MONETARY SURVEY (in D' millions)

	2007 December	2008 December	2009 December	2010 December	2011 December
NET FOREIGN ASSETS					
Monetary Authorities	2,854.99	2,548.17	3,231.52	2,665.04	3,089.62
Foreign assets	3,211.57	3,041.54	4,937.20	4,615.85	5,518.66
Foreign liabilities	(356.58)	(493.37)	(1,705.68)	(1,950.81)	(2,429.04)
Commercial banks	973.04	761.80	670.84	1,355.95	1,459.73
	3,828.03	3,309.97	3,902.36	4,020.99	4,549.35
NET DOMESTIC ASSETS					
Domestic Credit	4,445.87	6,486.40	7,792.64	9,271.24	10,204.05
Claims on Government, net	4,200.46	6,436.34	7,503.18	10,098.42	11,346.89
Advance to Govt. in foreign currency	1,188.62	2,660.79	3,033.02	4,978.06	5,911.87
Claims on Public Entities	-	-	-	-	-
Claims on Private Sector	228.57	428.34	764.60	870.37	811.28
Claims on forex bureaux	2,599.98	3,163.92	3,693.56	4,240.32	4,612.07
Claims on Other Financial Institutions	183.29	183.29	-	-	-
<i>Other items, net</i>	245.41	50.06	12.00	9.67	11.67
<i>o/w: Revaluation account</i>	457.69	(377.75)	289.46	(827.18)	(1,142.84)
SDR allocation	(214.26)	(166.33)	50.81	40.96	-
			-	-	2.00
BROAD MONEY	8,273.90	9,796.37	11,695.00	13,292.23	15,077.41
Narrow Money	4,208.51	5,119.60	5,599.77	6,021.97	6,990.83
Quasi-money	4,065.39	4,676.77	6,095.23	7,270.26	8,086.58

Source: Central Bank of The Gambia

Table 6: COMPONENTS OF MONEY SUPPLY

(end December figures, in millions of Dalasi)

	2007	2008	2009	2010	2011
Narrow Money (M1)	4,208.51	5,119.61	5,599.77	6,021.97	6,990.83
Currency outside banks	1,689.21	1,832.91	2,004.81	2,064.62	2,700.35
Demand deposits	2,519.30	3,286.70	3,594.96	3,957.35	4,290.48
Quasi-Money	4,065.39	4,676.76	6,095.22	7,270.26	8,086.57
Savings deposits	2,612.30	2,737.86	3,281.01	3,864.84	4,494.10
Time deposits	1,453.09	1,938.90	2,814.21	3,405.42	3,592.47
Broad Money (M2)	8,273.90	9,796.37	11,694.99	13,292.23	15,077.40

*Source : Central Bank of The Gambia***Table 7: COMMERCIAL BANKS: LOANS AND ADVANCES TO MAJOR ECONOMIC SECTORS***

(end December figures, in millions of Dalasi)

Sectors	2007	2008	2009	2010	2011
Agriculture	189.39	195.48	262.41	289.76	311.03
Fishing	16.24	15.87	16.87	19.64	14.47
Mining and Quarrying	0.00	0.00	0.00	0.00	0.00
Building & Construction	302.17	435.73	502.38	513.42	492.69
Transportation	325.60	267.82	336.55	361.64	330.37
Distributive Trade	719.77	960.76	1,194.28	1,547.18	1,418.55
Tourism	202.27	201.01	210.93	285.01	318.27
Personal Loans	449.46	609.07	725.32	476.14	576.61
Other	426.73	850.51	1,246.48	1,768.20	1,989.26
Total	2,631.63	3,536.25	4,495.22	5,260.99	5,451.25

*Excludes bills purchased and discounted and other investment in the private sector.

Source : Central Bank of The Gambia

Table 8: TREASURY BILLS DISCOUNT RATES 1/

(in percent per annum)

	2007	2008	2009	2010	2011
January	13.7	13.5	13.5	13.5	13.0
February	13.8	13.7	13.7	12.9	12.9
March	13.7	13.6	13.6	12.4	13.1
April	13.7	13.1	13.1	13.4	13.1
May	13.9	13.3	13.3	13.2	12.5
June	13.9	13.1	13.1	13.0	11.5
July	13.9	12.3	12.3	13.1	11.4
August	13.4	12.3	12.3	12.9	10.9
September	12.8	13.1	13.1	13.4	10.0
October	12.2	14.2	14.2	13.6	10.6
November	12.9	14.3	14.3	13.5	10.9
December	13.7	13.5	13.5	13.1	11.9

1/ The floatation of Treasury Bills started in July 1986

Source : Central Bank of The Gambia

Table 9: INTEREST RATE STRUCTURE

(end December figures, in percent per annum)

	2007	2008	2009	2010	2011
Commercial banks					
<i>Lending rates</i>					
Agriculture	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
Manufacturing	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
Building	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
Trading	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
Tourism	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
Other	18.0-27.0	18.0-27.0	18.0-27.0	18.0-27.0	16.0-28.0
<i>Deposit rates</i>					
Short-term deposit account	1.25-4.0	0.5 - 5.5	0.5 - 5.6	0.5 - 5.5	0.5 - 5.5
Savings bank account	5.0-7.0	4.0 - 7.0	4.0 - 7.1	4.0 - 8.0	4.0 - 8.0
Time deposits					
Three months	5.0-12.9	5.0 - 10.5	5.0 - 10.6	5.0 - 12.0	5.0 - 12.0
Six months	6.0-12.9	6.0 - 11.0	6.0 - 11.1	6.0 - 13.0	6.0 - 13.0
Nine months	7.0-12.9	7.0 - 14.0	7.0 - 14.1	8.0 - 11.5	8.0 - 11.5
12 months and over	7.0-12.9	7.0 - 15.0	7.0 - 15.1	7.0 - 15.3	7.0 - 15.3
Post office savings bank					
Savings deposits	N/A	N/A	N/A	N/A	N/A
Government					
Treasury bills	13.7	13.1	14.1	13.1	11.9
Discount Notes	-	-	-	-	-
Government development loans					
1999-2002 (F)	-	-	-	-	-
1999-2002 (G)	-	-	-	-	-
2002 (H)	-	-	-	-	-
2002 (I)	-	-	-	-	-
Central Bank of The Gambia					
Bank rate	10.0	11.0	9.0	10.0	10.0
Rediscount rate	15.0	16.0	14.0	15.0	14.0

1/ Loans at 9 per cent represent non-performing loans of a commercial bank.

Source: Central Bank of The Gambia.

TABLE 10: NATIONAL CONSUMER PRICE INDEX FOR THE LOW INCOME POPULATION IN BANJUL AND KANIFING MUNICIPALITY

(Jan. - Dec. 2004 = 100)

Weights	Food and Drink 54.7	Housing, Fuel & Lighting etc 3.4	Clothing Textiles & Footwear 11.2	Furnishing, H/H Equipment 5.2	Transportation 4.4	Newspaper Books & Stationery 7.1	Alcohol Beverages Naco & Tobacco 0.7	Health 1.2	Recreation & Culture 1.5	Education 1.5	Hotels, cafes & Restaurants 0.4	Communication 2.9	Miscellaneous 5.8	All Item Index 100.0	% Change from same period, last year
2009	JAN	125.79	121.07	110.94	114.83	113.92	105.70	101.77	104.36	102.24	115.87	101.95	123.91	120.13	6.96
	FEB	125.95	121.18	110.98	114.87	119.93	105.68	101.77	104.50	102.24	115.89	101.95	124.28	120.25	7.04
	MAR	125.99	121.43	110.99	114.95	119.93	105.78	101.77	104.65	102.25	115.97	101.97	124.53	120.29	6.71
	APR	125.97	121.64	111.08	114.97	119.95	105.78	101.77	104.67	102.25	116.24	101.98	125.37	120.36	6.32
	MAY	126.13	122.11	111.20	114.97	119.95	106.13	101.77	104.67	102.25	116.30	101.98	125.79	120.51	5.87
	JUN	126.23	122.30	111.35	115.11	119.77	106.16	101.78	104.84	102.25	116.58	101.98	125.93	120.61	5.35
	JULY	126.34	122.40	111.46	115.45	119.95	106.26	101.80	104.95	102.27	116.73	102.02	126.22	120.84	3.98
	AUG	126.77	122.53	111.58	115.59	119.96	106.41	101.80	104.98	102.65	116.95	102.02	126.63	121.15	2.97
	SEPT	127.80	122.64	111.82	115.70	119.97	106.40	101.80	105.07	102.99	117.08	102.02	126.75	121.75	2.35
	OCT	128.17	122.64	111.82	115.98	119.97	106.48	101.80	105.07	102.99	117.20	102.02	127.15	121.99	2.26
	NOV	128.36	123.30	112.39	116.14	122.18	106.52	101.82	105.15	102.99	119.93	102.02	133.73	122.70	2.64
	DEC	128.10	123.47	112.64	116.26	122.76	106.59	101.82	105.67	102.99	120.18	102.02	133.89	123.89	3.30
2010	JAN	130.86	123.73	112.73	116.30	122.81	106.64	101.82	105.71	102.99	120.43	102.50	133.92	124.42	3.57
	FEB	131.34	124.02	113.14	116.37	122.85	106.64	101.82	105.74	102.99	120.53	102.50	134.49	124.78	3.77
	MAR	131.84	124.17	113.24	116.40	122.85	106.65	101.82	105.80	102.99	120.75	102.50	134.53	125.08	3.98
	APR	132.14	124.32	113.34	116.44	122.88	106.68	101.82	105.80	102.99	121.00	102.50	134.89	125.30	4.10
	MAY	132.49	124.33	113.38	116.45	122.89	106.76	101.82	105.88	102.99	121.13	102.50	134.92	125.50	4.14
	JUN	132.96	124.61	113.47	116.56	127.23	106.91	101.83	105.97	102.95	121.21	102.54	135.15	126.02	4.49
	JULY	136.29	124.76	113.68	116.71	149.12	106.91	101.83	105.97	102.95	127.29	105.54	135.18	128.32	6.19
	AUG	136.70	124.77	113.67	116.74	149.12	107.58	101.90	105.98	102.95	127.29	102.54	135.58	128.58	6.13
	SEPT	136.87	125.28	113.80	116.92	149.12	109.45	101.91	106.32	102.95	128.08	102.54	135.58	129.34	6.23
	OCT	138.16	125.65	113.86	117.45	149.18	109.46	101.91	106.75	102.95	128.60	102.57	136.83	129.59	6.23
	NOV	138.64	125.95	113.93	117.83	149.18	109.49	101.92	106.81	102.95	128.90	102.57	137.05	129.91	5.88
	DEC	139.23	125.96	113.95	117.95	149.18	109.49	101.92	106.88	105.72	130.20	102.57	137.20	130.32	5.19
2011	JAN	140.40	126.43	113.97	118.10	149.20	107.79	101.93	107.03	105.72	130.66	102.57	137.25	130.65	5.01
	FEB	141.77	127.92	114.01	118.12	153.01	107.86	101.93	107.55	105.72	131.99	102.57	137.26	131.54	5.42
	MAR	142.24	128.16	114.01	118.25	153.66	107.86	101.93	107.56	105.72	132.03	102.59	137.41	131.85	5.41
	APR	142.71	128.89	114.10	118.57	154.52	107.88	101.93	107.77	105.72	132.60	102.59	138.23	132.24	5.54
	MAY	142.90	128.92	114.12	118.60	154.55	107.88	101.93	107.78	105.72	133.07	102.59	138.67	132.37	5.47
	JUN	143.35	129.21	114.14	118.63	154.59	108.14	101.93	107.81	105.72	133.60	102.59	141.34	132.81	5.39
	JULY	143.43	129.51	114.49	118.80	154.59	108.14	101.93	107.88	105.72	134.52	102.59	142.58	133.39	3.95
	AUG	144.58	130.03	114.63	118.98	154.59	108.40	101.93	108.56	105.72	135.56	102.59	143.09	134.12	4.31
	SEPT	145.31	131.15	114.93	119.27	155.63	108.58	101.93	108.57	106.13	136.43	102.63	143.57	134.69	4.14
	OCT	146.02	131.63	115.21	119.53	156.20	108.59	101.93	108.82	106.13	136.90	102.63	143.97	135.21	4.34
	NOV	146.40	131.78	115.34	119.63	156.54	108.61	101.93	109.16	106.13	137.18	102.63	144.48	135.51	4.31
	DEC	147.10	132.16	115.39	119.82	158.02	108.70	101.93	109.28	106.13	138.19	102.66	145.00	136.03	4.38

