WAIFEM

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT




2011 ANNUAL REPORT

contents

BOARD OF GOVERNORS 6
FOREWORD 7
PREFACE 8
PRINCIPAL OFFICERS OF THE INSTITUTE 9

1.0 OPERATIONS OF WAIFEM 10

1.1 OVERVIEW OF PROGRAMME ACTIVITIES 10

1.2 DEBT MANAGEMENT PROGRAMMES 10

1.2.0 Introduction
1.2.1 WAIFEM/World Bank Sub-national Debt Management Performance Assessment Tool (DeMPA) Mission to Lagos State, Nigeria: January 31 - February 8, 2011
1.2.2 Regional Course on Developing Bond Markets (Issuance and Pricing Strategy): Lagos, Nigeria. March 14 - 18, 2011
1.2.3 Joint WAIFEM/World Bank/IMF Regional Training on Medium-Term Debt Management Strategy (MTDS): Banjul, The Gambia, June 13 - 17, 2011
1.2.4 Government of The Gambia/WAIFEM/World Bank/IMF National Medium-Term Debt Management Strategy (MTDS): Banjul, The Gambia, June 20 - 24, 2011
1.2.5 Government of Sierra Leone/WAIFEM National Debt Sustainability Analysis: Freetown, Sierra Leone, July 25 - August 2, 2011
1.2.6 Joint WAIFEM/ComSec Regional Course on Monitoring Private Sector External Debt (PSED): Monrovia, Liberia, August 8 - 17, 2011
1.2.7 WAIFEM/ComSec Regional Debt Managers Seminar and CS-DRMS User Group Meeting: Lagos, Nigeria, September 14 - 16, 2011
1.2.8 Joint WAIFEM/World Bank Regional Training on Debt Management Performance Assessment (DeMPA) Tool: Accra, Ghana, October 24 - 28, 2011
1.2.9 WAIFEM/World Bank National Medium-Term Debt Management Strategy (MTDS): Abuja, Nigeria, November 14 - 20, 2011
1.2.10 Government of Nigeria/WAIFEM/World Bank/IMF National Medium-Term Debt Management Strategy (MTDS): Abuja, Nigeria, December 5 - 9, 2011

1.3 FINANCIAL SECTOR MANAGEMENT PROGRAMMES 15

1.3.0 Introduction
1.3.1 National Course on Banking Supervision (Foundation Level) for Staff of Central Bank of The Gambia: Banjul, The Gambia, January 17-21, 2011
1.3.2 Regional Course on Optimizing Reserves and Foreign Exchange Management for Income Generation: Lagos, Nigeria, March 7 - 11, 2011
1.3.3 Regional Course on Money Laundering and other Financial Crimes: Banjul, The Gambia, April 11 - 15, 2011
1.3.4 Regional Course on Productivity Enhancement for Executive Assistants and Personal Secretaries to CEOs and Senior Executives: Accra, Ghana, May 16-20, 2011.
1.3.5 Regional Course on Implementation of Effective Risk Management and Good Corporate Governance Practices: Abuja, Nigeria, June 13 - 17, 2011
1.3.6 Regional Course on Foundation Banking Supervision: Accra, Ghana, June 27 - July 1, 2011
1.3.7 Regional Course on Specialized Report Writing Skills and Presentation Techniques: Monrovia, Liberia, July 18 - 26, 2011
1.3.8 Regional Course on Microfinance Operations and Regulation: Freetown, Sierra Leone, August 22 - 26, 2011
1.3.9 Regional Course on Banking Supervision (Intermediate Level): Lagos, Nigeria, September 5 - 9, 2011
1.3.10 Regional Course on Rudiments of Islamic Banking: Banjul, The Gambia, October 17 - 21, 2011

1.3.11 Regional Course on Advanced Banking Supervision and Financial Stability: Lagos, Nigeria, November 10 - 18, 2011

1.4 MACROECONOMIC MANAGEMENT PROGRAMMES 36

1.4.0 Introduction
1.4.1 WTO/WAIFEM Regional Workshop on the WTO and the Multilateral Surveillance Trading System: Accra, Ghana, February 7 - 11, 2011
1.4.2 WAIFEM/IMF Regional Course on Financial Programming and Policies: Accra, Ghana, February 14 - 25, 2011
1.4.3 Regional Workshop on Banknote and Currency Management and Forecasting for Central Banks: Banjul, The Gambia, March 7 - 11, 2011
1.4.4 Regional Course On Public Financial Management: Planning and Performance: Lagos, Nigeria, March 21 - April 1, 2011
1.4.5 WAIFEM/UNECA Regional Course on West Africa's International Trade, Taxes and Policies: Abuja, Nigeria, May 9 - 18, 2011
1.4.6 WAIFEM/IMF Regional Course on the Compilation of Remittances Statistics: Accra, Ghana, June 6 - 10, 2011
1.4.7 Regional Course on Econometrics Modeling and Forecasting for Policy Analysis: Lagos, Nigeria, July 4 - 15, 2011
1.4.8 Regional Workshop on Macroeconomic Modeling and Forecasting for Monetary Policy for Directors of Research and Senior Economists: Lagos, Nigeria, July 25 - 29, 2011
1.4.9 Workshop on Analysis and Management of External Sector Policy for National Coordinating Committees of the ECOWAS Multilateral Surveillance Mechanism: Lagos, Nigeria, August 1 - 5, 2011
1.4.10 Course on Budgeting, Resource Disbursement and Transparency for Staff of NEITI: Enugu, Nigeria, August 8 - 10, 2011
1.4.11 WAIFEM/IMF Regional Course on Macroeconomic Management and Financial Sector Issues: Accra, Ghana, September 12 - 23, 2011
1.4.12 Workshop on Design and Management of Monetary Policy in a Dynamic Environment for Staff of the Central Bank of Nigeria: Kaduna, Nigeria, October 17 - 21, 2011
1.4.13 WAIFEM/ECOWAS/WTO Regional Workshop on the WTO and the Doha Round of Negotiations for Parliamentarians and Policymakers from West Africa: Lagos, Nigeria, October 26 - 28, 2011

2.0 ADMINISTRATION AND FINANCE 54

2.1 ADMINISTRATION 54

2.1.1 Furnishing of Classrooms, Hostels and Administrative Block
2.1.2 Interview, Recruitment and Assumption of Duty of New Staff and Staff Training
2.1.3 Courtesy Calls
2.1.3.1 Working Visit by the Deputy Governor, Bank of Ghana
2.1.3.2 Working Visit by the Deputy Governor, Central Bank of The Gambia…..
2.1.4 International and Regional Relations
2.1.4.1 WAIFEM/ECOWAS Commission Meeting
2.1.4.2 Launch of UNCTAD Report
2.1.4.3 WAIFEM/GIABA Meeting
2.1.4.4 African Capacity Building Foundations (ACBF)
2.1.4.5 Signing of Phase III Grant Agreement with the ACBF
2.1.4.6 Regional Conference on Post Crisis Economic Reforms
2.1.5. Evaluation and assessment of training programmes

2.2 WAIFEM FUNDING 56

2.2.0 Introduction
2.2.1 Central Banks' Contributions
2.2.2 Contribution from Donors
2.2.2.1 African Capacity Building Foundation (ACBF)
2.2.2.2 International Monetary Fund (IMF)
2.2.2.3 World Bank

2.2.2.4 United Nations Economic Commission for Africa (UNECA)
2.2.2.5 Debt Relief International (DRI)
2.2.3 Other Income

3.0 WAIFEM COUNTRIES ECONOMIC REPORTS 58

3.1 THE GAMBIA 58
3.1.0 Overview
3.1.1 Monetary Policy
3.1.2 Monetary Developments
3.1.3 Interest Rate Developments
3.1.4 Price Developments
3.1.5 Real Sector Developments
3.1.6 Fiscal Developments
3.1.7 External Sector Developments
3.1.8 External Debt

3.2 GHANA 66
3.2.0 Overview
3.2.1 Monetary Developments
3.2.1.1 Money Supply
3.2.1.2 Deposit Money Banks (DMBs) Credit Developments
3.2.1.3 Money Market Developments
3.2.2 Price Developments
3.2.3 Real Sector Performance
3.2.4 Fiscal Developments
3.2.5 Structure of Domestic Debt
3.2.6 External Sector Developments
3.2.7 Exchange Rate Development in the Domestic Market
3.2.8 External Debt
3.2.9 Outlook for 2012

3.3 LIBERIA 77
3.3.0 Overview
3.3.1 Real Sector Developments
3.3.2 Price Developments
3.3.3 Banking Sector Developments
3.3.4 Money and Credit Developments
3.3.4.1 Monetary Policy Stance
3.3.4.2 Monetary Aggregates
3.3.5 Exchange Rate Developments
3.3.6 External Sector Developments
3.3.6.1 Trade Balance
3.3.6.2 Merchandise Imports
3.3.6.3 Merchandise Exports
3.3.6.4 Balance of Payments
3.3.7 National Stock of Debt
3.3.7.1 External Debt
3.3.7.2 Domestic Debt

3.4 NIGERIA 88
3.4.0 Introduction
3.4.1 Output
3.4.2 Inflation
3.4.3 Monetary, Credit and Financial Market Developments
3.4.3.1 Monetary Policy Rates (MPR)
3.4.3.2 Interest Rate Movements
3.4.4 Fiscal Developments

3.4.5 Exchange Rate and External Sector Developments
3.4.6 Economic Outlook for 2012

3.5 SIERRA LEONE 93
3.5.1 Real Sector Developments
3.5.1.1 Agriculture
3.5.1.2 Manufacturing
3.5.1.3 Mining
3.5.1.4 Services
3.5.2 Inflation Developments
3.5.3 Fiscal Operations
3.5.4 Monetary Developments
3.5.5 International Trade
3.5.6 Exchange Rate Movement
3.5.7 International Reserves
3.5.8 External Debt Management