Source: GBOS

Table 12: ARRIVAL OF AIR CHARTER TOURISTS IN THE GAMBIA

MONTH	2007	2008	2009	2010	2011
JANUARY	19,865	17,019	17,565	14,683	16,198
FEBRUARY	20,271	28,926	15,886	18,726	14,774
MARCH	17,836	18,597	34,596	12,667	11,371
APRIL	10,135	10,169	10,711	4,886	10,290
MAY	5,022	3,974	3,480	976	2,912
JUNE	4,129	3,480	4,100	1,154	1,753
JULY	4,980	4,277	5,033	3,771	4,455
AUGUST	4,839	4,568	3,513	2,814	3,868
SEPTEMBER	4,508	4,248	3,935	2,799	6,144
OCTOBER	9,961	6,916	5,949	5,908	8,983
NOVEMBER	22,467	15,222	19,298	11,530	20,485
DECEMBER	18,613	17,173	17,503	11,185	20,986
TOTAL	142,626	134,569	141,569	91,099	122,219
Percentage Change from previous year	14.3%	-5.6%	5.2%	-35.7%	34.2%

NB: Figures from June to December 2011 are provisional
Source : Central Statistics Department / Gambia Tourism Authority

Table 13: DISTRIBUTION OF OUTSTANDING TREASURY BILLS

DISCOUNTED VALUE (in D' million)

	End of period	Central Bank	Commercial Banks	Total	Public Entities	Private Sector	Total	TOTAL Govt. T/Bills	Disc. Rate (%)
2009	January	183.31	2,828.67	3,011.98	662.75	659.46	1,322.21	4,334.19	14.2
	February	134.71	2,891.12	3,025.83	662.75	654.68	1,317.43	4,343.26	14.2
	March	118.26	2,875.78	2,994.04	692.47	655.66	1,348.13	4,342.17	14.4
	April	107.34	2,885.24	2,992.58	738.68	668.37	1,407.05	4,399.63	14.6
	May	0.00	2,984.30	2,984.30	727.07	674.43	1,401.50	4,385.80	15.2
	June	0.00	3,063.28	3,063.28	727.07	675.99	1,403.06	4,466.34	15.5
	July	0.00	3,212.95	3,212.95	684.45	692.83	1,377.28	4,590.23	16.0
	August	0.00	3,250.64	3,250.64	681.30	714.74	1,396.04	4,646.68	16.0
	September	0.00	3,234.71	3,234.71	680.40	715.40	1,395.80	4,630.51	16.0
	October	0.00	3,351.35	3,351.35	653.95	720.57	1,374.52	4,725.87	16.0
	November	24.39	3,345.73	3,370.12	655.82	711.12	1,366.94	4,737.06	16.0
	December	0.00	3,467.41	3,467.41	655.82	708.44	1,364.26	4,831.67	14.0
2010	January	0.95	3,403.59	3,404.54	655.82	756.64	1,412.46	4,817.00	14.0
	February	101.23	3,326.13	3,427.36	558.14	769.39	1,327.53	4,754.89	14.0
	March	3.55	3,597.44	3,600.99	453.65	809.53	1,263.18	4,864.17	14.0
	April	3.55	3,541.94	3,545.49	449.03	815.64	1,264.67	4,810.16	14.0
	May	3.55	3,557.52	3,561.07	449.03	802.34	1,251.37	4,812.44	14.0
	June	130.04	3,584.62	3,714.66	292.40	834.31	1,126.71	4,841.37	14.0
	July	3.58	3,735.16	3,738.74	292.40	844.11	1,136.51	4,875.25	14.0
	August	1.00	3,825.97	3,826.97	285.55	838.72	1,124.27	4,951.24	15.0
	September	0.00	3,851.17	3,851.17	285.55	849.97	1,135.52	4,986.69	15.0
	October	0.00	3,843.59	3,843.59	285.55	842.57	1,128.12	4,971.71	15.0
	November	42.75	3,801.99	3,844.74	245.94	839.95	1,085.89	4,930.63	15.0
	December	0.00	4,428.08	4,428.08	343.48	817.08	1,160.56	5,588.64	15.0
2011	January	0.00	4,415.65	4,415.65	343.84	819.48	1,163.32	5,578.97	15.0
	February	0.00	4,423.53	4,423.53	343.48	842.48	1,185.96	5,609.49	15.0
	March	0.00	4,476.20	4,476.20	238.43	838.24	1,076.67	5,552.87	15.0
	April	0.00	4,511.72	4,511.72	241.31	857.35	1,098.66	5,610.38	15.0
	May	0.00	4,711.61	4,711.61	241.31	859.52	1,100.83	5,812.44	15.0
	June	54.57	4,852.54	4,907.11	173.47	902.05	1,075.52	5,982.63	15.0
	July	138.30	4,935.56	5,073.86	89.75	895.20	984.95	6,058.81	15.0
	August	83.73	5,110.53	5,194.26	89.75	882.32	972.06	6,166.32	15.0
	September	4.41	5,257.95	5,262.36	89.75	884.09	973.84	6,236.20	15.0
	October	0.00	5,314.30	5,314.30	89.75	883.20	972.95	6,287.25	14.0
	November	0.00	5,364.24	5,364.24	89.75	888.02	977.77	6,342.01	14.0
	December	0.00	5,461.63	5,461.63	89.75	880.82	970.57	6,432.20	14.0

SOURCE: Central Bank of The Gambia.

Table 14 : DISTRIBUTION OF OUTSTANDING GOVERNMENT SECURITIES (Face Value)

(end December figures, in millions of Dalasi)

	2007	2008	2009	2010	2011
Gambia Govt. Treasury Bills	4,741.30	4,773.27	5,345.07	6,123.01	7,099.16
Central Bank	137.67	129.08	-	-	93.55
Commercial banks	2,724.25	3,175.51	3,750.83	4,851.82	5,946.63
Non-banks	1,879.38	1,468.68	1,594.24	1,271.19	1,058.98
<i>of which: public enterprises</i>	971.33	752.65	750.63	378.60	101.63
Gambia Govt. Development stocks	-	-	-	-	-
Central Bank	-	-	-	-	-
Commercial banks	-	-	-	-	-
Non-banks	-	-	-	-	-
<i>of which: public enterprises</i>	-	-	-	-	-
Gambia Govt. Discount Note Series	-	-	-	-	-
Central Bank	-	-	-	-	-
Commercial banks	-	-	-	-	-
Non-banks	-	-	-	-	-
<i>of which: public enterprises</i>	-	-	-	-	-
TOT. OUTSTAND. GOVT. DOMESTIC DEBT	4,741.30	4,773.27	5,345.07	6,123.01	7,099.16
Gambia Govt. Treasury Bills 1/	4,295.73	4,321.46	4,831.67	5,588.65	6,522.27
Central Bank	121.83	119.41	-	-	90.07
Commercial banks	2,482.66	2,880.25	3,407.43	4,428.08	5,461.63
Non-banks	1,691.24	1,321.80	1,424.24	1,160.57	970.57
<i>of which: public enterprises</i>	854.01	663.69	655.82	343.48	89.75

Source : Central Bank of The Gambia

1/ At discounted value

Table 15: BALANCE OF PAYMENTS

Period	2007	2008	2009	2010	2011 Est
CURRENT ACCOUNT	(1,463.23)	207.09	1,692.71	1,526.21	2,986.10
Goods	(3,520.39)	(1,558.37)	(2,282.54)	-2964.05	(3,933.59)
Exports FOB	3,047.22	4,180.24	4,535.71	3768.91	4,530.34
Exports of goods in trade statistics	266.34	1,691.10	1,706.09	954.91	982.34
Adjustments	2,780.88	2,489.14	2,829.62	2814.00	3,548.00
For coverage (re-exports)	2,780.88	2,489.14	2,829.62	2814.00	3,548.00
Goods procured in ports by carriers	241.57	356.23	110.27	157.32	223.61
In seaports	5.64	5.64	13.36	121.14	138.07
In airports	235.93	350.59	96.91	36.18	85.54
Imports FOB	(6,809.17)	(6,094.85)	(6,928.52)	-6890.28	(8,687.54)
Imports of goods in trade statistics	(7,945.36)	(7,111.84)	(8,084.62)	-8040.00	(10,137.15)
Adjustments	1,136.19	1,016.99	1,156.10	1149.72	1,449.61
For classification	1,136.19	1,016.99	1,156.10	1149.72	1,449.61
Services	1,045.16	713.50	571.05	1585.34	2,533.47
Transportation	(454.42)	(434.06)	(480.16)	45.60	63.70
Sea transport	(746.69)	(647.41)	(707.57)	-659.69	(792.48)
Air transport	292.27	213.35	227.41	705.29	856.18
Travel	1,868.99	1,624.07	1,421.69	1739.31	2,517.32
Business travel	(142.01)	(91.64)	(160.46)	-209.75	(164.17)
Personal travel	2,011.00	1,715.71	1,582.15	1949.06	2,681.49
Education-related expenditure	(63.51)	(81.30)	(77.79)	-86.62	(156.98)
Other	2,074.51	1,797.01	1,659.94	2035.68	2,838.47
Communications services	103.15	214.42	264.00	225.32	162.36
Postal and courier services	(22.35)	(14.70)	(20.74)	-10.52	(27.56)
Telecommunications services	125.50	229.12	284.74	235.84	189.92
Insurance services	(163.35)	(146.01)	(165.92)	-144.07	(196.63)
Freight insurance	(150.96)	(135.12)	(153.61)	-152.76	(192.61)
Reinsurance	(12.39)	(10.89)	(12.31)	8.69	(4.03)
Construction Services	223.74	75.99	66.31	111.91	85.90
Computer and information services	(32.95)	(70.91)	(35.87)	0.00	-
Other Business Services	(500.00)	(550.00)	(499.00)	-392.73	(99.18)
Income	(1,110.79)	(757.37)	(214.94)	-229.20	(386.38)
Investment income	(1,129.38)	(931.37)	(374.89)	-345.19	(333.81)
Income on equity	(943.01)	(943.04)	(312.21)	-321.13	(257.84)
Portfolio investment	(187.42)	11.67	(62.68)	-24.06	(75.97)
Other investment	1.05	-	-	0.00	-
Compensation of employees	18.59	174.00	159.95	116.00	(52.57)
Current Transfers	2,122.79	1,809.34	3,619.14	3134.11	4,772.60
General government	130.43	137.17	798.61	972.20	1,806.89
Other sectors	1,992.36	1,672.17	2,820.53	2161.91	2,965.71
Workers' remittances	964.78	1,195.80	1,741.58	1478.24	2,153.04
Other transfers	1,027.58	476.37	1,078.95	683.67	812.67
CAPITAL AND FINANCIAL ACCOUNT	2,204.91	463.43	(1,864.26)	849.30	(746.07)
CAPITAL ACCOUNT	42.97	24.37	-	0.00	369.60
Capital transfers	42.97	24.37	-	0.00	123.20
Debt forgiveness	42.97	24.37	-	0.00	-
FINANCIAL ACCOUNT	2,161.94	439.06	(1,864.26)	849.30	(1,115.67)
Direct investment	1,901.86	1,555.74	1,050.89	1039.66	990.40
In reporting economy	1,901.86	1,555.74	1,050.89	1039.66	990.40
Equity capital	1,468.50	1,294.70	920.15	911.13	925.76
Reinvested earnings	433.36	261.04	130.74	128.54	64.63
Other investment	111.75	(1,308.45)	(1,029.77)	-467.03	(1,424.96)
Assets	721.14	93.49	543.33	584.92	3.91
Loans	329.63	251.05	378.67	208.06	181.38
Currency and deposits	391.51	(157.56)	164.66	376.86	(177.47)
Liabilities	(609.39)	(1,401.94)	(1,573.10)	-1051.95	(1,428.87)
Trade credits	(876.69)	(1,472.00)	(2,357.83)	-2009.87	(1,655.53)
Loans	(80.50)	16.38	526.08	1266.17	223.18
General Government	(80.50)	16.38	526.08	1266.17	223.18
Drawings on new loans	333.64	339.57	798.51	1621.44	629.97
Repayments	(414.14)	(323.19)	(272.43)	-355.27	(406.79)
Monetary Authorities	(81.68)	-	-	0.00	-
Use of Fund Credits and Loans	(81.68)	-	-	0.00	-
Drawings	-	-	-	0.00	-
Repayments	(81.68)	-	-	0.00	-
Currency and deposits	429.48	53.68	258.65	-308.25	3.48
Reserve Assets (increase -)	148.33	191.77	(1,885.38)	276.67	(681.11)
OVERALL BALANCE (surplus if the sign is negative)	741.68	670.52	(171.55)	2375.51	2,240.02

SOURCE: Central Bank of The Gambia.