4.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN WEST AFRICA 104
4.0.1 Introduction

4.1 CFA Countries

4.2 Non-CFA Countries

5.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN AFRICA 106
5.0.1 Introduction

5.1 Macroeconomic Outcomes in 2011

5.2 Prospects for 2012

6.0 DEVELOPMENTS IN THE INTERNATIONAL ECONOMY 108

6.1 Global Economic Developments

6.2 Developments in Advanced Economies

6.3 Developments in Emerging and Developing Economies

6.4 Inflation

6.5 World Trade

6.6 World Economic Prospects in 2012

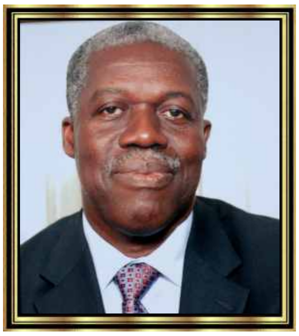
ANNEXES
- **FINANCIAL STATEMENTS** 115
- **STATISTICS OF WAIFEM ACTIVITIES** 138
- **DATA OF WAIFEM MEMBER COUNTRIES** 143
- **ORGANIZATIONAL CHART** 203
- **PRINCIPAL OFFICERS OF THE INSTITUTE** 204
- **SELECTED COLLABORATING TECHNICAL PARTNERS** 205

board of governors

board of governors

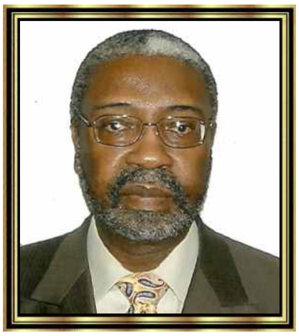
Hon. Amadou Colley
Governor, Central Bank of The Gambia
Chairman, Board of Governors, WAIFEM

Mallam Sanusi Lamido Sanusi, CON
Governor, Central Bank of Nigeria



Hon. Kwesi Amissah-Arthur
Governor, Bank of Ghana

Hon. Sheku S. Sesay
Governor, Bank of Sierra Leone



Hon. Joseph Mills Jones
Executive Governor,
Central Bank of Liberia

Prof. Akpan H. Ekpo
Director General, WAIFEM
& Secretary, Board of Governors

foreword

It is with great pleasure that I present the Annual Report and Statement of Accounts of the West African Institute for Financial and Economic Management for the year ended December 31, 2011. Traditionally, the report covers the three areas of core competencies of WAIFEM, namely debt, financial sector and macroeconomic management. The report also presents the review of economic performance of member countries of WAIFEM and Africa as well as developments in the global economy.

The year 2011 witnessed the signing of another grant agreement with the ACBF following the successful completion of the second phase of the Institute's medium-term capacity building programme which came to an end in December 2010. The activities for WAIFEM Phase III capacity building programme will run through to the end of 2015. WAIFEM III is unique considering that it is results-based, and has explicitly addressed gender participation in the training programmes of WAIFEM and strengthening of the E-leaning programmes. In addition, it is designed to upscale the skills and participation of post-conflict countries in the sub-region as well as undertake macroeconomic research among others in the face of the increasing capacity building needs within the West African region.

The Institute performed exceptionally well in terms of its capacity building programmes, executing 34 training programmes in total amongst the three departments. These activities benefitted about 982 participants drawn from central banks, ministries of finance and economic planning, and other public and private institutions within WAIFEM member countries and beyond. I am delighted to point out that WAIFEM will continue to maintain the hallmarks of its capacity building delivery systems which have served it well over theyears.

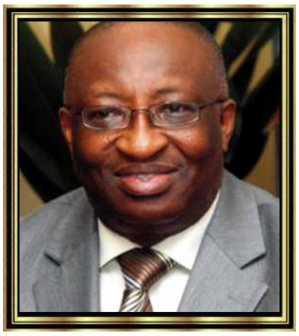
The year under review witnessed the establishment of the Research Unit in the Office of the Director General as well as the recruitment of the Research Manager. The Research Unit will spearhead WAIFEM's research undertakings in the sub-region with the primary objective of developing capacity building programmes from an informed perspective.

Impact study assessments conducted by independent observers continue to rate the Institute's training programmes as outstanding and well-structured. The support and commitment from member countries of WAIFEM and other stakeholders have been very strong and helpful. With WAIFEM's excellent performance demonstrated and sustained over the years, I am of the ardent belief that the Institute will continue to maintain its reputation as a center of excellence in building and strengthening capacity in debt, financial sector and macroeconomic management in the sub-region. My commendation goes to the management and staff of WAIFEM for their efforts at maintaining the high standards at the Institute.

On behalf of the Board of Governors, I sincerely express my gratitude to our partners and co-financiers of the Institute's programmes for their technical and financial assistance. We look forward to a sustained collaboration for accelerated capacity development in the sub-region.

Hon. Amadou Colley,
Governor, Central Bank of The Gambia and
Chairman, Board of Governors of WAIFEM.
December, 2011

preface



During the year 2011, WAIFEM executed all of its approved capacity building programmes and in addition, undertook demand driven programmes for the Central Bank of Nigeria and the Kaduna and Bauchi State Governments of Nigeria. The Institute launched the maiden edition of its bi-annual economic conference in a bid to kick-start research activities in the Institute. The Research Unit was established in the Office of the Director General and a Research Manager has been recruited to lead the unit. The working environment in the Institute has improved tremendously with offices in the Administrative Bloc and the hostels completely refurbished; thanks to the continuous and unflinching support of host Bank, the Central Bank of Nigeria. In spite of the successes recorded during the year uder review, there were series of challenges as donor support was not forthcoming as initially projected.

The programmes executed in the three departments were as follows:

In debt management, a total of 263 officials were trained in the areas of medium term debt management strategy, sub-national debt and management of contingent liabilities and guaranteed on-lending, subnational debt and the use of CS-DRM 2000+, debt sustainability analysis, etc. These programmes and missions have enhanced the capacity of the participants in conducting debt sustainability analysis, national debt management and debt recording.

In financial sector management, a total of 360 officials benefitted from the training programmes offered by the Institute. The attendees of these programmes have developed critical skills in tracking money laundering and financial crimes in the region and banking supervision. The courses also deepened the skills of participants in understanding payments systems, the role of capital markets in economic development and effective risk management and good corporate governance practices within the banking sector.

In the area of macroeconomic management, a total of 359 officials were trained in econometric and financial analysis, macroeconomic management and regional integration, balance of payments and international investment position, west Africa's international trade, taxes and negotiations, financial programming and policies and liquidity forecasting for fiscal and monetary management among others.

As in previous years, WAIFEM continues to tap from the expertise of its technical cooperating partners in the execution of the training programs.

We are especially grateful for the signing of WAIFEM III Grant Agreement with the African Capacity Building Foundation (ACBF). The grant agreement which spans up to 2015 will further deepen the capacity building efforts in the region in the medium term.

Our gratitude goes to the International Monetary Fund Institute, the World Bank, Commonwealth Secretariat, United Nations Institute for Training and Research (UNITAR), United Nations Economic Commission for Africa (UNECA), World Trade Organization (WTO), Development Finance International Group/Debt Relief International (DRI/DFI) and the Economic Community of West African States (ECOWAS Commission) among others for the level of support we continue to enjoy from these institutions. Research Persons and Consultants who facilitated our training programme were drawn primarily from the academia and practitioners in the sub-region and the rest of Africa, Europe and America in various specialized field, contributed greatly to the Institute's successful execution of the 2011 program of activities.

The continuous support from our collaborating partners over the years has been encouraging. I therefore express on behalf of the Management and Staff of WAIFEM, our profound gratitude to our technical partners, donors, facilitators, central banks of WAIFEM member countries, and above all the Board of Governors of WAIFEM for their tireless support and contributions towards the successful completion of the Institute's 2011 programme of activities. We are hopeful that the support we received will continue in years to come.

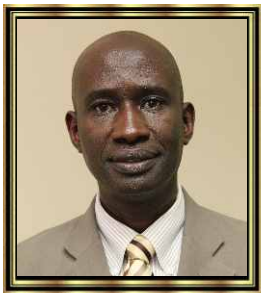
Professor Akpan H. Ekpo
Director General, WAIFEM
and Secretary, Board of Governors

principal officers

principal officers of the institute

Prof. Akpan H. Ekpo
Director General

Mr. Baba Y. Musa
Director, Debt Management Department



Mr. Ousman Sowe
Director, Financial Sector Management Department

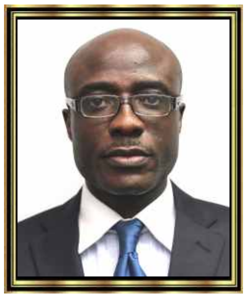
Dr. Johnson Asiama
Director, Macroeconomic Management Department

Mr. Euracklyn V. Williams
Director, Administration and Finance Department

Dr. Patricia A. Adamu
Senior Programme Manager, Macroeconomic Management Department

Dr. Udoma J. Afangideh
Senior Programme Manager, Financial Sector Management Department

Mrs. O.O. Jemilugba
Senior Manager, Administration and Finance Department

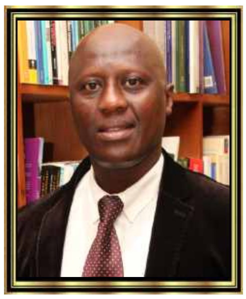


Mr. Ogbonnaya Agu
Prog. Manager, Fin. Sec. Mgt. Dept.

Mr. Gabriel Y. Asante
Prog. Manager, Macroeconomic Mgt. Dept.

Mr. Jawara Karamo
Prog. Manager, Debt Mgt. Dept.