Table 2: Ghana: ACCOUNTS OF THE CENTRAL BANK (GH¢ Million)

	2009		2010		2011		2012	
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
Net Foreign Assets	1,466.7	3,271.0	3,530.1	5,240.9	5,485.2	4,034.2	4,483.3	5,910.5
Foreign assets	2,486.9	4,533.98	4,913.95	6,811.65	7,148.78	7,559.73	7,661.43	9,901.81
Foreign liabilities	1,020.2	1,263.01	1,383.81	1,570.73	1,663.62	3,525.48	3,178.15	3,991.35
Net Domestic Assets	599.3	-230.1	-747.3	-831.1	-1,241.7	-1,243.5	1,672.6	1,950.5
Net Claims on Government	1,894.2	1,389.7	1,256.6	1,371.3	588.9	3,214.8	4,054.2	4,139.6
Total claims	2,540.1	2,570.6	2,464.2	2,770.1	3,102.5	3,214.8	3,534.4	4,132.6
Treasury Bills	276.0	38.07	121.63	39.11	62.33	26.42	36.59	62.12
Stocks and bonds	1,053.5	1,287.9	1,099.74	1,132.27	2,043.89	2,790.16	2,862.18	3,673.45
Others	1,210.6	1,244.68	1,242.81	1,598.68	996.27	398.23	635.68	397.01
Government Deposits	645.9	1,180.95	1,207.63	1,398.80	2,513.55	0.00	-519.73	-7.05
Claims on Financial Institutions	306.5	499.21	134.51	113.40	120.88	33.48	33.43	90.56
Claims on Public Institutions	18.0	145.27	104.78	497.54	468.84	1,079.87	1,006.30	1,783.47
Claims on Private Sector								
Other items (net)	-1,619.4	-2,264.2	-2,243.1	-2,813.3	-2,420.4	-5,571.7	-3,421.3	-4,063.2
Reserve money	2,066.0	3,040.9	2,782.8	4,409.8	4,243.4	2,790.7	6,155.9	7,860.9
Currency outside banks	1,399.0	2,082.40	1,841.81	2,927.42	2,786.29	-481.00	3,638.49	4,918.57
Bank reserves	624.6	872.74	897.22	1,320.11	1,326.92	2,957.14	2,363.24	2,666.70
Other deposits	42.4	85.75	43.81	162.28	130.22	314.55	154.13	275.65

Table 3: GHANA - ACCOUNTS OF THE DEPOSIT MONEY BANKS (GH¢ Million)

	2009		2010		2011		2012	
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
Net foreign assets	487.8	664.1	479.2	513.1	1,306.7	1,210.4	2,007.5	1,172.3
Foreign assets	1,202.9	1,541.2	1,307.0	1,327.6	2,093.7	1,953.8	2,753.9	2,126.8
Foreign liabilities	715.1	877.2	827.7	814.6	786.9	743.4	746.4	954.5
Net Domestic Assets	6,691.7	7,379.2	8,481.2	10,060.4	10,978.9	13,045.5	14,599.1	16,252.0
Reserves	1,069.2	1,383.7	1,348.6	1,689.6	1,763.2	2,761.8	2,924.8	3,329.7
Cash	196.89	261.36	214.10	335.52	287.58	481.00	371.22	636.92
Deposits with Central Banks	872.26	1,122.34	1,134.52	1,354.05	1,475.66	2,280.76	2,553.57	2,692.76
Central Bank Bills	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Credit from Central Bank	200.3	443.9	133.7	134.8	134.0	80.6	96.0	175.1
Domestic Credit	7,745.1	8,724.1	9,243.8	10,872.1	11,449.2	12,781.4	14,409.9	16,620.6
Net Claims on Govt.	949.9	1,795.4	2,105.0	2,877.4	3,500.7	3,237.5	3,238.2	3,595.1
Total Claims	1,314.8	2,277.6	2,918.5	3,673.4	4,332.6	4,243.9	4,215.2	5,008.5
Treasury bills	915.78	1,254.08	784.35	1,062.82	1,031.87	946.38	1,501.42	1,411.67
Stocks and bonds	399.03	1,023.50	2,134.10	2,610.53	3,300.70	3,297.50	2,713.74	3,596.81
Govt. Deposit	364.91	482.13	813.46	795.94	831.86	1,006.38	976.96	1,413.41
Claims on private sector (incl.PEs)	6,795.2	6,928.6	7,138.8	7,994.7	7,948.5	9,543.9	11,171.8	13,025.5
Claims on public enterprises	1,153.22	1,162.46	999.52	1,178.99	500.74	740.64	1,087.56	1,488.16
Credit to private sector	5,641.97	5,766.18	6,139.33	6,815.70	7,447.79	8,803.26	10,084.19	11,537.36
Other items (net)	-1,922.2	-2,284.8	-1,977.6	-2,366.4	-2,099.7	-2,417.1	-2,639.7	-3,523.2
Total Deposits	7,179.5	8,043.3	8,960.4	10,573.5	12,285.6	14,255.8	16,606.5	17,424.3
Demand deposits	2,014.9	1,979.6	2,430.5	3,312.3	3,744.5	4,775.0	5,469.9	5,963.0
Savings and Time deposits	2,800.6	3,402.3	4,124.6	4,533.3	4,871.5	5,526.6	5,732.1	6,344.5
Foreign currency deposits	2,363.9	2,661.3	2,405.4	2,727.9	3,669.6	3,954.2	5,404.5	5,116.8

Table 4: GHANA: Consolidated Balance Sheet of the Banking System (GH¢ Million)

	2007		2008		2009		2010		2011		2012	
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
LIABILITIES												
1. Total Liquidity (M2+)	6,629.3	7,842.2	8,807.1	11,029.6	12,264.4	14,980.2	15,554.1	19,443.6	20,452.6	22,655.3	26,577.4	30,998.7
2. Broad Money Supply (M2)	4,431.0	5,750.6	6,197.8	8,190.6	8,620.9	10,211.4	10,846.0	13,663.2	15,202.1	18,195.2	20,399.2	22,618.5
3. Narrow Money (M1)	3,519.7	4,757.7	4,843.9	6,373.8	6,257.0	7,550.1	8,440.7	10,935.3	11,532.5	14,241.0	14,994.6	17,501.7
Currency with the Public	2,073.3	2,931.1	2,789.9	3,931.1	3,456.4	4,147.7	4,316.1	6,402.0	6,661.0	8,714.4	9,262.5	11,157.2
Demand Deposits	862.5	1,302.2	1,130.1	1,730.8	1,399.0	2,082.4	1,841.8	2,927.4	2,786.3	3,763.3	3,638.5	4,918.6
	1,210.8	1,628.9	1,659.8	2,200.3	2,057.3	2,065.3	2,474.3	3,474.6	3,874.7	4,951.1	5,624.0	6,238.6
3. Quasi-Money (Savings, Time & cert of Deposits)	1,446.4	1,826.6	2,054.0	2,442.7	2,800.6	3,402.3	4,124.6	4,533.3	4,871.5	5,526.6	5,732.1	6,344.5
4. Foreign Currency Deposits	911.3	992.9	1,353.9	1,816.8	2,363.9	2,661.3	2,405.4	2,727.9	3,669.6	3,954.2	5,404.5	5,116.8
5. Other Items net	2,198.3	2,091.6	2,609.3	2,838.9	3,643.5	4,768.8	4,708.0	5,780.4	5,250.5	4,460.1	6,178.3	8,380.2
ASSETS												
=====												
1. Net Credit to Government	1,417.8	1,103.8	1,707.2	2,397.6	2,844.1	3,185.1	3,361.5	4,248.7	4,089.6	5,180.6	7,292.4	7,734.7
By Bank of Ghana	372.8	255.0	792.4	1,447.9	1,894.2	1,389.7	1,256.6	1,371.3	588.9	1,943.0	4,054.2	4,139.6
By Deposit Money Banks	1,045.0	848.8	914.8	949.6	949.9	1,795.4	2,105.0	2,877.4	3,500.7	3,237.5	3,238.2	3,595.1
2. Credit to Public Institutions	541.0	1,082.5	783.8	1,082.5	1,153.5	1,370.2	1,124.3	1,391.6	1,036.6	740.6	1,623.5	2,587.7
By Bank of Ghana	0.2	0.1	0.2	0.1	0.3	207.7	124.8	212.6	535.9	0.0	535.9	1,099.6
By Deposit Money Banks	540.8	857.9	783.6	1,082.5	1,153.2	1,162.5	999.5	1,179.0	500.7	740.6	1,087.6	1,488.2
3. Credit for Cocoa Financing	33.1	59.7	33.1	59.7	40.1	47.1	30.4	39.1	31.8	50.9	31.8	60.0
By Bank of Ghana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
By Deposit Money Banks	33.1	59.7	33.1	59.7	40.1	47.1	30.4	39.1	31.8	50.9	31.8	60.0
4. Credit to the Private Sector	2,522.7	4,850.8	3,950.2	4,850.8	5,624.2	5,724.3	6,140.7	7,141.8	7,794.0	8,803.3	10,430.4	12,221.2
By Bank of Ghana	-17.0	-17.3	-17.0	-17.3	-17.7	-41.8	1.3	326.1	346.2	0.0	346.2	683.9
By Deposit Money Banks	2,539.8	3,295.6	3,967.3	4,868.3	5,642.0	5,766.2	6,139.3	6,815.7	7,447.8	8,803.3	10,084.2	11,537.4
5. Net Foreign Assets	2,100.8	2,423.6	2,150.9	2,423.6	2,181.0	4,307.0	4,550.6	6,313.2	7,500.6	7,880.0	7,199.4	8,395.1
a. With the Banking System	1,949.0	2,528.8	1,999.1	2,185.7	1,954.5	3,935.0	4,009.4	5,754.0	6,791.9	7,880.0	6,490.8	7,082.8
---- With Bank of Ghana	1,774.7	2,466.5	1,852.8	1,930.9	1,466.7	3,271.0	3,530.1	5,240.9	5,485.2	6,669.6	4,483.3	5,910.5
--- Deposit Money Banks	174.2	62.4	146.3	254.8	487.8	664.1	479.2	513.1	1,306.7	1,210.4	2,007.5	1,172.3
b. Use of Fund Credit	151.8	185.9	151.8	185.9	226.5	371.9	541.2	559.2	708.7	0.0	708.7	1,312.3
6. Revaluation Account	181.9	215.4	181.9	215.4	421.6	346.6	346.6	309.3	0.0	0.0	0.0	0.0

Note:

1. Money Supply (M2+) = M2 plus Foreign Currency Deposits.
2. Broad Money Supply (M2) = M1 plus Quasi Money

Table 5: FOREIGN ASSETS AND LIABILITIES OF THE BANKING SYSTEM (GH¢ Million)

	2009		2010		2011		2012	
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
CENTRAL BANK								
Assets	2,486.9	3,234.7	4,914.0	6,863.3	7,148.8	8,336.4	7,661.4	9,979.8
Gold	250.6	339.1	310.3	447.173	418.1	498.8	602.2	633.9
SDRs	0.9	647.5	611.4	659.553	691.1	669.8	763.1	749.2
Reserves position with the Fund	0.0	0.0	0	0	0	0	0	0
Others	2,235.4	2,248.1	3,992.3	5,756.6	6,039.6	7,167.9	6,296.1	8,596.7
Foreign notes and coins	57.1	65.9	47.8	43.8	49.9	28.9	23.1	54.6
Foreign securities	1,997.1	1,997.1	3,367.4	4,839.8	3,826.7	6,283.4	5,964.7	6,632.4
Balances with correspondent banks	175.4	179.5	571.7	867.3	2,159.7	852.2	304.3	1,905.6
Bilateral trade balance	5.8	5.6	5.4	5.6	3.3	3.3	4.0	4.2
Liabilities	1,008.0	1,263.1	1,383.1	1,570.0	1,662.7	1,666.0	2,673.6	3,256.3
IMF	226.5	371.9	541.2	559.2	708.7	713.6	1,003.2	1,312.2
Other deposits with the Central Bank	92.8	94.0	98.2	102.3	106.3	105.7	117.0	117.3
Short term credits	688.7	0.2	1.3	107.3	0.1	1.7	588.5	647.0
Others	0.0	797.1	742.5	801.2	847.6	845.0	965.0	1,179.8
NET	1,478.9	1,971.6	3,530.9	5,293.2	5,486.0	6,670.5	4,987.8	6,723.5
DEPOSIT MONEY BANKS								
Assets	1,202.9	1,541.2	1,307.0	1,327.64	2,093.7	1,953.8	2,753.9	2,126.8
Liabilities	715.1	877.2	827.7	814.588	786.9	743.4	746.4	954.5
Net	487.8	664.1	479.2	513.1	1,306.7	1,210.4	2,007.5	1,172.3
TOTAL BANKING SYSTEM								
Assets	3,689.8	4,775.9	6,221.0	8,190.9	9,242.5	10,290.2	10,415.3	12,106.6
Liabilities	1,723.1	2,140.3	2,210.8	2,384.6	2,449.7	2,409.4	3,420.1	4,210.8
Net	1,966.7	2,635.6	4,010.2	5,806.3	6,792.8	7,880.8	6,995.2	7,895.8