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 34 capacity building and related activities in 2011. There were a total of 982 participants attending programmes, 14.6 percent higher than the 857participants in 2010. A country-wide breakdown of participants showed that Nigeria accounted for 31.4 per cent, followed by The Gambia 21.7 per cent, Ghana 17.8 per cent, Sierra Leone 12.2 per cent, Liberia 10.8 per cent and others 6.1 per cent.

The institutional breakdown of participants attending the training programmes in 2011 showed that central banks accounted for 37.4 per cent, ministries of finance and economic planning accounted for 38.6 per cent, the private sector 4.4 per cent and other public sector institutions 19.7 per cent.

An analysis of programme by department shows that the Macroeconomic Management Department executed a total of 13 programs that benefitted 359 participants (about 36.6 percent of the total number of Participants) in 2011. This compared with the 12 programme in 2010 reveal an increase in the number of participants by 42, an increase by nearly 13.2 percent. The Debt Management Department executed 10 programs, the same number of programmes executed in 2010, but the number of participants increased by one from 262 to 263. The Financial Sector Management Department conducted a total of 11 courses during the period which benefitted 360 participants compared to 9 courses in which there were 278 participants in 2010. As usual many of the courses offered by the Financial Sector Management Department were oversubscribed. WAIFEM is now considering other options for some of its courses (especially the oversubscribed ones) to be offered more than once during the year. The details of the capacity development programmes in 2011 are in the next

1.2 Debt Management Programmes

1.2.0 INTRODUCTION

During the year under review, the Institute executed ten (10) debt management capacity building activities benefiting two hundred and sixty-three (263) public and private sector officials from the constituent countries of WAIFEM. The training and capacity building programmes equated the 10 capacity building programmes executed in the previous year (2010). The country-wise breakdown indicates that of the 263 beneficiaries, There were Gambians (26.6 per cent) compared to 78 (29.8 per cent) in 2010; 31 Ghanaians (11.8 per cent) compared to 43 (16.4 per cent) in 2010; and 24 Liberians, (9.1 per cent) as against 10 or (3.8 per cent) in 2010. The number of Nigerians were 95 (36.1 per cent) as against 84 (32.1 per cent) in the previous year while participants from Sierra Leone were 43 (16.3 per cent) which paralleled the number of 43 (16.4 per cent) in 2010.

Analysis of the trained participants by gender reveals that 181 participants or 68.9 per cent were males and 82 females representing 31.1 per cent compared with 209 or 79.8 percent males and 53 females or 20.2 per cent. Disaggregation of the participation by user institution indicates 54 or 22.4 per cent of the attendees were from central banks while ministries of finance and economic planning sponsored 138 officials or 57.3 per cent. The beneficiaries from other public sector agencies and the private sector accounted for 20.3 per cent of the participants with 49 participants.

Details of specific debt management programmes executed in 2011 are as follows:

1.2.1 WAIFEM/WORLD BANK SUB-NATIONAL DEBT MANAGEMENT PERFORMANCE ASSESSMENT TOOL (DEMPA) MISSION TO LAGOS STATE NIGERIA: LAGOS, NIGERIA, JANUARY 31 - FEBRUARY 8, 2011.

From January 31 to February 8, 2011, WAIFEM, in collaboration with the World Bank team, conducted a Sub-National DeMPA mission through comprehensive assessment of debt management functions and practices of the Lagos State

Government (LASG) of Nigeria. The mission adapted the central government World Bank's Debt Management Performance Assessment tool (DeMPA) to a sub-national context. As part of the assessment, the team held meetings with relevant officials dealing with public debt management in LASG from the Ministry of Finance (MOF), the Public Finance and Debt Management Office (DMO) of the state, the Ministry of Economic Planning and Budget (MEPB), the State Treasury Office (STO), the Offices of the Auditor General and the Attorney General, as well as the Federal Debt Management Office (FDMO). In addition, the team met with private sector stakeholders, including Access Bank, Chapel Hill Advisory, First Registrars, and the UKs Development Finance International Department (DFID). A total of 32 officials benefited from the DeMPA mission.

The outcome of the assessment indicated that LASG have rooms for improvement in some of the dimensions of DeMPA. This was primarily because the LASG was still in the first phase of building up debt management capacity, which started with the enactment of the Law to Provide for the Establishment of the Lagos State Debt Management Office in February 2009, and the subsequent establishment of the Debt Management Office (DMO).

1.2.2 REGIONAL COURSE ON DEVELOPING BOND MARKETS (ISSUANCE AND PRICING STRATEGY): LAGOS, NIGERIA. MARCH 14 - 18, 2011

WAIFEM executed a regional course on Developing Bond Markets (Issuance and Pricing Strategy) at its premises in Satellite Town, Lagos, Nigeria from March 14 - 18, 2011. The course was designed to provide participants with in-depth understanding of the market for government bonds in West Africa in the context of macroeconomic conditions and a liberalizing financial environment. The principal objective of the course was to broaden and deepen participant’s understanding of bond markets, the methodology of bond issuance, pricing strategy and the role of bond markets in economic growth and financial stability of the economies of WAIFEM member countries. The course above highlight essential areas that are needed to help the function of local currency bond markets

The course was attended by twenty (20) senior/executive officials of central banks, ministries of finance and economic planning/development and national bureau of statistics drawn from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. A team of seasoned professionals and practitioners from the sub-region drawn from WAIFEM faculty, debt management offices, central banks and private consultants facilitated the course.

At the end of the course, the participants made many recommendations among others to include:

i) That there was need to have in place appropriate legal and regulatory framework that foster vibrant, stable and efficient bond markets;

ii) That there is need to develop systems, rules and regulations, accounting standards and codes of conduct which are of internationally acceptable standards to effectively guide the markets, protect investors and create an enabling environment for orderly development of securities markets;

iii) That the continuous capacity building of all stakeholders is vital for the successful development of bond markets in this regard. they call on WAIFEM to undertake missions to The Gambia, Liberia and Sierra Leone to help accelerate the development of bond markets. In this regard, WAIFEM should facilitate attachment programmes in this area among member countries to enable peer learning and sharing of best practices.

The participants indicated that the course was very relevant and timely given the fact that in the recent past, most WAIFEM member countries have put development of bond markets particularly local currency bond at the front burners of their national policy agenda.

1.2.3 JOINT WAIFEM/WORLD BANK/IMF REGIONAL TRAINING ON MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS) BANJUL, THE GAMBIA, JUNE 13 - 17, 2011

WAIFEM in collaboration the World Bank and International Monetary Fund (IMF) organized a regional training on Medium-Term Debt Management Strategy (MTDS) for Anglophone West Africa from June 13 - 17, 2011 in Banjul, The Gambia.

The regional MTDS training which was well attended by top officials of The Gambian government was opened by the Honourable Minister of Finance and Economic Affairs of The Gambia, Mr. Mam Bury Njie.

Present at the opening of the programme was the Governor, Central Bank of The Gambia, Mr. Amadou Colley who gave a remark. The opening was also attended by top officials of the Central Bank The Gambia and Ministry of Finance and Economic Affairs including the First and Second Deputy Governors of the Central Bank of the Gambia, Mr. Basiru Njai and Mrs. Oumie Savage-Samba, Permanent Secretary and Deputy Permanent Secretary of theMinistry of Finance and Economic Affairs as well as Directors of the Central Bank of The Gambia. The IMF resident representative was also present.

The workshop was aimed at providing WAIFEM member country officials with the requisite skills for developing a comprehensive Medium Term Debt Management strategy. The training sessions, which combined lectures and hands-on exercises, using the MTDS analytical tool focused on 8 key steps to develop a debt management strategy that is consistent with the government debt management objectives, their macroeconomic framework, and identified constraints, including strategy to manage risk exposure embedded in the debt portfolios, especially potential variations in the cost of debt servicing and its impact on the budget.

The training was facilitated by a team of experienced practitioners from the World Bank, IMF and WAIFEM faculty namely Eriko Togo, Alvaro Manoel, Ralph Van Doorn all from the Economic Policy & Debt Department, Poverty Reduction and Economic Management Network of the World Bank, Christian Mulder of the Assets Liability Management Division of the International Monetary Fund (IMF) and Baba Musa.

It was attended by thirty-four (34) executive/senior /middle level officials drawn from central banks, ministries of finance and economic planning, debt management offices from The Gambia (14), Ghana (5), Liberia (5), Nigeria (5) and Sierra-Leone (5). The training was found to be very relevant and timely given the fact that the MTDS would continue to be the platform for developing Debt Management Strategy in WAIFEM countries. Participants were satisfied with the administrative arrangements for the workshop and quality of resource persons and materials presented.

1.2.4 GOVERNMENT OF THE GAMBIA/WAIFEM/WORLD BANK/IMF NATIONAL MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS): BANJUL, THE GAMBIA, JUNE 20 - 24, 2011.

In partnership with the government of The Gambia, WAIFEM, the World Bank and the International Monetary Fund (IMF) organized a National Medium-Term Debt Management Strategy (MTDS) for The Gambia from June 20 - 24, 2011 in Banjul.

The objective of the workshop was to deepened the analytical capacity of the debt management officials of The Gambia on the MTDS and to develop a medium debt strategy for the country. The workshop brought together participants from key institutions responsible for managing the national debt (MTDS National Team); namely the Ministry of Finance and Economic Affairs (MOFEA), Central Bank of The Gambia (CBG), Ministry of Trade, Industry and Employment (MOTIE), Gambia Bureau of Statistics (GBOS) and Gambia Revenue Authority (GRA). The MTDS analytical tool was used to evaluate the cost and risks of alternative debt management strategies, given a set of assumptions on the macroeconomic and market environment. The programme benefitted 39 participants with training sessions on the strategy development based on a quantitative analysis of cost and risk for the alternative debt management strategies. A draft strategy report was developed for the country.

1.2.5 GOVERNMENT OF SIERRA LEONE/WAIFEM NATIONAL DEBT SUSTAINABILITY ANALYSIS: FREETOWN, SIERRA LEONE. JULY 25 - AUGUST 2, 2011.

The Government of Sierra Leone, in collaboration with the West African Institute for Financial and Economic Management, and the Commonwealth Secretariat organised the 2011 National Debt Sustainability exercise from July 25-August 2, 2011 at the Hill Valley Hotel, Freetown. The exercise brought together 27 senior government officials, including academics from the University of Sierra Leone who assiduously analysed Sierra Leone medium and long -term public debt portfolio.

The DSA was conducted using the joint World Bank/IMF Debt Sustainability Framework template for Low Income Countries (DSF-LIC). The tool analyses a country's medium to long term public debt situation in order to determine the sustainability thresholds. The objective of the 2011 DSA exercise was to update the 2010 DSA taking into Sierra Leone medium term economic outlook within the context of accelerated financing for infrastructure and improved revenue from extractive industry; and to deepen and strengthen the capacity of senior government officials to conduct future DSAs independently. Specifically, in the DSA exercise, two scenarios were assumed namely baseline and optimistic. The baseline, assumed current practices, while the optimistic scenario, assumed enhanced economic outlook for Sierra Leone including accelerated borrowing. Two macroeconomic and new financing assumptions were also considered in the design of the baseline and optimistic scenarios.

The result of the DSA revealed that public sector debt dynamics remain on a stable path under the baseline scenario, but stress tests suggest that threats to debt sustainability remain.

Under baseline projections, all external debt indicators are below their indicative thresholds of debt. However, the most extreme shock scenarios, revelled that the PV of debt to exports breaches its threshold, the PV of debt to revenue temporary breaches its threshold, and the PV of debt to GDP ratio was close to its threshold.

1.2.6 JOINT WAIFEM/COMSEC REGIONAL COURSE ON MONITORING PRIVATE SECTOR EXTERNAL DEBT (PSED): MONROVIA, LIBERIA. AUGUST 8 - 17, 2011

WAIFEM in collaboration with the Commonwealth Secretariat (ComSec) organized a regional course on Monitoring Private Sector External Debt for Anglophone West Africa from August 8-17, 2011 in Monrovia, Liberia.

The Course was designed to provide WAIFEM country participants with the requisite skills for developing a comprehensive mechanism for Monitoring Private Sector External Debt and strengthening capacity in the techniques of compiling and disseminating such data.

It discussed the policy and regulatory framework for monitoring corporate external debt; institutional arrangements for effective monitoring and analysis of private capital flows and short-term debt; and data requirements. The course further deliberated on generic templates and methodology for capturing data on Private Sector External Debt (PSED), and using computerized systems for monitoring PSED. It allowed participants to exchange ideas on best practices to monitor and analyze foreign private capital flows from an international, regional and country perspective.

The course was facilitated by resource persons from the Central Banks of Malaysia, Tanzania, The Gambia, Ghana and ComSec. It was attended by Twenty-seven (27) executive/senior/middle level officials drawn from central banks, ministries of finance and economic planning from The Gambia (3), Ghana (6), Liberia (11), Nigeria (4) and Sierra-Leone (3).

At the end of the course, the participants observed that monitoring PSED was an important macroeconomic policy tool for developing countries in order to avoid macroeconomic and financial instability. They also observed that in most countries of the sub-region there was no comprehensive institutional framework for monitoring of PSED, hence making countries in the sub-region vulnerable to exogenous shocks. There was also lack of capacity amongst public sector officials to effectively monitor PSED.

They recommended that countries in the Sub-region set up good institutional framework for monitoring PSED and cross-border flows. That stakeholders in the private sector, who are suppliers of PSED data, such as chambers of commerce, miners association, loggers association, etc. be sensitized at all times and also be invited to the opening ceremonies on workshops/seminars involving monitoring Private Sector External Debt. The participants also recommend that there is a need to develop ECOWAS standardized questionnaire and the region-specific software to enhance comparability of data amongst member countries.

1.2.7 WAIFEM/COMSEC REGIONAL DEBT MANAGERS SEMINAR AND CS-DRMS USER GROUP MEETING: LAGOS, NIGERIA, SEPTEMBER 14 - 16, 2011

The Institute in collaboration with the Commonwealth Secretariat (ComSec) organized a regional Debt Managers Seminar and CS-DRMS User Group Meeting from September 14 - 16, 2011 in Lagos, Nigeria.

The Seminar was targeted at providing country debt managers and CS DRMS users a platform to discuss the recent enhancement of the analytical tool of the CS-DRMS software designed to meet the user countries need especially in risk analysis and to discuss individual country's medium term debt management strategies in the aftermath of the global financial crises. It was also designed to have a concerted view about sharing best practices targeted at maintaining debt sustainability in the prevailing environment characterized by sluggish inflow of aid and new financing challenges.

The Seminar/user group meeting was facilitated by resource persons from the Commonwealth Secretariat, regional expert and WAIFEM faculty. It was attended by Thirteen (13) executive level debt managers and CS-DRMS users drawn from central banks, ministries of finance and economic planning, Debt Management Office (DMO) and Controller and Accountant Generals Department from The Gambia (3), Ghana (5), Liberia (1), Nigeria (2) and Sierra-Leone (2).

At the end of the course, the participants observed that there was need for countries to have Strategic Sovereign Debt Management in order to enhance financial stability. In addition, the recent financial crises have indicated that debt management has transcend beyond its traditional function because of its linkages with the overall financial stability. (i.e., there are new and complex interactions between debt management, fiscal policy, monetary management and financial stability and that the development by COMSEC of Public Debt Management Analysis Tools (PDAT) was a welcome development and it will promote efficient debt management and risk analysis.

The participants evaluated the seminar and user group meeting very positively. They reiterate the need to develop more regional experts in debt management and CS-DRMS to add to the existing pool for sustainability.

1.2.8 JOINT WAIFEM/WORLD BANK REGIONAL TRAINING ON DEBT MANAGEMENT PERFORMANCE ASSESSMENT (DEMPA) TOOL: ACCRA, GHANA, OCTOBER 24 - 28, 2011

In collaboration with the World Bank, WAIFEM organized a Regional Training on Debt Management Performance Assessment (DeMPA) Tool from October 24 - 28, 2011 in Accra, Ghana.

The rationale for the course on DeMPA grew out of the fact that over the past decade, many LICs have benefited from debt relief, including debt rescheduling from bilateral creditors as relief under the Heavily Indebted Poor Country Initiative (HIPC) and the Multilateral Debt Relief Initiative (MDRI). While debt relief has placed many beneficiaries in a position to reduce debt-related vulnerabilities and maintain sustainable debt levels in the future, risks remain that inappropriate debt management decisions and lack of good practice could endanger these recent gains. The aim was to provide comprehensive training in the DeMPA tool for the countries participating in the workshop. It was also designed to enhance networking and sharing of experiences among debt managers in the region.

The course was facilitated by resource persons from the PRMED of the World Bank and WAIFEM. It was attended by Twenty nine (29) executive / senior / middle level officials drawn from Central Banks, Ministries of Finance and Economic Planning and Accountant Generals Department. The participants were from The Gambia (6), Ghana (9), Liberia (5), Nigeria (6) and Sierra Leone (3).

The participants observed that capacity for debt management audit is an essential element for public debt management because, at the moment, all the countries needed capacity for public debt audit. In addition, they observed that staff turnover in some WAIFEM countries in debt management was very high due to many factors (hence the need for continued training).

They recommended that WAIFEM should build capacity of countries by conducting training in debt management performance audit. They also encourage more collaboration between WAIFEM and urged the two Institutions to develop specific training or programs for post conflict countries capacity building to accelerate recovery.

1.2.9 WAIFEM/WORLD BANK NATIONAL MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS): ABUJA, NIGERIA, NOVEMBER 14 - 20, 2011.

In corporation with the World Bank, WAIFEM conducted National Medium-Term Debt Management Strategy (MTDS) for Nigeria from November 14 24, 2011 in Abuja.

The objective of the workshop was to develop the analytical capacity of the debt management officials the Federal Republic of Nigeria on the MTDS tool. The workshop brought together stakeholders from key institutions responsible for managing the national debt, namely, the Debt Management Office (DMO), Central Bank of Nigeria (CBN) the Budget Office of the Federation, National Bureau of Statistics (NBS) and the National Planning Commission (NPC).

The training in the use of the MTDS analytical tool enabled the participants to evaluate the cost and risks associated with Nigeria's debt and proffer alternative debt management strategies, given a set of assumptions on the macroeconomic and market environment. The training sessions, was made of lectures and hands-on exercises. It focused on 8 key steps to develop a debt management strategy that is consistent with the government debt management objectives, their macroeconomic framework, and identified constraints, including strategy to manage risk exposure embedded in the debt portfolios, especially potential variations in the cost of debt servicing and its impact on the budget. The course benefited 19 participants.

1.2.10 Government of Nigeria/WAIFEM/World Bank / International Monetary Fund (IMF) National Medium-Term Debt Management Strategy (MTDS): Abuja, Nigeria, December 5 - 9, 2011.

In collaboration with the Federal Government of Nigeria, World Bank and the International Monetary Fund, WAIFEM National Medium-Term Debt Management Strategy (MTDS) exercise for Nigeria from December 5 - 9, 2011 in Abuja.

The programme was a follow-up to the MTDS Training conducted in November 2011 to enable Nigeria. The training primarily focused on determining the appropriate composition of Nigeria's debt portfolio, taking into account macroeconomic indicators and market environment. It also covered how to manage the risk exposure embedded in the debt portfolio, specifically, potential variations in the cost of debt servicing and its impact on the budget. The modified MTDS template was applied to the Nigerian context assessing the relative costs and risk of various debt management strategies and their debt sustainability implications. A total of twenty-two (22) officials drawn from Debt Management Office (DMO), Central Bank of Nigeria (CBN), National Planning Commission and Ministry of Finance and the Budget Office of the Federation were trained.