TABLE 6: SELECTED INTEREST RATES (Percent)

	Minimum Rediscount Rate	Treasury Bill Rate (91 days)	Interbank Rate	Time Deposit Rate 12 months	Saving rates			Commercial Lending Rate				
					Min	Max	Average	Min	Max	Average		
2006												
First half	14.50	9.68	9.93	9.50	1.75	12.00	6.90	15.00	33.00	24.00		
Second half	12.50	9.94	12.56	8.75	1.50	9.00	5.25	15.00	33.00	24.00		
2007												
First half	12.50	9.63	12.44	9.25	2.00	10.00	6.00	14.00	33.00	23.75		
Second half	13.50	10.61	11.98	10.75	1.00	9.00	5.00	14.00	33.00	23.75		
2008												
First half	16.00	16.30	14.55	10.25	2.00	10.00	6.00	14.00	33.00	23.75		
Second half	17.00	24.67	19.03	15.50	2.20	16.00	9.10	19.50	44.00	27.25		
2009												
First half	18.50	25.82	22.47	16.25	1.80	16.00	8.90	25.70	40.00	32.75		
Second half	18.00	23.70	16.51	18.50	2.00	18.00	10.00	25.75	40.00	32.88		
2010												
First half	13.38	12.89	13.36	13.50	2.00	11.50	6.75	23.55	37.50	30.53		
Second half	11.65	11.91	11.65	14.00	2.00	18.00	10.00	19.00	36.25	27.63		
2011												
First half	13.38	12.89	13.36	13.50	2.00	11.50	6.75	23.55	37.50	30.53		
Second half	13.00	10.31	11.63	9.75	0.75	8.00	4.38	19.00	34.90	26.95		
2012												
First half	11.71	20.58	15.13	10.00	1.00	10.00	5.05	14.40	34.90	24.65		
Second half	11.71	21.66	17.11	13.53	0.50	10.00	5.25	14.56	37.31	25.94		

Table 7: Ghana's Balance of Payments (US\$ ' million)

	2008+	2009+	2010+	2011+	2012+
Trade balance	-4,998.77	-2,206.56	-2,962.02	-3,052.33	-4,221.40
Merchandise Exports(fob)	5,269.73	5,839.70	7,960.08	12,785.41	13,541.43
Traditional	3,943.61	4,317.26	5,796.95	7,322.25	8,134.37
Of which					
Cocoa	1,225.11	1,422.4	1,594.36	2,027.94	2,192.70
Gold	2,246.25	2,551.36	3,803.52	4,920.22	5,643.27
Non traditional	1,326.12	1,522.43	2,163.12	5,463.16	5,407.06
Merchandise Imports (fob)	-10,268.50	-8,046.26	-10,922.10	-15,837.73	-17,762.82
Oil	-2,356.75	-1,488.97	-2,235.92	-3,165.45	-3,330.26
Non-Oil	-7,911.75	-6,557.28	-8,686.18	-12,672.28	-14,432.56
Services (Net)	1,593.26	808.17	192.34	-488.99	-698.07
Freight -net	-646.81	-496.17	-674.82	-955.17	-1,021.07
Investment Income - Credit	85.57	101.12	52.92	55.37	55.27
Investment Income - Debit	-206.63	-197.52	-587.87	-1,285.46	-2,185.23
Current transfers - Credit	2,211.50	2,077.99	2,322.43	2,597.42	2,413.32
Current transfers - Debit	0.00	0.00	0.00	0.00	-7.99
Other Services (net)	149.64	-677.25	-920.33	-901.15	47.64
A. Current Account Balance	-3,405.51	-1,398.39	-2,769.69	-3,541.32	-4,919.46
B. Capital Account	463.31	563.89	337.47	445.06	144.58
Capital Transfers (net)	463.31	563.89	337.47	445.06	144.58
Acquisition/Disposal of non-produced non-financial assets (net)	-	-	-	-	-
C. Financial Account	2,833.7	3,763.75	3,727.07	4,034.26	2,945.96
Direct Investment abroad	-8.82	-6.90	-	-25.35	-1.09
Direct Investment in reporting economy	2,714.92	2,897.09	2,527.35	3,247.59	3,294.52
Portfolio investment (net)	-49.01	-43.64	620.46	117.56	1,121.82
Other investment (net)	176.58	917.20	579.26	694.45	-1,469.29
D. Errors and Omissions	-832.22	-1,770.47	167.82	-391.47	618.02
E. Overall Balance	-940.75	1,158.78	1,462.67	546.53	-1,210.90
F. FINANCING	940.75	-1,158.78	-1,462.67	-546.53	1,210.90
Changes in foreign Reserves	940.75	-1,158.78	-1,462.67	-546.53	1,210.90
Use of Fund Credit	0.00	0.00	0.00	0.00	0.00
Disbursements	0.00	0.00	0.00	0.00	0.00
Repayments	0.00	0.00	0.00	0.00	0.00
Other Reserves Changes	940.75	-1,158.78	-1,462.67	-546.53	1,210.90
Other (including holdings of SDR)					
Exceptional Financing	0.00	0.00	0.00	0.00	0.00
Memorandum Items					
Imports of goods (cif)	11,037.13	8,664.51	11,757.52	17,059.26	19,141.68
Nominal GDP (\$ million)	28,527.27	25,694.33	29,866.00	39,226.90	40,008.40
Average exchange rate (Cedi/\$)	1.0579	1.4088	1.4279	1.5108	1.7958
End of Period exchange rate (Cedi/\$)	1.1993	1.4284	1.4738	1.5137	
Current Account Balance/GDP (%)	-11.94	-5.44	-9.27	-9.03	-12.30
Stock of Reserves (US \$ millions)	2,036.22	3,164.81	4,680.01	5,474.62	5,348.90
In months of import cover	2.08	2.86	3.70	3.15	3.00

Note: +Revised

*Provisional

Table 8: GHANA: Domestic Debt Position (in millions of Ghana cedis)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 June	2011 Dec	2012 June	2012 Dec
Total Domestic Debt Outstanding	7,842.330	1,019.5	1,390.9	1,359.1	1,689.7	1,824.0	2,893.7	3,708.2	4,800.2	6,103.0	8,280.1	8,280.1	11,841.1	13,508.5	18,535.2
By Maturity															
Short Term (one year or less)	3,566.841	369.0	476.1	411.2	338.2	127.7	225.0	245.5	843.0	649.6	641.0	641.0	1225.0	3220.8	3573.9
Treasury Bills (91 days)	1,430.595	231.5	254.6	267.5	269.1	194.0	129.9	134.0	665.3	1767.0	1334.6	1334.6	1291.1	706.1	1134.4
Treasury Bills (182 days)	13.086	18.9	89.9	126.5	103.0	208.2	438.4	500.7	280.0	122.3	1134.6	1134.6	1733.0	1318.6	1026.6
Treasury Bill (1 year)	855.580							0.0	234.2	104.2	104.2	104.2	104.2	104.2	104.2
Short term Advances from Central Bank															
Other															
Medium/Long Term (Over 1 year)	0.015	400.1	570.4	553.9	979.4	1294.1	2100.3	2828.0	2777.6	3459.9	5065.7	5065.7	7487.9	8158.7	12696.0
By Holder															
Central Bank	3,026.886	273.0	339.6	268.1	595.7	695.1	1182.1	1371.0	1872.1	1754.3	1533.3	1533.3	2702.3	2895.0	3769.7
Deposit money banks	2,825.591	401.0	579.7	525.1	672.7	907.5	1062.6	1151.1	1383.4	2493.3	3755.7	3755.7	4302.3	4354.0	5211.2
Other	1,989.853	345.5	471.7	565.9	421.3	221.4	649.0	1186.1	1544.8	1855.4	2991.1	2991.1	4836.5	6259.5	9554.3
Total	7842.330	1019.5	1390.9	1359.1	1689.7	1824.0	2893.7	3708.2	4800.2	6103.0	8280.1	8280.1	11841.1	13508.5	18535.2
GDP (in millions of Gh cedis)															
Domestic debt/GDP (in %)		26.8	28.5	20.5	21.2	18.8	15.5	16.0	15.9	16.7	18.0	14.0	20.0	18.8	25.8

Source: Bank of Ghana

Table 9: Base Year, Period: 1997, 9Weight Type: TRADNL

Month Weights	Consumer Price Index			Monthly Change			Inflation over 12 months (Y. on Y)			Yearly Inflation (Average)		
	Combined 100.00	Food 51.90	Non-Food 48.10	Combined %	Food %	Non-Food %	Combined %	Food %	Non-Food %	Combined %	Food %	Non-Food %
Jan 2010	319.83	279.50	352.71	1.6	1.3	1.8	19.9	19.42	20.16	18.80	14.86	21.19
Feb "	324.66	283.96	357.84	1.5	1.6	1.5	16.5	10.83	20.52	18.28	13.92	21.41
Mar "	328.35	287.11	361.97	1.1	1.1	1.2	15.5	9.37	19.91	17.66	12.98	21.02
Apr "	332.99	292.06	366.35	1.4	1.7	1.2	14.9	9.20	18.97	16.89	11.84	20.51
May "	339.21	298.64	372.27	1.9	2.3	1.6	13.7	8.20	17.69	16.07	10.75	19.86
Jun "	344.52	305.43	376.39	1.6	2.3	1.1	12.4	7.07	16.25	15.09	9.94	18.75
Jul "	347.35	306.03	381.03	0.8	0.2	1.2	10.4	6.34	13.27	14.15	9.14	17.68
Aug "	344.87	300.49	381.06	-0.7	-1.8	0.0	8.7	3.93	11.97	13.31	8.36	16.77
Sep "	339.66	290.57	379.68	-1.5	-3.3	-0.4	7.8	1.85	11.85	12.58	7.80	15.91
Oct "	336.43	284.11	379.08	-1.0	-2.2	-0.2	8.3	3.32	11.66	11.90	7.20	15.16
Nov "	338.01	285.41	380.89	0.5	0.5	0.5	9.9	6.10	12.35	11.29	6.66	14.48
Dec "	341.83	288.33	385.45	1.1	1.0	1.2	10.3	6.39	12.84	10.71	6.09	13.87
Jan 2011	348.87	293.02	394.40	2.1	1.6	2.3	9.1	4.84	11.82	10.26	5.76	13.32
Feb "	354.41	297.00	401.22	1.6	1.4	1.7	9.2	4.59	12.12	9.86	5.47	12.83
Mar "	358.34	300.61	405.41	1.1	1.2	1.0	9.1	4.70	12.00	9.53	5.25	12.40
Apr "	363.02	304.28	410.90	1.3	1.2	1.4	9.0	4.18	12.16	9.32	5.12	12.12
May "	369.41	310.39	417.52	1.8	2.0	1.6	8.9	3.93	12.15	9.17	5.05	11.90
Jun "	374.13	313.92	423.22	1.3	1.1	1.4	8.6	2.78	12.44	9.09	4.75	11.95
Jul "	376.50	315.98	425.84	0.6	0.7	0.6	8.4	3.25	11.76	9.00	4.53	11.93
Aug "	373.88	311.89	424.42	-0.7	-1.3	-0.3	8.4	3.79	11.38	8.92	4.40	11.86
Sep "	368.18	301.45	422.58	-1.5	-3.3	-0.4	8.4	3.74	11.30	8.83	4.24	11.81
Oct "	365.22	295.57	422.00	-0.8	-1.9	-0.1	8.6	4.03	11.32	8.77	4.12	11.77
Nov "	366.90	297.99	423.08	0.5	0.8	0.3	8.5	4.41	11.08	8.73	4.05	11.73
Dec "	371.16	300.64	428.66	1.2	0.9	1.3	8.6	4.27	11.21	8.73	4.03	11.72
Jan 2012	379.33	306.32	438.85	2.2	1.9	2.4	8.7	4.54	11.27	8.70	4.01	11.67
Feb "	385.02	309.85	446.30	1.5	1.2	1.7	8.6	4.33	11.24	8.66	3.99	11.60
Mar "	389.79	313.97	451.60	1.2	1.3	1.2	8.8	4.45	11.39	8.63	3.97	11.55
Apr "	396.10	318.84	459.08	1.6	1.5	1.7	9.1	4.78	11.73	8.64	4.02	11.52
May "	403.90	325.99	467.41	2.0	2.2	1.8	9.3	5.02	11.95	8.68	4.11	11.51
Jun "	409.45	330.87	473.51	1.4	1.5	1.3	9.4	5.40	11.88	8.75	4.34	11.47
Jul "	412.43	333.21	477.02	0.7	0.7	0.7	9.5	5.45	12.02	8.85	4.53	11.49
Aug "	409.25	325.71	477.35	-0.8	-2.3	0.1	9.5	4.43	12.47	8.94	4.59	11.59
Sep "	402.91	314.60	474.89	-1.5	-3.4	-0.5	9.4	4.36	12.38	9.03	4.64	11.68
Oct "	398.98	307.81	473.31	-1.0	-2.2	-0.3	9.2	4.14	12.16	9.08	4.64	11.75
Nov "	401.05	309.72	475.51	0.5	0.6	0.5	9.3	3.94	12.39	9.14	4.60	11.85
Dec "	403.97	312.46	478.56	0.7	0.9	0.6	8.8	3.93	11.64	9.16	4.57	11.89