1.3 Financial Sector Management Programmes

1.3.0 INTRODUCTION

The Financial Sector Management Department organized a total of 11 programmes during the period under review. The number of executed programs is exactly equal to the number originally planned for the year. The programmes benefitted 360 officials from the central banks, ministries of finance and economic planning, and other relevant public sector agencies mainly from member central banks of WAIFEM.

A country-wise distribution of the total participants revealed that 102 participants (or 28.3%) came from The Gambia; 62 (or 17.2%) from Ghana; Liberia had 48 (or 13.3%); Nigeria had 76 (or 21.1%); Sierra Leone 52 (or 14.4%) and others 20 (or 5.6%). The higher participation rate in the case of Gambia was largely due to the increased number of financial sector programmes hosted by the Government of Gambia which afforded them the opportunity to field many participants.

A breakdown of participation according to institutions also showed that central banks accounted for 192 (or 53.3%); the ministries of finance and economic planning recorded 59 (or 16.4); other public sector agencies had 109 (or 30.3%), while there was no participants from the private sector. In terms of gender distribution, there were 230 males (or 63.9%) and 130 females (or 36.1%). The details of the courses conducted by the Financial Sector Departments are as follows:

1.3.1 NATIONAL COURSE ON BANKING SUPERVISION (FOUNDATION LEVEL) FOR STAFF OF CENTRAL BANK OF THE GAMBIA: BANJUL, THE GAMBIA, JANUARY 17-21, 2011

The West African Institute for Financial and Economic Management (WAIFEM) and the Central Bank of The Gambia (CBG) organized a National Course on Banking Supervision (Foundation level) for Staff of Central Bank of The Gambia in Banjul, The Gambia, from January 17-21, 2011.

The Director General of WAIFEM, Prof. Akpan H. Ekpo, in his welcoming remarks, expressed his appreciation to the Governor and Management of the Central Bank of The Gambia for the confidence reposed in WAIFEM to design and deliver the course. He opined that the recent global financial crisis has fundamentally drawn global attention to the need for stable, effective and efficient financial system that is anchored on sound and strong regulatory framework. He further stated that the relevance of the course lies in the fact that it will provide participants with broad-based supervisory and regulatory background with a view to enabling them handle any business cycle given the inevitability of economic crisis.

The Governor of the Central Bank of The Gambia, Hon. Amadou Colley, represented by the Director of Financial Supervision Department, Mr. Essa Drammeh, in his opening remarks, conveyed his sincere thanks and appreciation to the Director General of WAIFEM and his staff for organizing the training programme at short notice and calls for the sustenance of the collaboration between the two institutions. He stressed the need for regular training of bank supervisors given the dynamic nature of the banking industry. The Governor noted that supervisors require continuous improvements of their skills, if they are to maintain an edge over the regulated institutions. He therefore advised the participants to seize the opportunity provided by the course to enhance their knowledge and skills in banking supervision.

The course was intended to introduce the participants to the key role of the financial system in economic development as well as the importance of apex bank supervision towards economic and financial stability. It was also meant to enhance their knowledge on critical techniques and skills required in regulating the financial system.

The broad themes covered included:

- An Overview of the Financial System: Structure and Role of Central Banks;
- Role of Financial Institutions and Why Supervision (Banks, Insurance Companies, Forex Bureaux, Microfinance Institutions, Stock Market, Finance companies, etc.);
- Regulation of Banks: Laws, Guidelines, Directives and other Means of Enforcement Instruments;
- Off-Site Monitoring Techniques;
- On-Site Examination Process;
- Overview of Risk Management and Corporate Governance Principles;
- Bank Failure: Causes, Consequences, Prevention/Resolution Safety-nets;
- Basel Core Principles;
- Anti-Money Laundering (40+9 Recommendations);
- Off-Site Analysis Process (The Gambia Experience); and
- Key Prudential Guidelines (The Gambia Experience).

The course was facilitated by a team of experienced practitioners from the sub-region and WAIFEM faculty. A total number of 22 junior/middle level officials from the Central Bank of The Gambia, comprising of 16 males and 6 females, attended the course.

Analysis of the evaluation questionnaire completed by the participants at the end of the course revealed that:

- About two-third of the participants agreed that the course content was very good;
- About ninety-nine (99) percent of the participants were of the view that the course contents were relevant and useful;
- Ninety-eight (98) percent of the participants agreed that the presentations were of high quality;
- About eighty-two (82) percent of the participants agreed that the time allotment for the presentations was enough.

1.3.2 REGIONAL COURSE ON OPTIMIZING RESERVES AND FOREIGN EXCHANGE MANAGEMENT FOR INCOME GENERATION: LAGOS, NIGERIA, MARCH 7 - 11, 2011

A Regional Course on Optimizing Reserves and Foreign Exchange Management for Income Generation was organized by the West African Institute for Financial and Economic Management (WAIFEM) at the Institute's premises in Lagos, Nigeria from March 7 - 11, 2011. The course aimed at equipping participants with critical techniques and skills in managing fixed income instruments and imparting the art of active reserves management essential to investment decisions in reserves and foreign exchange management.

The course was declared open by Prof. Akpan H. Ekpo, Director General of WAIFEM, who was represented by Mr. Baba Y. Musa, Director, Debt Management Department. According to Prof. Ekpo, new vulnerabilities and risks had arisen from overall market downturns and increased mortgage defaults in developed countries. This, according to him, underscored the vital importance of managing risks associated with reserves.The Director General identified fall in interest rates on fixed income securities in money markets in the industrialized economies arising from the global crises as one of the issues of great concern to reserve managers.

On foreign exchange management, Prof Ekpo noted that efficient foreign exchange management recognizes that exchange rates fluctuate alongside a nation's economic and political standing. He maintained that monetary authorities “intervene” in the foreign exchange markets to manage the domestic economy.

As a way forward, the DG advised that all stakeholders, both institutional and individual, have to rise up to their responsibilities particularly in terms of regulation, risk control, transparency and full disclosure.

The course was attended by twenty-eight (28) participants made up of five (5) from The Gambia, six (6) from Liberia, eight (8) from Nigeria, three (3) from Sierra Leone and six (6) from Ghana. Participants were drawn from the central banks, core economic ministries, deposit money banks, sub-regional institutions and other public agencies. The table below shows a country-wise breakdown of participation by institutions:

Table 1

S/N	INSTITUTIONS	COUNTRIES						Total
		The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	
1	Central Banks	1	3	2	3	1	-	10
2	Ministry of Finance	4	2	3	-	-	-	9
3	Deposit Money banks	-	-	1	3	1	-	5
4	Other Public Agencies	-	1	-	2	1	-	4
	Total	**5**	**6**	**6**	**8**	**3**	**-**	**28**
	Male	4	4	5	5	3	-	21
	Female	1	2	1	3	-	-	7

The following broad themes were covered during the course:

Reserves and Foreign Exchange in the Macroeconomic Context;

- Foreign Exchange Markets and Products;
- Valuation of Fixed Income Instruments;
- Financial Mathematics, Bond Yields, Valuation and Indices;
- Portfolio Theories;
- Investment Portfolio Management and Strategy Formulation;
- Analysis of Market Information and Market Movement;
- Investment Policy and Guidelines;
- Liquidity Analysis and Reserves Tranching; and
- Technical and Fundamental Analysis.

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

i. 96% of the participants agreed that the course content was very good;

ii. Over 92% of the participants were of the opinion that topics covered were rich and useful;

iii. About 96% agreed that the presentations were of high quality; and

iv. About 82% agreed that the time allotted for the presentations was adequate.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations. After a careful analysis of the reserves management practices and foreign exchange markets in the West African sub-region, the participants made the following observations:

- that most member countries in the region currently place more emphasis on liquidity management than long-term investment of reserves given the varying levels of reserves;
- that caution be exercised in adopting the views of the rating agencies in view of recent experiences;
- that more time be devoted to on-the-job (practical) issues;and
- that some member countries have investment guideline but no investment policy.

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

recommendations:

- that there is need to adopt investment strategies that will guarantee safety and where necessary enhance returns;
- that attachment amongst member countries be encouraged in order to transfer practical knowledge from more experienced banks to other less experienced ones;
- that in their investment management activities, member banks should not lose focus of the three cardinal objectives of reserve management viz: safety, liquidity and returns; and
- that member countries should have investment policy as a supplement to investment guidelines authorizing the investing of reserves within risk parameters.

1.3.3 REGIONAL COURSE ON MONEY LAUNDERING AND OTHER FINANCIAL CRIMES: BANJUL, THE GAMBIA, APRIL 11 - 15, 2011

A Regional Course on Money Laundering and Other Financial Crimes was organized by the West African Institute for Financial and Economic Management (WAIFEM) at Paradise Suits Hotel in Banjul, The Gambia from April 11 - 15, 2011. The objective of the course was to develop critical skills in tracking money laundering and financial crimes perpetrated through the financial system in the sub-region. The specific objectives of the course were to enable participants understand the concept and techniques of money laundering, expose them to current developments and trends in global initiatives to combat money laundering, and enable them become familiar with money laundering legislation and compliance systems.

The course was declared open by the Governor, Central Bank of The Gambia, Hon. Amadou Colley. In his keynote address, Hon. Colley defined money laundering as the process of making the proceeds of crime to appear to have legitimate origin. He said that in the past, money laundering was mainly associated with trafficking in drugs but that today, the predicate offences of money laundering include but not limited to trafficking in human beings, bribery and corruption, fraud, currency counterfeiting, smuggling, etc. The Governor stressed that money laundering which has devastating effects on national economies is a menace to the world. He averred that money laundering activities could undermine and put into question the integrity of financial systems. Other effects of money laundering according to him are adverse macroeconomic performance, the facilitation of corruption, a compromise of the judiciary system, among others. Hon. Colley noted that money laundering, being a global problem, requires an appropriate response at international, regional and national levels.