WAMI Table 11: Ghana - Exchange rate development

	Official		Forex Bureau	
	Average LCU/\$	End period LCU/\$	Average LCU/\$	End period LCU/\$
2009				
Jan	1.2487	1.2828	1.2980	1.3368
Feb	1.3116	1.3402	1.3542	1.3937
Mar	1.3621	1.3832	1.4024	1.4109
Apr	1.3827	1.4042	1.4181	1.4368
May	1.4218	1.4396	1.4449	1.4507
Jun	1.4539	1.4725	1.4652	1.4807
Jul	1.4858	1.4858	1.4757	1.4841
Aug	1.4730	1.4619	1.4820	1.4757
Sep	1.4561	1.4514	1.4755	1.4757
Oct	1.4463	1.4416	1.4688	1.4614
Nov	1.4323	1.4322	1.4630	1.4625
Dec	1.4288	1.4284	1.4645	1.4624
2010				
Jan	1.4245	1.4257	1.4621	1.4546
Feb	1.4264	1.4266	1.4512	1.4524
Mar	1.4190	1.4168	1.4540	1.4489
Apr	1.4173	1.4170	1.4429	1.4437
May	1.4186	1.4206	1.4392	1.4337
Jun	1.4233	1.4267	1.4373	1.4400
Jul	1.4312	1.4353	1.4451	1.4505
Aug	1.4319	1.4307	1.4482	1.4497
Sep	1.4299	1.4269	1.4491	1.4498
Oct	1.4273	1.4293	1.4470	1.4459
Nov	1.4331	1.4367	1.4275	1.4530
Dec	1.4517	1.4738	1.4596	1.4775
2011				
Jan	1.4810	1.5013	1.4891	1.5052
Feb	1.4995	1.4937	1.5172	1.5141
Mar	1.5003	1.5021	1.5585	1.5277
Apr	1.5008	1.4972	1.5269	1.5286
May	1.5014	1.5018	1.5240	1.5195
Jun	1.5031	1.5064	1.5168	1.5173
Jul	1.5044	1.5055	1.5173	1.5146
Aug	1.5085	1.5104	1.5187	1.5235
Sep	1.5166	1.5224	1.5326	1.5789
Oct	1.5306	1.5326	1.6034	1.6030
Nov	1.5560	1.5412	1.6136	1.6355
Dec	1.5460	1.5505	1.6525	1.6596
2012				
Jan	1.6144	1.6475	1.6927	1.6957
Feb	1.6635	1.6735	1.6981	1.7003
Mar	1.6791	1.6888	1.7248	1.7666
Apr	1.6989	1.7030	1.8074	1.8600
May	1.7346	1.8103	1.8998	1.9323
Jun	1.8552	1.8735	1.9361	1.9491
Jul	1.8806	1.8843	1.9993	2.0435
Aug	1.8892	1.8907	2.0341	2.0318
Sep	1.8900	1.8887	1.9902	1.9900
Oct	1.8891	1.8789	1.9695	1.9437
Nov	1.8769	1.8772	1.9450	1.9309
Dec	1.8785	1.8800	1.9465	1.9628

WAMA Table 12: EXCHANGE RATE MOVEMENTS

Year	Official						Forex Bureau/Parallel					
	Exchange Rate Period Average			Exchange Rate End of Period			Exchange Rate Period Average			Exchange Rate End of Period		
	£	\$ US	Euro	£	\$ US	Euro	£	\$ US	Euro	£	\$ US	Euro
2009												
Q1	1.8916	1.3075	1.7331	1.9234	1.3354	.7631	1.9282	1.3515	1.7454	1.9270	1.3805	1.7847
Q2	2.1684	1.4195	1.9365	2.2229	1.4388	1.9695	2.1738	1.4427	1.9288	2.2436	1.4561	1.9560
Q3	2.3939	1.4716	2.0946	2.3574	1.4664	2.0936	2.4026	1.4777	2.0770	2.3974	1.4785	2.0932
Q4	2.3481	1.4358	2.1246	2.3522	1.4341	2.1134	2.3688	1.4654	2.1385	2.3581	1.4621	2.1241
2011												
Q1	2.3827	1.4936	2.0392	2.4035	1.4990	2.0890	2.3573	1.5216	2.0186	2.3771	1.5157	2.0470
Q2	2.4480	1.5018	2.1585	2.4480	1.5018	2.1736	2.4234	1.5226	2.1332	2.4375	1.5218	2.1337
Q3	2.4438	1.5098	2.1449	2.4531	1.5128	2.1547	2.4301	1.5229	2.1320	2.4502	1.5390	2.1366
Q4	2.4933	1.5442	2.1603	2.5015	1.5414	2.1625	2.5055	1.6232	2.1912	2.5006	1.6327	2.1868
2011 Average	2.4420	1.5124	2.1257	2.4515	1.5138	2.1450	2.4291	1.5476	2.1188	2.4414	1.5523	2.1260
2012												
Q1	2.6309	1.6523	2.2070	2.6881	1.6699	2.2514	2.6422	1.7052	2.2270	2.7056	1.7209	2.2640
Q2	2.9010	1.7629	2.3743	2.9409	1.7956	2.3950	2.9482	1.8811	2.4091	3.0042	1.9138	2.4471
Q3	2.9595	1.8235	2.3897	2.9798	1.8560	2.3897	3.0284	1.9451	2.4341	3.0647	1.9750	2.4552
Q4	2.9916	1.8750	2.3915	3.0222	1.8828	2.4023	3.0758	1.9898	2.4422	3.1159	2.0081	2.4700
2012 Average	2.8708	1.7784	2.3406	2.9078	1.8011	2.3596	2.9237	1.8803	2.3781	2.9726	1.9044	2.4091

Table 13: Gross Domestic Product (million Ghana Cedis)

	2008 Projected	2009 Projected	2010 Projected	2011 Projected	2012 Projected
Determination of GDP					
GDP at current market prices	30,178.60	36,598.00	46,042.00	59,264.00	71,847.00
GDP at constant market prices(n/n-1)	21,592.20	22,454.50	24,252.00	27,742.00	29,718.00
Real GDP growth rate	8.43	3.99	8.01	14.39	7.12
Composition of GDP by Sector(Current Prices)					
Primary sector					
Agriculture, forestry, fishing etc	8,875.00	11,343.00	12,910.00	14,155	15,547
Secondary sector					
Industry, energy etc	5,855.00	6,776.00	8,294.00	14,308	18,592
Tertiary sector					
Financial, non financial services etc	3,935.00	17,543.00	22,184.00	26,837	33,237
Composition of GDP by Sector(Constant Prices)					
Primary sector					
Agriculture, forestry, fishing etc	5,716.00	6,129.00	6,453.00	6,507	6,674
Secondary sector					
Industry, energy etc	4,522.00	4,725.00	5,053.00	7,132	7,631
Tertiary sector					
Financial, non financial services etc	10,106.00	10,667.00	11,714.00	12,689	13,800
Prices (COICOP New series)					
GDP deflator	20.20	16.60	17.30		
Consumer Price Index (period average % change)	16.52	19.25	10.71	8.73	9.16
Consumer Price Index (end of period % change)	18.13	15.97	8.58	8.58	8.8

Table 14: GHANA - Composition of External Debt (in millions of US dollars)

CATEGORY	2003	2004	2005	2006	2007	2008	2009	2010	2011 June	2011 Dec	2012 June	2012 Dec
Total External Debt Outstanding	8,023.7	6,777.9	6,887.8	2,172.9	3,585.9	4,035.1	5,007.8	6,320.7	7,082.7	7,589.5	7,704.3	8,835.6
SOURCE												
(i) Bilateral	2,222.8	439.6	602.5	732.0	978.0	1,168.2	1,687.2	2,169.2	2,372.1	2712.3	2,678.0	2,906.5
(ii) Multilateral	5,057.8	5,353.3	5,565.1	1,326.9	1,710.3	2,028.3	2,461.8	3,057.7	3,709.0	3891.8	3638.4	4,225.1
(iii) International Capital Market (ICM)	0.0	0.0	0.0	158.2	750.0	750.0	750.0	750.0	750.0	750.0	750.0	750.0
(iv) Others	743.1	568.6	720.2	118.3	147.7	88.5	108.9	277.7	251.6	235.4	637.9	953.9
MATURITY/TENOR												
(i) Short term	474.8	330.0	540.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Medium term	268.3	238.6	180.2	118.3	147.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(iii) Long term	7,280.6	6,209.3	6,167.6	2,058.9	3,438.3	4,035.1	5,007.9	6,320.7	7,082.6	7589.5	7704.3	8,835.6
CREDITOR												
(i) London Club	474.8	330.0	540.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(ii) Paris Club	2,059.1	753.9	448.0	481.0	634.4	775.0	1,138.8	1,402.7	1,518.3	1830.5	537.2	514.7
(iii) Other	5,489.8	5,694.0	5,899.8	1,691.9	2,951.5	3,260.1	3,869.0	4,918.0	5,564.4	5759.0	7167.1	8320.9
MEMORANDUM ITEMS												
Total External Debt Outstanding as % of GDP	100.9	76.5	64.7	10.4	14.9	16.1	19.8	20.5	22.6	24.2	17.7	20.3
Debt Service Payments	126.1	194.9	215.2	166.8	192.6	305.8	332.8	307.6	210.3	421.4	246.7	505.6
Capital Repayment	90.7	140.4	150.0	108.6	136.2	188.0	213.2	158.1	125.5	262.4	139.9	276.9
Interest Payment	35.5	54.5	65.2	58.2	56.4	117.8	119.6	149.5	84.8	159.0	106.8	228.8
Debt Service Payments as a % Export	4.9	7.2	8.1	4.9	4.7	5.9	5.7	3.6	2.6	3.3	2.8	3.0
Debt Service Payments as a % of GDP	1.6	2.2	2.0	0.8	0.8	1.2	1.3	1.0	0.7	1.3	0.6	1.2
Exports of Goods (in million of US\$)	2,562.6	2,704.5	2,660.8	3,428.8	4,067.0	5,152.8	5,839.7	8,585.2	7,960.1	12,785.4	8,964.3	16,800.8
Nominal GDP (in million of US\$)	7,952.0	8,863.0	10,650.7	20,871.4	24,115.1	24,997.1	25,240.0	30,821.3	31,375.0	31,375.0	43,542.1	43,542.1

Source: Country Authorities

LIBERIA DATA

DATA	2007	2008	2009	2010	2011	2012
GENERAL INDICATORS						
i) Population (millions)	3.3	3.5		3.8	4.0	4.1
ii) Population growth Rate (%)	2.4	2.1	2.1	4.3	3.7	3.2
iii) GDP per capita-current prices (US\$)	247.6	262.8	279.5	337.3	389.3	430.4
Gross International Reserve (millions of US\$)				255.5	289.7	257.5
Months of Import Cover				4.7	3.5	2.5
Adult Literacy Rate %						
Youth Unemployment Rate %						
Poverty Rate %						
Life Expectancy at Birth (years)						
Gross Domestic Product						
i) at current market prices (Millions of US\$)	739.9	850.7	879.3	1,291.90	1,545.40	1,760.40
ii) at current factor cost						
iii) at constant factor cost						
iv) GDP growth rate %	9.4	7.1	4.6	6.1	8.2	8.7
v) Agriculture growth rates %	8.9	6	6.4	2.7	3.9	1.9
vi) Industrial growth rates %	151.4	46.3	1.5	5.9	68.9	na
vii) services (%)	10.4	7.6	6.9	7.7	7.6	5.4
Price Indices and Inflation Rates						
i) Composite Price Index						
ii) Inflation Rate (End of Period)	11.7	9.4	9.7	6.6	11.5	6.9
iii) Inflation Rate (Annual Average)	11.4	17.5	7.4	7.5	8.5	6.9
Central Government Operations						
i) current Revenue						
ii) Current Expenditure						
iii) Primary Balance						
iv) Capital Expenditure						
v) Deficit (including grants)						
vi) Deficit (including grants)/GDP (%)						
vii) Deficit (excluding grants)/GDP (%)						
viii) Bank financing						
ix) Non-Bank Financing						
xi) other						
Balance of Payments						
i) Exports		233.6	155.2	215.0	622.2	578.6
ii) Re-Exports		0	0	(459.0)	(1,438.4)	(650.6)
iii) Trade Balance		-495.8	-403.8	(830.0)	(636.3)	(815.60)
iv) Services		-901.5330876	-871.0648122	-915.8333254	-809	
a) Factor		0	0	0	0	
b) Non-factor		0	0	0	0	
c) Private Transfer		0	50	63	256.9	77.2
d) official transfer		0	0	978	956.3	956.8
v) Current Account Balance		0	0	(367.00)	(773.76)	(1676.23)
vii) capital account		1,197.00	1,526.00	1,586.0	0.0	0.0
a) Official loans		0	0	0	0	
program loans		0	0	0	0	
amortizations		0	0	0	0	
(Net) Foreign Direct Investment		0	0	450	1,277.5	1,354.1
(Net) Commercial loans		0	0	0	0	
b) Suppliers' Credit		0	0	0	0	
Short-term Capital		0	0	0	0	
vii) Overall Balance				(1,582.4)	(21.0)	3.4
ix) Overall Balance/GDP (%)					1.4	0.2
x) Reserves build-up/draw down				255.5	289.7	257.5
xi) IMF purchases/re-purchase						
xii) West African Clearing House						
Intra ECOWAS Trade						
i) Exports		233.6	155.2	217.3	337.0	
ii) Imports		-728.8	-559.0	-715.3	-929.0	
iii) Balance		-495.8	-403.8	-498.0	0.0	
iv) Services		-901.5	-871.1	-915.8	-809.0	
Exchange Rates						
i) Per US\$	61.27	63.21	68.29	71.4	66.23	72.92
ii) Per£						
iii) Per SDR						
iv) Per WAUA						

LIBERIA DATA

DATA	2007	2008	2009	2010	2011	2012
Total External Debt						
i) Paris Club						
ii) London Club						
iii) Multilateral Institutions						
iv) Others						
Monetary Survey (In '000' Liberian Dollars)						
i) Net Foreign Assets	(43,461.50)	(43,137.06)	(46,832.10)	23,629.54	26,814.46	25,418.7
a) Foreign Assets	11,479.63	16,680.66	33,057.66	44,345.09	48,686.22	
- Monetary Authority	7,459.95	10,295.04	26,258.22	33,388.02	37,963.03	36,106.9
- Banks	4,019.68	6,385.61	6,799.44	10,957.07	10,723.19	11,673.0
b) Foreign Liabilities	54,941.13	59,817.71	79,889.76	20,715.55	21,871.76	19,963.6
ii) Net Domestic Assets	55,135.2	59,855.0	69,687.5	7,474.3	16,583.8	19,263.6
a) Net credit to Govt	67,607.2	68,862.1	75,739.8	12,013.4	15,283.3	15,577.7
b) Loans to private sector	4,503.0	6,646.1	9,625.7	13,676.3	18,355.8	20,414.9
c) Loans to para-public sector	131.8	64.4	1,264.2	500.5	719.2	1,614.4
d) Other Loans	868.4	803.8	883.7	990.3	1,006.3	1,065.1
e) Other Items (Net)	(2,201.2)	(5,039.0)	(8,307.6)	(8,458.5)	(8,355.8)	(7,462.0)
iii) Money Supply (M1+M2)	11,673.7	16,717.9	22,855.4	31,103.9	43,398.2	44,682.3
a) Currency outside banks	3,317.4	3,637.1	4,161.8	5,007.9	6,704.3	7,291.3
b) Seasoned Deposits						
c) Savings Deposits**	3,317.4	3,637.1	4,161.8	5,007.9	6,704.3	7,291.3
d) Time Deposits						
e) Other (Deposits)	3,159.3	4,274.4	6,007.6	7,891.2	13,329.2	14,549.7
Composition of Domestic Debt						
i) Treasury Bills						
ii) Govt Stocks						
iii) Government Discount Notes Series.						
iv) Others						
Breakdown of Domestic Debt by Holder						
i) Treasury Bills						
a) Banks						
b) Non-Bank						
c) of which Public Enterprises						
ii) Government Development Stock						
a) Banks						
b) Non-Bank						
c) Of which Public Enterprises						
iii) Government Discount Notes Series						
a) Banks						
b) Non-Bank						
c) Of which Public Enterprises						
Interest Rates						
i) Treasury Bills Rate						
ii) Central Banks Discount Rate						
iii) Central Banks' Rediscount Rate						
iv) Commercial Banks' Lending Rates	14.3	14.3	14.1	14.17	13.85	13.42
a) Short-term < 1 year.						
b) Medium term > 1 year < 3 years						
c) Long-term > 3 years						
d) Agriculture						
e) Industry						
f) Trade						
v) Commercial Banks' Deposit Rates						
a) Demand Deposits						
b) Savings Deposits	2.10	2.11	2.00	2.01	2.02	2.00
c) Time Deposits	4.30	4.10	4.30	2.90	3.70	3.40
d) Others	3.00	3.00	3.00	3.00	3.00	3.00
vi) Inter-bank lending rates						
a) Overnight						
b) Others (specify)						

SIERRA LEONE DATA

DATA	2006	2007	2008	2009	2010	2011	2012
Gross Domestic Product (GDP)**							
i) at current market prices (bn of Le)	4,902	4,107	7,362	8,188	10,079	12,577	16,171
ii) at current factor cost (bn of Le)	4,621	3,828	7,005	7,768	9,515	12,099	15,596
iii) at constant factor cost (bn of Le)	3,634	3,874	5,960	6,151	6,477	6,867	8,137
iv) GDP growth rate (%) [At Constant Price]	7.3	6.4	5.4	3.2	5.3	6.0	17.9
v) Agriculture growth rates (%) [At Mkt price]	5.9	4.1	3.6	2.2	1.9	2.5	2.8
vi) Industrial growth rates (%)	3.1	9.6	-1.0	0.4	1.0	0.8	12.7
viii) Services (%)	8.3	5.3	2.8	1.3	2.2	2.5	2.1
Price Indices and Inflation Rates							
Composite Price Index (CPI)	759.76	848.54	974.42	198.97	157.15	183.31	204.21
ii) Inflation Rate End of Period)	8.26	13.76	13.21	12.22	17.84	16.64	11.41
iii) Inflation Rate (Annual Average)	0.67	0.98	0.97	0.98	1.41	1.45	0.81
Central Government Operations (Le mn)***							
i) Current Revenue	497,149	536,284	662,132	750,210	1,007,626	1,462,100	1,869,205
ii) Current Expenditure	697,548	649,476	863,552	999,968	1,286,477	1,602,816	2,020,313
iii) Primary Balance	-127,579	-42,918	-156,568	-253,467	-474,781	-227,787	-332,779
iv) Capital Expenditure	214,558	173,764	254,859	452,278	787,287	1,149,126	1,157,215
v) Deficit (including grants)	-75,582	-43,084	-296,484	-201,700	-523,523	-651,008	-933,406
vi) Deficit (excluding grants)	-416,654	-289,881	-561,116	-702,037	-1,066,138	-1,359,667	-1,396,881
vii) Deficit (including grants)/GDP (%)	(1.5)	(1.0)	(4.6)	(3.5)	(6.5)	(0.1)	(0.6)
viii) Deficit (excluding grants)/GDP (%)	(8.5)	(7.1)	(12.9)	(9.6)	(13.2)	(1.1)	(0.9)
ix) Bank Financing	5,643	47,614	217,446	108,994	454,657	66,595	222,141
x) Non-Bank Financing	7,715	6,540	-33,959	-25,155	-8,496	54,122	125,078
xi) Others [@]	91,875	-50,207	-26,091	154,922	161,725	361,324	539,136
Balance of Payments (US\$)^							
i) Exports	261.9	288.9	273.6	270.3	363.1	385.6	950.9
of which Re-exports	28.4	2.7	14.8	23.6	23.4	33.6	60.1
ii) Imports (fob)	-351.2	-395.5	-471.3	-511.9	880.7	1631.1	1572.91
iii) Trade Balance	-89.3	-106.6	-197.7	-241.5	-517.7	-1245.5	-622.00
iv) Services	-43.4	-52.7	-64.0	-63.2	-150.4	-268.2	-370.8
v) Income	-39.7	-104.3	-74.8	-35.8	-49.1	-35.3	-138.61
vi) Transfers	77.30	103.40	111.06	147.68	210.15	248.58	219.53
a) Private Transfers (Net)	32.0	44.6	33.4	46.5	47.23	135.77	153.15
b) Official Transfers (Net)	45.3	58.8	77.7	101.2	162.92	112.81	66.38
v) Current Account Balance	-95.0	-160.2	-225.5	-192.8	-507.0	-1300.4	-911.8
vii) Capital Account/Financial Account	259.0	634.3	61.5	73.5	393.5	1,216.9	872.66
a) Official Loans	59.0	96.6	51.2	125.3	389.3	1,200.0	1,337.0
- Programme Loans	6.3	n.a	53.30	56.80	55.63	84.94	136.95
- Amortizations	-6.08	-100.05	-5.50	-10.90	5.30	10.06	15.30
- (Net) Foreign Direct Investment	58.77	96.6	3.42	79.4	328.3	1,105.0	1184.73
- (Net) Commercial Loans	n.a	n.a	n.a	n.a	n.a	n.a	n.a
b) Suppliers' Credit	200.03	537.73	10.23	-51.79	9.5	n.a	n.a
- Short-term Capital	200.0	537.7	10.2	-51.8	9.5	n.a	n.a

* Projections

** Data for 2001, 2002, 2003 are IMF and Sierra Leone authorities projections

*** Data for 2002 have been revised

@ Others include foreign financing, change in arrears and privatisation receipts

^ Series have been revised and 2010 figures are estimates

2004 are estimates for Balance of Payments

na Not available

SIERRA LEONE DATA (Contd.)

DATA	2006	2007	2008	2009	2010	2011
viii) Overall Balance	164.0	474.2	(164.0)	(119.3)	(118.6)	n.a
ix) Overall Balance/GDP (%)	9.9	34.5	(11.3)	(5.5)	(5.9)	n.a
x) Reserves build-up/draw down	(14.5)	(31.3)	6.0	(126.8)	(9.0)	n.a
xi) IMF purchases/re-purchase	n.a	n.a	n.a	n.a	n.a	n.a
xii) West African Clearing House	n.a	n.a	n.a	n.a	n.a	n.a
Intra ECOWAS Trade (US\$Mn)						
i) Exports	21.10	5.70	9.89	25.19	48.17	50.25
ii) Imports	n.a	n.a	n.a	n.a	n.a	n.a
iii) Balance	n.a	n.a	n.a	n.a	n.a	n.a
iv) Services	n.a	n.a	n.a	n.a	n.a	n.a
Exchange Rates (Average)						
i) Per US/\$	2,961.91	2,984.51	2,981.10	3,385.70	3,978.09	4,349.16
ii) Per £	5,454.52	5,986.34	5,529.31	5,303.21	6,159.21	6,971.80
iii) Per SDR	4,251.60	4,511.69	4,672.63	5,208.61	6,050.50	6,838.67
iv) Per WAUA	n.a	4,534.00	4,673.48	5,201.17	6,095.84	6,840.20
Total External Debt (US\$Mn)[~]						
i) Paris Club	371.30	-	-	-	-	-
ii) London Club(Commercial Creditors)	237.60	237.70	245.9	234.20	231.60	208.10
iii) Multilateral Institutions	946.20	261.00	326.00	394.6	475.5	524.58
iv) Others1/	55.80	38.00	48.3	63.90	60.80	23.40
Monetary Survey						
i) Net Foreign Assets	657,401	882,642	832,240	1,541,758	1,644,505	2,053,006
a) Foreign Assets	810,852	993,632	999,328	1,851,856	2,162,443	2,610,288
- Monetary Authority	601,226	647,187	643,289	1,309,593	1,458,987	1,661,061
- Banks	209,626	346,445	356,038	542,263	703,456	949,227
b) Foreign Liabilities	-153,451	-110,990	-167,088	-310,098	-517,938	-557,282
ii) Net Domestic Assets	222,108	196,060	488,991	143,221	592,028	666,735
-Domestic Credit	452,315	485,006	706,845	1,112,798	1,744,431	1,937,393
a) Net Credit to Government	238,640	200,650	246,545	444,724	872,802	879,751
b) Loans to Private Sector	189,181	263,750	413,439	600,982	790,395	963,142
c) Loans to Para-Public Sector	5,242	8,386	17,290	31,308	54,025	53,507
d) Other Loans	19,252	12,220	29,571	35,784	27,209	40,993
-Other Items (Net)	230,207	288,946	217,854	969,577	1,152,403	1,270,658
iii) Money Supply (M2)	879,509	1,078,702	1,321,231	1,684,979	2,236,533	2,719,740
a) Currency outside banks	275,405	309,837	340,355	420,921	557,262	641,832
b) Demand Deposits	213,893	239,744	326,313	386,559	490,793	567,492
c) Savings Deposits	173,578	217,320	248,485	329,181	412,525	515,694
d) Time Deposits	20,002	18,732	89,499	84,230	112,242	138,734
e) Foreign Currency Deposits	191,986	273,486	307,444	437,433	658,597	851,479
f) Time, Savings & Foreign Currency Deposits (BSL)	3,908	6,845	5,239	2,239	2,052	2,041
g) Others	737	12,738	3,896	24,416	3,062	2,468

R Revised

OIN = DC+NFA-M2

1/ Includes other bilateral non-Paris club creditors

R Revised

* Projections ~ Series have been revised n.a: Not applicable

SIERRA LEONE DATA (Contd.)