The Governor noted that The Gambia has made significant efforts at beefing up its machinery to combat the social evil of money laundering. According to him, "the country has in place the anti-money laundering Act 2003 and the Anti-Terrorism Act 2002 which is in the process of being revised to address shortcomings that were highlighted during the mutual evaluation conducted on The Gambia by GIABA in 2008". The Governor further explained that the Central Bank of The Gambia and Gambia National Drug Enforcement Agency, the two Institutions responsible for AML/CFT implementation, have strengthened their operations towards the fight against money laundering.

In his welcoming remarks, the Director General of WAIFEM Prof. Akpan H. Ekpo said that money laundering is a key threat to financial stability especially in the small and fragile economies. He identified drug trafficking, human trafficking, arms trafficking, and counterfeiting, as common base offences for money laundering in the sub-region.

The course was attended by fifty-two (52) senior/executive level officials from central banks, core ministries, commercial banks, national parliaments, sub-regional institutions, securities and exchange commission, and the security and related agencies (Police, Navy, Customs, Drug Law Enforcement; etc.) of The Gambia, Ghana, Liberia, Malawi, Nigeria and Sierra Leone. The table below shows the country-wise breakdown of participation

Table 2

S/N	INSTITUTIONS	COUNTRIES						Total
		The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	
1	Central Banks	7	2	2	4	2	-	17
2	Ministry of Finance	1	1	2	2	-	-	6
3	Deposit Money banks	4	1	-	1	2	-	8
4	Other Public Agencies	7	2	2	5	3	2	21
	Total	**19**	**6**	**6**	**12**	**7**	**2**	**52**
	Male	13	5	3	10	3	1	35
	Female	6	1	3	2	4	1	17

by institution:

The broad themes covered at the course included:

- Overview of Money Laundering and Other Financial Crimes;
- International Initiatives aimed at Preventing and Combating Money Laundering and Other Financial Crimes;
- Procedures, Monitoring Tools and Investigative Techniques for Combating Money Laundering;
- Designing Anti-Money Laundering Compliance Systems for Enforcement in Financial Institutions;
- Money Laundering and Advances in Technology;
- Effects of Money Laundering on the Financial System;
- Anti-Money Laundering Laws and Regulations: International and the West African Sub-region;
- Towards a Regional Framework for Combating Money Laundering In West Africa; and
- Combating Advance Fee Fraud (aka 419): Lessons from Nigeria.

The Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) collaborated with WAIFEM by providing two (2) experts who facilitated four (4) sessions of the course.

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

i. 96% of the participants agreed that the course content was very good;

ii. Over 92% of them were of the opinion that topics covered were relevant and useful;

iii. 92% agreed that the presentations were of high quality;

iv. About 93% agreed that the time allotted for the presentations was adequate; and

v. Overall 98% agreed that the course met their expectations.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations. The observations include:

i. that the course was successful in exposing and enhancing the knowledge of participants to the concepts and techniques of money laundering as well as measures to fight the menace through the promulgation of appropriate laws and regulations as well as the establishment of structures;

ii. that money laundering has become a global phenomenon and require international efforts;

iii. that money laundering has become an issue in the West African sub-region and has a tendency to undermine the economies and financial institutions in the sub-region;

iv. that except for Nigeria, there is an urgent need to establish functioning FIU's in all the member countries;

v. that the awareness campaign in respect of money laundering and its effect should be intensified given the importance of the subject matter;

vi. that the emergence and use of modern information and communication technology in financial transactions has facilitated money laundering worldwide;

vii. that there is inadequate co-operation between law enforcement agencies, regulators and financial institutions in the light against money laundering; and

viii. that the existence of the large informal sector poses a lot of challenges in the enforcement of KYC/CDD procedures.

The recommendations proffered at the end of the course included the following:

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 countries without functioning FIU's should make efforts in this regard with a view of gaining membership in the Edgmont group;

iii. 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;

iv. that member countries should mount public awareness campaign to sensitize and educate the public which must include legislators on the mechanism and effect of money laundering;

v. that law enforcement and judiciary agencies should be provided with adequate resources (human, financial and equipment) to ensure that they perform their duties effectively without being compromised;

vi. that political office holders should stop paying lip service to the fight against money laundering;

vii. that the financial institutions should implement robust AML/CFT procedures; and

viii. that the need for greater cooperation between domestic and international stakeholders.

1.3.4 REGIONAL COURSE ON PRODUCTIVITY ENHANCEMENT FOR EXECUTIVE ASSISTANTS AND PERSONAL SECRETARIES TO CEOS AND SENIOR EXECUTIVES: ACCRA, GHANA MAY 16 - 20, 2011

A Regional Course on Productivity Enhancement for Executive Assistants and Personal Secretaries to CEOs and Senior Executives was organized by the West African Institute for Financial and Economic Management at Erata Hotel in Accra, Ghana from May 16 20, 2011.The main objective of the course was to provide critical knowledge and skills necessary for effective and enhanced job performance.

The specific objectives of the course were to enable participants understand the concepts, roles, duties and responsibilities of the executive assistant/secretary, personal assistant and senior secretary; acquire the knowledge and skills in office administration and management essential for the effective discharge of their responsibilities; develop and upgrade interpersonal skills for office management; and update their knowledge on the latest office technologies.

The course was declared open by the Governor, Bank of Ghana, Mr. Kwesi Amissa-Arthur, represented by Mr. Yao Abalo, Head, Risk Management Department. In his keynote address, the Governor noted that executive assistants are an essential part of the workforce in all organisations, providing critical support to executives. Unlike today, he continued, secretaries were seen as a person's employed to take orders, write letters, carry out dispatches and keep records. The expectations were all about the clerical aspects of secretarial work and this was the job description that floated around up to the 1970s.

He advised Executive Assistants to use their position to serve their organization conscientiously, exhibit high level of integrity and refrain from abusing their positions. Mr. Kwesi Amissa-Arthur identified good knowledge of the business, exceptional organizational skills, good interpersonal skills, decision making capabilities and excellent written, analytical and organizational skills as some of the key expectations from modern Executive Assistants. He enjoined attendees to take maximum advantage of the opportunities offered by the diverse background of the participating officials.

In his welcoming remarks, the Director General of WAIFEM Prof. Akpan H. Ekpo noted the increasing popularity of the course which he attributed to the urgent need to bring to the fore the supportive role of Executive Assistants in institutions. The Director General expressed optimism that the skills acquired by participants at the course would empower them professionally and will facilitate effective operations of their organizations for the benefit of the sub-region's development.

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

It is worthy to note that the female participation was 83%. The course covered the following thematic areas, among others:

- 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.

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

i. 98% of the participants agreed that the course content was very good;

ii. Over 99% were of the opinion that topics covered were relevant and useful;

iii. 97% agreed that the presentations were of high quality;

iv. About 85% agreed that the time allotted for presentations was adequate; and

v. Overall 89% agreed that the course met their expectations.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations. The observations include:

i. that there are inadequate capacity building and training programmes for Executive Assistants in the sub-region;

ii. that the roles and scope of Executive Assistants have been broadened to incorporate administrative policies and procedures;

iii. That conflicts at the work place arise as a result of poor relationship between managers and their subordinates;

iv. that exposure of Executive Assistants to cutting edge information technology tools is limited and this affects effectiveness at work place;

v. the course has given the needed motivation to Executive Assistants/Secretaries to aspire for higher qualifications on their career path; and

vi. Executive Assistants are now better placed and equipped to understand and withstand the frequent changes and change management processes in their respective organizations.

The following recommendations were proffered:

i. There is a need to build the capacity of Executive Assistants in the use of Management Principles and Information and Communication Technology to meet the challenges of their job functions;

ii. CEOs and Managers need re-orientation to appreciate the expanded roles of Executive Assistants in order to accord them the appropriate recognition;

iii. There should be a sub-regional forum of Executive Assistants for sharing information on best practices;

iv. Executive Assistants/Secretaries who acquire higher qualifications should be considered for managerial positions in their institutions;

v. The position of Executive Assistants / Secretaries should have some permanency in order to maintain institutional memory and effectiveness in their various offices;

vi. Managers of various institutions should create the platform for beneficiaries of the course to impact the knowledge acquired to colleagues in their respective institutions; and

vii. The organisers should consider organising an up-grade follow-up course in the near future for participants.

1.3.5 REGIONAL COURSE ON IMPLEMENTATION OF EFFECTIVE RISK MANAGEMENT AND GOOD CORPORATE GOVERNANCE PRACTICES: ABUJA, NIGERIA, JUNE 13 - 17, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a Regional Course on Implementation of Effective Risk Management and Good Corporate Governance Practices in Abuja, Nigeria from June 13 17, 2011. The course was organized to update participants' knowledge and skills in the assessment and management of financial risks as well as good corporate governance practices.

The course was declared open by the Governor of Central Bank of Nigeria (CBN), Mr. Sanusi Lamido Sanusi, who identified three major causes of the global financial failure as follows:

(i) regulatory and supervisory failure in the advanced economies;

(ii) failure in risk-management in the private financial institutions; and

(iii) failure in market discipline and mechanisms.

The Governor highlighted the various initiatives undertaken by the CBN such as the four-pillar reform programme which is intended to strengthen and revitalize the Nigerian banking sector following observed poor corporate governance, inadequate risk management practices and the adverse impact of the global financial crisis on the banking sector.

On the way forward, based on lessons learnt, he called for the strengthening of economic fundamentals particularly in terms of attaining and sustaining macroeconomic stability, increasing productivity and accelerating economic diversification. He also called for adoption and entrenching of appropriate supervisory and regulatory culture towards ensuring effective risk management and good corporate governance.

The course was attended by thirty four (34) executive/senior officials from central banks, core economic ministries, deposit money banks, and other related public and private organizations from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone.