DATA	2006	2007	2008	2009	2010	2011	2012
Monetary Survey							
i) Net Foreign Assets	657,401	882,642	832,240	1,541,758	1,644,505	2,053,066	2,485,030
a) Foreign Assets	810,852	993,632	999,328	1,851,856	2,162,443	2,610,288	3,021,579
- Monetary Authority	601,226	647,187	643,289	1,309,593	1,458,987	1,661,061	1,828,214
- Banks	209,626	346,445	356,038	542,263	703,456	949,227	1,193,365
b) Foreign Liabilities	-153,451	-110,990	-167,088	-310,098	-517,938	-557,222	-536,549
ii) Net Domestic Assets	222,108	196,060	488,991	143,221	592,028	666,675	863,685
-Domestic Credit	452,315	541,732	885,201	1,112,798	1,744,431	1,937,393	2,206,050
a) Net Credit to Government*	238,640	257,376	424,901	444,724	872,802	879,751	1,056,412
b) Loans to Private Sector	189,181	263,750	413,439	600,982	790,395	963,142	1,023,482
c) Loans to Para-Public Sector	5,242	8,386	17,290	31,308	54,025	53,507	74,927
d) Other Loans	19,252	12,220	29,571	35,784	27,209	40,993	51,229
-Other Items (Net)	230,207	345,672	396,210	969,577	1,152,403	1,270,718	1,342,365
iii) Money Supply (M2)	879,509	1,078,702	1,321,231	1,684,979	2,236,533	2,719,740	3,348,715
a) Currency outside banks	275,405	309,837	340,355	420,921	557,262	641,832	790,138
b) Demand Deposits	213,893	239,744	326,313	386,559	490,793	567,492	617,298
c) Savings Deposits	173,578	217,320	248,485	329,181	412,525	515,694	661,829
d) Time Deposits	20,002	18,732	89,499	84,230	112,242	138,734	246,536
e) Foreign Currency Deposits	191,986	273,486	307,444	437,433	658,597	851,479	1,029,056
f) Time, Savings & Foreign Currency Deposits (BSL)	3,908	6,845	5,239	2,239	2,052	2,041	1,905
g) Others	737	12,738	3,896	24,416	3,062	2,468	1,955

* Revised backwards to 2005 due to change in definition in MER

1/ Includes other bilateral non-Paris club creditors

OIN = DC+NFA-M2

Source: Monetary Banking and Other Financial Statistics Section

SIERRA LEONE DATA (Contd.)

DATA	2006	2007	2008	2009	2010
Composition of Domestic Debt					
i) Treasury bills	438,802	491,860	585,889	651,968	771,053
ii) Government Stocks	0	0	0	0	0
iii) Government Discount Notes Series	0	0	0	0	0
iv) Others (Treasury Bearer Bonds)	137,518	141,114	110,284	103,976	107,666
Breakdown of Domestic Debt by Holder					
i) Treasury Bills	438,802	491,860	585,889	651,968	771,053
a) Banks	284,279	313,599	434,499	523,452	623,634
b) Non-Bank	154,523	178,261	151,390	128,516	147,420
c) Of which: Public Enterprises	0	0	0	0	0
ii) Government Development Stock	0	0	0	0	0
a) Banks	0	0	0	0	0
b) Non-Bank	0	0	0	0	0
c) Of which: Public Enterprises	0	0	0	0	0
iii) Government Discount Notes Series	0	0	0	0	0
a) Banks	0	0	0	0	0
b) Non-Bank	0	0	0	0	0
c) Of which: Public Enterprises	0	0	0	0	0

SIERRA LEONE DATA (Contd.)

DATA	2006	2007	2008	2009	2010	2011	2012
Interest Rates							
i) Treasury Bills Rate							
91 - day	14.19	21.29	9.06	13.99	24.54	23.42	18.99
182 - day			11.56	12.21	28.35	29.55	25.48
364 - day			13.02	14.33	28.98	28.63	25.83
ii) Central Bank Rediscount Rate						24.00	24.00
iii) Central Banks' Red Account Rate							
Monetary Policy Rate						20.00	20.00
Reverse Repo Rate						22.00	22.00
iv) Commercial Banks' Lending Rates	24-30	25-31	24-30	22-29	21-28	21-29	21-29
a) Short-term 1 year (TBB)	17.00	20.00	10.00	12.00	22.50	20.00	20.00
b) Medium-term >1 year < 3 years	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
c) Long-term > 3 years	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
d) Agriculture	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
e) Industry	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
f) Trade	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
v) Commercial Banks' Deposit Rates							
a) Savings Deposits	7.63	7.25	6.65	6.32	6.19	6.42	6.42
b) Time Deposits - 3 months	10.43	9.70	9.63	8.87	8.90	9.75	9.75
c) Time Deposits (12 months)	12.83	12.00	12.00	10.84	10.55	11.91	11.91
d) Others (6 months)	11.14	10.55	10.58	9.45	9.33	10.39	10.39
(9 months)	11.40	10.25	10.42	9.25	9.25	10.25	10.25
vi) Inter-bank lending rates (REPO) Averaged							
Maximum				11.25	18.50	23.75	19.50
Minimum*				13.00	22.00	25.50	21.00
Over night / Lombard				9.50	15.00	22.00	18.00
a) Overnight	N/A	N/A	N/A	N/A	N/A	N/A	N/A
b) Others (specify)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

SIERRA LEONE DATA (Contd.)

DATA	2008	2009	2010	2011	2012
Total Domestic Debt Outstanding	696,173.00	755,944.90	880,962.25	961,801.00	1,268,637.50
By Maturity					
Short-Term					
Treasury Bills (91 days)	382,010.00	278,101.00	291,303.65	204,435.75	217,002.90
Treasury Bills (182 days)	105,291.00	124,304.30	251,464.80	371,648.15	380,682.85
Treasury Bills (1year/ 364 days)	98,588.00	249,563.20	230,527.35	276,794.10	560,551.30
One Year Treasury Bond	110,284.00	103,976.40	107,666.45	108,923.00	110,400.45
Medium/ Long Term (Over 1 Year)	N/A	N/A	N/A	N/A	N/A
Bonds	N/A	N/A	N/A	N/A	N/A
Public Debentures	N/A	N/A	N/A	N/A	N/A
Others	N/A	N/A	N/A	N/A	N/A
By Holder					
Central Bank/ BSL	66,193	189,128.45	169,980.30	143,443.80	35,044.75
Commercial Banks/Deposit Money banks	392,772	358,989.35	476,487.25	551,539.50	873,433.35
Non-Banking Sector	237,207	207,827.10	234,494.70	266,817.70	360,159.40
Memorandum Items					
Domestic Debt as % of GDP	N/A	N/A	N/A	N/A	N/A
Domestic Debt Services as % of Tax Revenue	N/A	N/A	N/A	N/A	N/A

*Projection
Financial Market Department
Money Market Division
20th February 2013

Sierra Leone's Gross Foreign Assets (US\$ million)

End of Period	Foreign Currency Assets	Special Drawing Rights at the IMF	Total Gross Foreign Assets
1	2	3	4
1990	6.57	0	6.57
1991	9.62	0	9.62
1992	17.31	1.67	18.98
1993	24.94	3.8	28.74
1994	31.33	9.27	40.6
1995	17.41	17.17	34.58
1996	18.92	7.59	26.51
1997	27.25	11.23	38.48
1998	33.47	10.35	43.82
1999	18.62	20.83	39.45
2000	43.93	5.24	49.17
2001	50.9	0.38	51.28
2002	60.61	23.96	84.57
2003	32.11	34.34	66.45
2004	74.04	50.84	124.88
2005	136.9	32.78	169.68
2006	164.8	19.42	184.22
2007	196.07	19.41	215.48
2008	189.74	19.73	209.47
2009	215.33	120.94	336.27
2010	224.762	120.458	345.22
2011	260.39	116.4	376.79

NIGERIA DATA

Exchange Rates

	2007	2008	2009	2010	2011
i) Naira per US\$ (Period Average)	125.83	118.57	148.88	150.30	153.90
ii) Naira per US\$ (End Period)	117.97	132.56	149.58	150.66	158.27
iii) Naira per GBP (Period Average)	249.42	218.25	230.65	230.09	244.26
iv) Naira per GBP (End Period)	234.02	191.21	239.94	231.57	242.34
v) Naira per SDR (Period Average)				227.04	239.70
vi) Naira per SDR (End Period)			232.18	229.72	240.58
vii) Naira per WAUA (Period Average)	189.88	184.94	226.37	226.37	240.84
viii) Naira per WAUA (End Period)	182.27	203.15	231.63	227.83	240.71

Source: Central Bank of Nigeria

Total External Debt (US\$ Million)

	2007	2008	2009	2010	2011
i) Paris Club	0.00	0.00	0.00	0.00	0.00
ii) London Club	0.00	0.00	0.00	0.00	0.00
iii) Multilateral Institutions	3,055.30	3,172.87	3,504.51	4,217.76	4,568.92
iv) Others	573.30	547.49	442.79	361.01	1,097.66
	3,628.60	3,720.36	3,947.30	4,578.77	5,666.58

Source: Debt Management Office

Composition of Domestic Debt (Naira Billion)

	2007	2008	2009	2010	2011
Composition of Domestic Debt					
i) Treasury Bills	574.93	471.93	797.48	1,277.10	1,727.91
ii) Treasury Bonds	407.93	402.26	392.07	372.90	353.73
iii) Development Stocks	0.62	0.52	0.52	0.22	0.00
iv) FGN Bonds	1,186.16	1,445.60	1,974.93	2,901.60	3,541.20
v) Promissory Notes	0.00	0.00	63.03	0.00	0.00
Total	2,169.64	2,320.31	3,228.03	4,551.82	5,622.84
Breakdown of Domestic Debt by Holders					
All Domestic Debt Instruments	2,169.64	2,320.31	3,228.03	4,551.82	5,622.84
a) Central Banks	290.59	289.37	323.18	343.14	348.84
b) Deposit Money Banks & Discount Houses	1,394.76	1,482.16	1,274.58	2,605.01	3,790.90
c) Non-bank Public	484.29	548.78	1,630.27	1,603.67	1,483.10
i) Treasury Bills (TBs)	574.93	471.93	797.48	1,277.10	1,727.91
a) Central Banks (including rediscounts)	5.94	7.44	1.90	42.17	69.30
b) Deposit Money Banks & Discount Houses	551.42	382.68	0.00	756.76	1,658.61
c) Non-bank Public	17.57	81.81	795.58	478.17	0.00
ii) Treasury Bonds	407.93	402.26	392.07	372.90	353.73
a) Central Banks	284.65	281.51	258.25	228.65	207.24
b) Deposit Money Banks & Discount Houses	0.00	0.00	0.00	0.00	0.00
c) Non-bank Public	123.28	120.75	133.82	144.25	146.49

Composition of Domestic Debt (Naira Billion)

	2007	2008	2009	2010	2011
iii) Development Stocks	0.62	0.52	0.52	0.22	0.00
a) Central Banks	0.00	0.42	0.00	0.02	0.00
b) Deposit Money Banks & Discount Houses	0.00	0.10	0.10	0.00	0.00
c) Non-bank Public	0.62	0.00	0.42	0.20	0.00
iv) FGN Bonds	1,186.16	1,445.60	1,974.93	2,901.60	3,541.20
a) Central Banks	0.00	0.00	0.00	72.30	72.30
b) Deposit Money Banks & Discount Houses	843.34	1,099.38	1,274.48	1,848.25	2,132.29
c) Non-bank Public	342.82	346.22	700.45	981.05	1,336.61
v) Promissory Notes	0.00	0.00	63.03	0.00	0.00
a) Central Banks	0.00	0.00	63.03	0.00	0.00
b) Deposit Money Banks & Discount Houses	0.00	0.00	0.00	0.00	0.00
c) Non-bank Public	0.00	0.00	0.00	0.00	0.00

Source: Central Bank of Nigeria and Debt Management Office

Note: /1 Provisional

Interest Rates (Per Cent)

Interest Rates	2007	2008	2009	2010	2011
i) Treasury Bill Rate	7.75	5.61	4.00	7.47	14.27
ii) Central Bank Discount Rate					
iii) Central Bank Rediscount Rate	9.50	9.75	6.00	6.25	12.00
iv) Commercial Bank Lending Rates					
a) Prime lending rate	16.46	15.26	19.55	15.74	16.75
b) Maximum lending rate	18.21	21.15	23.77	21.86	23.21
v) Commercial Banks' Deposit Rates					
a) Demand deposits*		0.76	0.56	0.53	0.49
b) Savings deposits					
Savings	3.19	2.92	3.33	1.51	1.41
7 days	5.82	6.64	5.77	1.77	3.39
1 month	10.18	11.65	12.73	3.66	6.58
3 months	10.29	12.26	13.15	4.63	6.80
c) Time deposits					
6 months	9.53	12.45	13.34	3.50	5.63
12 months	7.92	12.41	12.17	3.53	7.12
Over 12 months	9.67	12.51	14.13	5.49	6.13
vi) Inter-bank Lending Rates					
a) Overnight	8.99	12.17	4.68	8.03	15.50

Source: Central Bank of Nigeria
* Only available from 2008

(Naira Million)

	2007	2008	2009	2010 /1	2011 /2
CURRENT ACCOUNT					
Goods	3,478,374.82	3,328,212.22	1,958,490.54	1,103,260.93	2,724,145.94
Exports (fob)	4,749,881.43	5,438,769.73	3,773,346.41	3,755,627.40	5,687,940.36
Oil and Gas	8,309,758.32	10,161,490.11	8,356,385.57	11,035,794.53	14,958,855.12
Non-oil	8,110,500.38	9,913,651.13	8,067,233.00	10,639,417.37	14,476,243.15
Imports (fob)	199,257.94	247,838.99	289,152.57	396,377.16	482,611.97
Oil	(3,559,876.89)	(4,722,720.38)	(4,583,039.17)	(7,280,167.12)	(9,270,914.77)
Non-oil	(699,086.42)	(1,261,924.24)	(1,017,748.81)	(1,348,371.94)	(1,057,749.17)
Unrecorded(TPAdj)	(2,299,830.83)	(3,460,796.14)	(3,565,290.36)	(5,931,795.19)	(8,213,165.60)
Services(net)	(560,959.64)	-	-	-	-
Credit	(2,126,812.51)	(2,621,053.04)	(2,453,707.60)	(2,872,420.33)	(2,942,989.56)
Transportation	181,558.24	268,321.83	330,241.49	460,638.39	431,076.13
Travel	104,384.20	143,318.68	163,530.08	293,699.30	245,435.92
Insurance Services	26,840.87	67,438.61	89,604.96	85,529.78	91,743.64
Communication Services	571.40	43.85	112.88	151.27	329.23
Construction Services	3,368.52	3,533.47	5,448.99	7,128.27	8,107.93
Financial Services	-	-	-	-	-
Computer & information Services	1,684.26	1,766.73	1,203.20	2,078.27	2,383.19
Royalties and License Fees	-	-	-	-	-
Government Services	-	-	-	-	-
Personal, cultural & recreational services	43,461.39	50,983.77	68,223.64	69,311.55	78,349.61
Other Bussiness Services	-	-	-	-	-
Debit	1,247.60	1,236.71	2,117.74	2,739.94	4,726.62
Transportation	(2,308,370.75)	(2,889,374.87)	(2,783,949.09)	(3,333,058.71)	(3,374,065.70)
Travel	(626,915.26)	(814,198.30)	(907,010.65)	(1,305,310.14)	(1,249,664.05)
Insurance Services	(703,269.62)	(1,159,073.24)	(746,302.51)	(836,612.58)	(852,831.18)
Communication Services	(26,383.00)	(120,181.58)	(58,318.97)	(72,406.58)	(87,639.57)
Construction Services	(26,495.66)	(27,793.09)	(51,096.13)	(42,762.22)	(29,312.98)
Construction Services	(7,582.43)	(7,953.72)	(6,465.99)	(19,381.48)	(12,341.11)

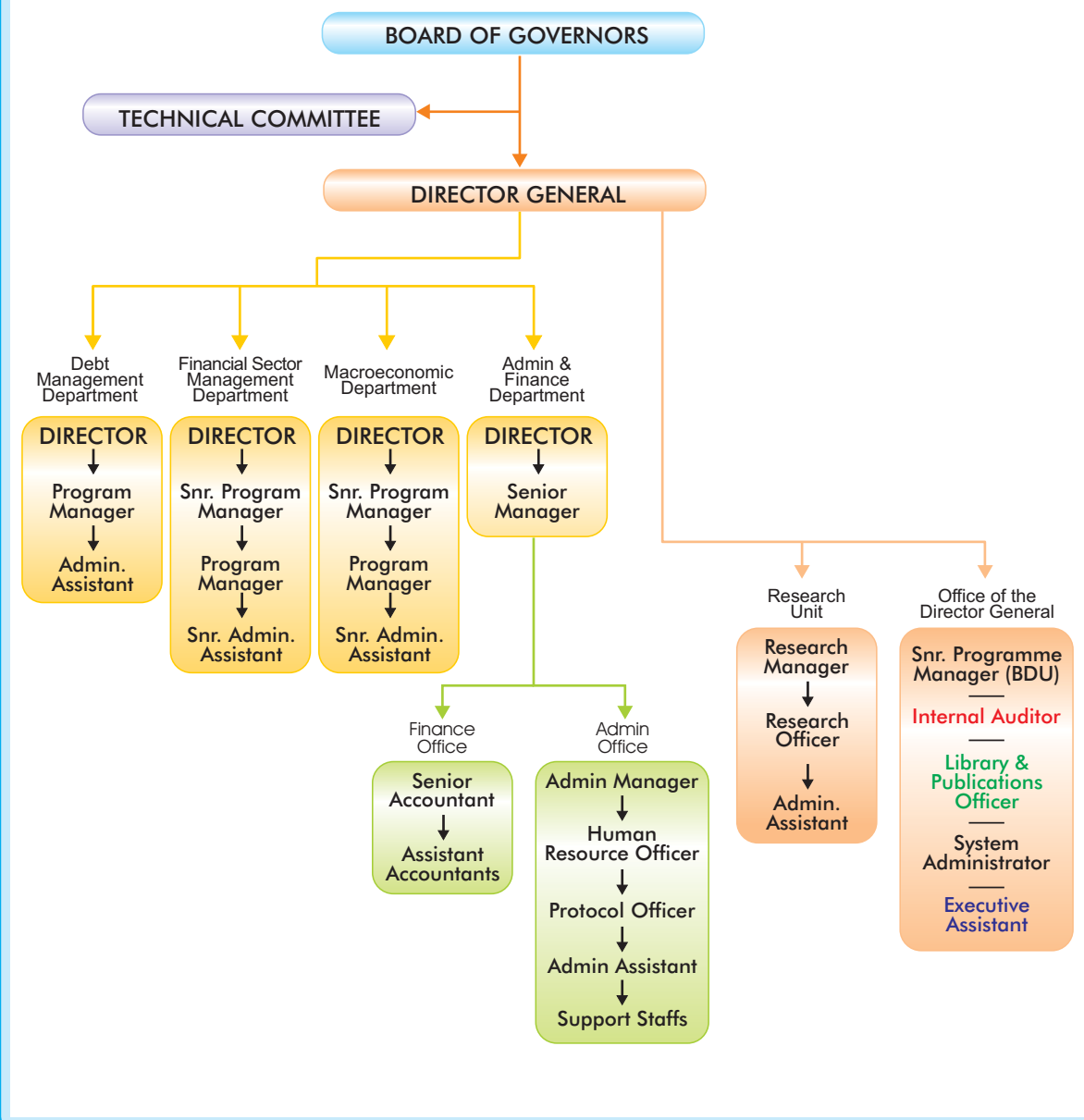
(Naira Million)

Financial Services	(1,102.88)	(3,769.03)	(7,363.50)	(5,069.09)	(42,921.98)
Computer & information Services	(25,104.12)	(26,333.41)	(27,716.75)	(18,597.37)	(24,091.02)
Royalties and License Fees	(21,725.71)	(22,561.20)	(31,032.73)	(33,575.65)	(31,980.60)
Government Services	(351,349.11)	(213,353.78)	(328,973.17)	(321,034.76)	(391,373.65)
Personal, cultural & recreational services	(48.96)	(51.35)	(1,690.66)	(7,882.68)	(5,159.74)
Other Bussiness Services	(518,394.02)	(494,106.17)	(617,978.04)	(670,426.16)	(646,749.80)
Income(net)	(1,478,202.64)	(1,784,946.61)	(2,144,670.68)	(2,788,667.02)	(3,428,059.85)
<i>Credit</i>	322,595.67	278,765.18	139,263.22	147,042.84	141,917.80
Investment Income	295,169.68	263,708.42	118,699.62	122,006.86	114,565.94
Compensation of employees	27,425.99	15,056.76	20,563.60	25,035.98	27,351.86
<i>Debit</i>	(1,800,798.32)	(2,063,711.78)	(2,283,933.91)	(2,935,709.86)	(3,569,977.64)
Investment Income	(1,797,305.04)	(2,059,559.25)	(2,281,159.34)	(2,932,886.39)	(3,567,224.95)
Compensation of employees	(3,493.28)	(4,152.53)	(2,774.57)	(2,823.46)	(2,752.70)
Current transfers(net)	2,333,508.54	2,295,442.13	2,783,522.42	3,008,720.87	3,407,254.99
<i>Credit</i>	2,352,392.22	2,358,349.07	2,852,561.51	3,082,200.50	3,506,420.72
General Government	108,251.76	96,680.42	137,441.20	138,791.94	157,211.02
Other Sectors	2,244,140.46	2,261,668.65	2,715,120.31	2,943,408.56	3,349,209.70
Workers Remittance	2,238,935.47	2,261,420.16	2,714,480.64	2,942,551.34	3,347,610.53
<i>Debit</i>	(18,883.67)	(62,906.93)	(69,039.09)	(73,479.63)	(99,165.73)
General Government	(10,433.68)	(14,046.72)	(17,492.73)	(25,271.21)	(26,093.80)
Other Sectors	(8,449.99)	(48,860.22)	(51,546.36)	(48,208.41)	(73,071.93)
Workers Remittance	(3,301.15)	(2,741.97)	(4,228.12)	(4,311.86)	(4,344.42)
CAPITAL AND FINANCIAL ACCOUNT	(1,354,231.20)	(992,698.43)	1,954,788.83	443,375.69	(1,972,272.10)
Capital account(net)	-	-	-	-	-
<i>Credit</i>	-	-	-	-	-
Capital Transfers(Debt Forgiveness)	-	-	-	-	-
<i>Debit</i>	-	-	-	-	-
Capital Transfers	-	-	-	-	-
Financial account(net)	(1,354,231.20)	(992,698.43)	1,954,788.83	443,375.69	(1,972,272.10)
Assets	(2,706,564.52)	(2,142,236.13)	249,089.74	(988,319.96)	(3,859,253.35)

1/ Provisional 2/ Revised
Source: Central Bank of Nigeria



ORGANIZATIONAL CHART



APPENDIX 2**PRINCIPAL OFFICERS OF THE INSTITUTE****Director General Office**

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