The following thematic issues were covered during the course:

- Understanding Risk Management;
- The Failure of Risk Management and the Recent Financial Crisis:Case Study;
- Designing a Risk Management Framework;
- Operational Risk;
- Credit Risk;
- Legal, Regulatory and Reputational Risks;
- Market Risk;
- Liquidity Risk;
- Risk Management Process: An Operator's Perspective;
- Corporate Governance Standards;
- Corporate Governance: Role and Responsibilities of Stakeholders;
- Implementation of Good Corporate Governance in Developing Countries: Prospect and Challenges; and
- Corporate Governance Practice in Deposit Money Banks: An Operator's Perspective.

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. However, participants were advised to always take into consideration the nature of the audience as a guideline towards effective presentation.

At the end of the course, an analysis of the evaluation questionnaires completed by the participants revealed the following:

- 95% of the participants agreed that the course content was very good;
- 93% were of the opinion that topics covered at the course were relevant and useful;
- Another 93% accepted that presentations at the course were of high quality;
- In terms of time allotment for the presentations, 89% of them agreed that it was adequate; and
- Overall, 83% of the participants accepted that the course met their expectations.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations:

Observations

- That lack of regulations and ineffective risk management as well as poor corporate governance account for the recent global financial crisis;
- that knowledge gap of Board of Directors in basic financial analysis is responsible for the corporate governance and risk management failure;
- that the attention and awareness given to the Audit Committee is not extended to Risk Management Committee;
- Most heads of industries, executives, top managers are not well grounded or not well informed in risk management concepts;
- Regulators are not responding effectively to the risk management training needs of the financial institutions;
- There are many rules from different regulators, which sometimes cause confusion amongst the operators;
- Most risk managers lack the capacity to cope with the dynamic nature of their responsibilities / roles; and
- The risk management rules and regulations are not well documented, hence hard to access and follow/implement.

Recommendations

- There is a need to institute good corporate governance that clearly identifies authority limits, lines of responsibility , accountability and probity;
- Board of directors should be knowledgeable in risk management and corporate governance to enable them to set the tone;
- Enforcing and strictly adhering to defined policies and procedures while clearly identifying lines of communication and organizational structure;
- The awareness of good corporate governance and effective implementation of risk management should be well pronounced in the sub-region;
- Institutions need to put in place strong and dynamic internal control system that are answerable to the Audit Committee and not management;
- The rules and regulations should be standardized, where there are more than one regulator;
- Risk managers must have adequate experience and qualifications as set by the regulators; and
- The risk management rules and regulations must be concise, easy to understand and well documented.

1.3.6 REGIONAL COURSE ON FOUNDATION BANKING SUPERVISION: ACCRA, GHANA, JUNE 27 - JULY 1, 2011

A Regional Course on Foundation Banking Supervision was organized by the West African Institute for Financial and Economic Management in collaboration with the College of Supervisors of WAMZ in Accra, Ghana, from June 27 July 1, 2011. The course was organized to introduce the participants to the key roles of the central bank in economic management, especially its role of banking supervision for economic and financial stability. 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 provision of adequate resources to supervisory agencies.

The course was declared open by the Chairman of the occasion, Mr. Kwesi Amissah-Arthur, Governor, Bank of Ghana, who was represented by Mr. Franklin N. Belnye, Deputy Director, Banking Supervision. The Governor noted that the recent global economic downturn called into question the effectiveness of the current regulatory approach. As a consequence, he said, reforms relating to global banking standards were formulated to increase the effectiveness of the international regulatory framework to make the global banking system more resilient to shocks while addressing system-wide risks. Mr. Kwesi Amissah-Arthur, averred that the financial crises was caused by many factors but particularly noted excessive short-termism and a lack of accountability within financial institutions and between management and shareholders as the main causes. He advised that central banks in the sub-region should build robust and resilient banking systems to forestall the adverse effects of future global financial crises.

The Governor commended central banks in the sub-region for keeping a tight lid on their banks by ensuring that basic supervisory principles are adhered to. He however noted that the primary concern is capacity building of our supervisors to help them cope with the growing diversity of risks in the banking system.

As a response to the current challenges confronting supervisors in the West African sub-region, the Chairman said that the WAMZ member countries have been instituting regulatory reforms to enhance their regulatory regimes. Mr. Kwesi Amissah-Arthur observed that the college of supervisors of WAMZ, the initiator of this course, has made significant progress in achieving its objectives within the short period of its establishment.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo recalled that WAIFEM was established on July 22, 1996 by the central banks of 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.

The Director General noted the positive relationship between a robust banking supervisory framework and financial stability and stated that financial stability is an important variable for economic growth and development.

Prof. Ekpo noted that courses on Banking Supervision have become relevant especially given the ever increasing challenges of ineffective risk management, inadequate internal controls and poor corporate governance in financial management. According to him, the course was intended to provide participants with broad-based supervisory and regulatory background with a view to handling challenges inherent in all market driven economies.

The course was conducted through plenary sessions, discussions, practical exercises, group work and case studies.The course was attended by twenty-three (23) middle level staff of central banks from The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone.

The following broad themes were covered during the course:

- An Overview of Financial Systems, Structure, etc.;
- 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;
- 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 and Safety Nets;
- Basel Core Principles; and
- An Overview of Anti-Money Laundering.

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

i. 98% of the participants agreed that the course content was very good;

ii. Over 97% were of the opinion that topics covered were relevant and useful;

iii. 95% agreed that the presentations were of high quality;

iv. About 87% agreed that the time allotted for the presentations was adequate; and

v. Overall, 89% agreed that the course met their expectation

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

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

Recommendations

In the light of the 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;
- that to ensure effectiveness and efficiency, there should be close collaboration of the various supervisory agencies in the financial systems of the WAMZ countries;
- that macro-prudential 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.

1.3.7 REGIONAL COURSE ON SPECIALIZED REPORT WRITING SKILLS AND PRESENTATION TECHNIQUES: MONROVIA, LIBERIA, JULY 18 - 26, 2011

A Regional Course on Specialized Report Writing Skills and Presentation Techniques was organized by the West African Institute for Financial and Economic Management (WAIFEM) in Monrovia, Liberia from July 18 - 26, 2011. The course was designed to produce competent and confident communicators with the ability to structure, write and present effective economic, financial and other technical reports. Specifically, the course was aimed at enhancing participants' competences in the following areas:

- the use of correct grammatical structures in the English Language in a clear and concise manner that is related to a specific purpose, audience and readership;
- the organisation of information in logical forms for both oral and written presentations;

- the writing and presentation of better technical reports (economic, financial etc.); And
- the effective use of dictionaries.

The course was declared open by the Chairman of the occasion, Hon. Joseph Mills Jones, Executive Governor, Central Bank of Liberia, who was represented by Mr. Richard Dorley, Director of Research, Central Bank of Liberia. In his keynote address, Hon. Jones welcomed all to the opening ceremony of the course. The Governor stated that communication is not only central to the life of an individual, corporate organisation and community but also a basic necessity for organic and organisational growth and development.

The Chairman noted that although efforts had been made at national, regional and continental levels towards enhancing economic development, many countries on the continent are still grappling with development challenges. He therefore stressed the need to train communication experts to sell the various development plans to the people in order to generate popular acceptance and commitment.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo recalled that WAIFEM was established on July 22, 1996 by the central banks of The Gambia, Ghana, Liberia, Nigeria and Sierra Leone to strengthen capacity for macroeconomic and financial management in the constituent countries. According to him, the Institute which commenced formal operation in April 1997, had since inception, capacitated about 10,000 officials from central banks, ministries of finance and economic planning, debt management and statistics offices, etc. through its programmes. Prof. Ekpo further said that the coverage of course beneficiaries has widened to include non-traditional users such as the mass media, national parliaments, private agencies, etc.

The course was attended by four-three (43) officials made up of eleven (11) from The Gambia, ten (10) from Liberia, eight (8) from Nigeria, seven (7) from Sierra Leone, six (6) from Ghana, and one (1) from Senegal. Participants were drawn from institutes such as central banks, core ministries, deposit money banks, and other related public and private organisations.

In meeting the course objectives, the following broad themes were covered:

- The Communication Process;
- Grammar in Writing;
- Writing Styles;
- Features of Proposals;
- Technical Report Writing;
- Legal Issues in Communication;
- Presentation Techniques and Skills;
- Computer Applications in Report Writing; and
- Report Writing Practical.

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

i. 96% of the participants agreed that the course content was very good;

ii. Over 99% were of the opinion that topics covered were relevant and useful;

iii. Another 95% of them agreed that the presentations were of high quality;

iv. About 79% agreed that the time allotted for the presentations was adequate; and

v. Overall all the participants agreed that the course met their expectations.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations.

Observations

(i) that the essence of report writing and presentation skills which are the vehicles for organisational effectiveness, are often neglected;

(ii) that the failure of previous economic reform programmes in the sub-region is partially attributable to ineffective communication;

(iii) that due to poor presentation, many reports written by technically competent officials do not receive the desired responses;

(iv) that effective writing skills can be achieved if adequate attention is paid to common mistakes and language dictionaries are properly used;

(v) that most report writers lack the necessary intellectual capacity to produce good report;

(vi) that communication which is key to

organisational success has not been given the desired attention; and

(vii) that there were challenges in accessing materials for group work.

Recommendations

(i) that a high premium should be placed on effective report writing by organisations in the sub-region;

(ii) that adequate capacity in report writing to meet the challenges of job functions in the sub-region be continuously pursued through consistent capacity building;

(iii) that sub-regional governments should provide greater support for sensitization and information dissemination to facilitate the success of economic reform initiatives;

(iv) that training in report writing and communication should be made mandatory at least once a year for all senior staff of government establishments as well as the private sector;

(v) that the course duration be extended to provide adequate time for all themes of the course. For example, the time allocated to the presentation on computer application, legal communication and group work were insufficient;

(vi) that future training should be residential for all participants; and

(vii) that arrangement for easy access to resource materials to assist participants in their group work should be made.

1.3.8 REGIONAL COURSE ON MICROFINANCE OPERATIONS AND REGULATION: FREETOWN, SIERRA LEONE, AUGUST 22 - 26, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a Regional Course on Microfinance Operations and Regulation in Freetown, Sierra Leone from August 22 26, 2011.

The course aimed at enabling participants to learn innovative strategies in leadership and management of microfinance institutions; upscale their skills in microfinance programming; develop a critical analysis of the broader issues and environment in which microfinance initiatives are based; and analyse and adapt current best practices from varied experiences to their own situations.

The course was declared open by the Chairman of the occasion and Governor, Bank of Sierra Leone, Mr. Sheku S. Sesay, who was represented by Mr. I. K. Lamin, Director, Financial Market Department, Bank of Sierra Leone. The Governor extended a warm welcome to Prof. Akpan H. Ekpo, Director General of WAIFEM, participants, facilitators and others present at the opening ceremony. He noted that research has shown that there is a positive relationship between microfinance and poverty alleviation. The Governor identified poverty as a major setback to economic growth and development especially in the sub-region. Mr. Sesay said that although efforts have been made at national, regional and global level, poverty has remained a major obstacle to human growth. He however, averred that microfinance is an effective global channel and instrument to tackle poverty by providing financial services to the poor who are not served by conventional formal institutions through innovative delivery channels and methodologies.

The Governor stated that the Government of Sierra Leone has placed increasing access to finance as one of the four pillars of its Financial Sector Development Plan (FSDP) geared toward poverty reduction under its Agenda for Change, led by the Bank of Sierra Leone.

The Governor stated that Sierra Leone's microfinance strategy is one that is supportive in creating a vibrant finance sub-sector that would be adequately integrated into the main stream of the national system and provide the stimulus for growth and development.

On the way forward, the Governor advised that microfinance banks and institutions should build their organisations on fundamental principles of growth and sustainability. According to him, microfinance players should focus on unique approaches and markets of microfinance, rather than trying to be like conventional banks in order to serve the needs of their customers.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo, identified poverty as the state of human beings who are poor. He recognised Microfinance as an effective development intervention aimed at improving the livelihoods and reducing the vulnerability of poor and low-income people. Prof. Ekpo noted low capacity as a major constraint in operating sustainable microfinance institutions, thereby justifying the organisation of the course by WAIFEM.

The course was attended by twenty-four (24) executive/senior officials from central banks, core economic ministries, deposit money banks, and other related public and private organizations from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. A country-wise breakdown of participation by institution is as follows:

Table 3

S/N	INSTITUTIONS	COUNTRIES						Total
		The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	
1	Central Banks	1	4	-	2	5	-	12
2	Ministry of Finance	2	2	1	-	-	-	5
3	Deposit Money banks	-	-	-	-	-	-	-
4	Other Public Agencies	4	1	-	-	2	-	7
	Total	**7**	**7**	**1**	**2**	**7**	**-**	**24**
	Male	3	5	1	2	5	-	16
	Female	4	2	-	-	2	-	8

The thematic issues covered at the course include the following:

- the role of microfinance in economic development and poverty alleviation in West Africa;
- types, characteristics and development of microfinance institutions;
- integrating financial services into the poverty reduction strategy;
- risk management in microfinance institutions;
- operational risk in microfinance institutions;
- establishing and managing microfinance institutions: the prospects and challenges;
- credit appraisal and recovery techniques in microfinance institutions;
- corporate governance in microfinance institutions;
- the role of regulators in accelerating growth and wealth creation: The Gambian experience;
- supervisory and operational challenges in microfinance business;
- developing a legal and regulatory framework for an effective supervision of microfinance;
- microfinance failure: causes, prevention and resolution: the Nigerian experience; and
- interface between microfinance and commercial banking institutions.

The moderators commended the quality and delivery of the presentations by the groups. The impact of the course on the participants was clearly assessed in their various presentations. Participants were however, advised to always take into consideration the nature of the audience as a guideline towards effective presentation.

At the end of the course, an analysis of the evaluation questionnaires completed by the participants revealed the following:

- About 98% of the participants agreed that the course content was very good;
- About 99% were of the opinion that topics covered at the course were relevant and useful;
- 97% accepted that presentations at the course were of high quality;
- In terms of time allotment for the presentations, all the participants agreed that it was adequate; and
- Overall, 96% of the participants accepted that the course met their expectations.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations:

Observations

- that all stakeholders are not doing enough in achieving the objective of microfinance in the sub-region;
- that the issue of poverty with its deleterious effect is still emasculating the economy and

people of the sub-region;

- that effective regulations of microfinance remains a challenge especially given the micro nature of the business;
- that capacity gap still exist among the operators and even regulators of microfinance in the sub-region;
- that microfinance institution is still used as a political tool by government in some countries to gain political support;
- that the target group (economically active poor) who need microfinance continue to encounter difficulty in accessing microfinance;
- microfinance programs are viable engines for growth and development in the sub-region. However, it remains expensive and a high risk venture;
- that some microfinance institutions are deviating from the core principles of real microfinance into macro commercial ventures; and
- that the absence of good corporate governance has led to the collapse of most microfinance institutions.

Recommendations

- all stakeholders in microfinance business should double their efforts in order to achieve the objective of microfinance especially in alleviating poverty;
- that more attention and awareness be created on the important role of microfinance in mitigating poverty in the sub-region;
- that regulatory agencies need to streamline the regulatory process governing microfinance;
- that there is a need to institute good corporate governance in microfinance banks that clearly identify authority limits, lines of responsibility, accountability and probity;
- that microfinance institution should be encouraged to be financially self-sufficient rather than depending on government and donor agencies that are no longer sustainable;
- that capacity building for regulators, operators and clients of microfinance needs to be emphasized and encouraged; and
- That there is need for technical assistance to formulate a sound regulatory and supervisory framework in the sub-region.

1.3.9 REGIONAL COURSE ON BANKING SUPERVISION (INTERMEDIATE LEVEL): LAGOS, NIGERIA, SEPTEMBER 5- 9, 2011

A Regional Course on Banking Supervision (Intermediate 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 September 5 - 9, 2011.

The course was organized against the backdrop that the banking system continues to play a significant role in the developmental process of West African economies. As a result, there is need to ensure safety and soundness in the operations of banks through close monitoring and supervision. To achieve this, bank supervisors require up-to-date knowledge and tools through appropriate and continuous training.

The course was designed to update 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 course was declared open by the Chairman of the occasion, Prof. Akpan H. Ekpo, Director General, WAIFEM. He extended a warm welcome to everybody, especially those visiting Lagos for the first time.The Director General said that the recent global financial crisis calls into question the effectiveness of regulation or deregulation. He maintained that prior to the crisis; the capitalist economies strongly believed that the activities of financial markets were steadily liberalized. Prof. Ekpo however, noted that the near collapse of the world's banking system prompted the need for a reassessment of the industry under the liberalized approach when it became apparent that despite the sophistication of the markets, the system should not be left to its own devices. According to him, the lessons learnt precipitated waves of reforms and tighter regulation or better still 'reregulation' in the case of rich/developed countries.

The Director General further stated that it seems sensible that regulators should pay attention to banks' health as well as their conduct. The reason why banks are regulated and not restaurants is that

Table 4

S/N	INSTITUTIONS	COUNTRIES The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	Total
1	Central Banks	2	5	5	4	4	5.00	25
2	Other Public Agencies	-	-	-	2	-	-	2
	Total	**2**	**5**	**5**	**6**	**4**	**5**	**27**
	Male	1	4	3	4	4	4	20
	Female	1	1	2	2	-	1	7

The following broad themes were covered:

- An Overview of Banking Supervision;
- Supervisory Standards: Basel Core Principles;
- Bank Licensing Process;
- Bank failures: Causes, Prevention and Resolution;
- Bank Accounting (Interpretation of Financial Statement);
- Risk Management Process;
- Consolidated Supervision;
- Corporate Governance Principles;
- Prompt Corrective Action Framework;
- Supervisory Techniques: Risk Based Supervision; and
- Capital Accord (Basel II & III).

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

i. 97% of the participants agreed that the course content was very good;

ii. Over 95% were of the opinion that topics covered were relevant and useful;

iii. Another 94% of them agreed that the presentations were of high quality;

iv. About 85% agreed that the time allotted for presentations was adequate; and

v. Overall 96% agreed that the course met their expectation.

At the end of the course, the participants issued a communiqué detailing their observations and recommendations.

Observations

(i) that except the Central Bank of Nigeria and Bank of Ghana, othercentral banks in the WAMZ are yet to install Electronic Financial Analysis and Surveillance System (EFASS);

(ii) that except 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 at the foundation level graduated to participate at this intermediate programme and this disrupt continuity;

(iv) that full compliance of Basel Core principles have not been fully achieved by WAMZ member countries;

(v) that except Nigeria, other WAMZ member countries are yet to introduce deposit insurance scheme as a safely net;

(vi) that good corporate governance practices are not adequately implemented in the WAMZ member countries; and

(vii) that supervisors in member countries are not sufficiently trained in IT audit.

Recommendations

(i) that all central banks in the WAMZ member countries should endeavour to adapt full implementation of Risk Based Supervision by end of 2012;

(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 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) there is need for players in the WAMZ member countries to adopt proper guidelines on corporate governance practices within the zone; and

(vi) that to ensure effectiveness and efficiency, member countries should upgrade supervisor's skills in IT audit.

1.3.10 REGIONAL COURSE ON RUDIMENTS OF ISLAMIC BANKING: BANJUL, THE GAMBIA, OCTOBER 17 21, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a one-week Regional Course on Rudiments of Interest Free (Islamic) Banking in Banjul, The Gambia from October 17 21, 2011.

There has been a great deal of interest in Islamic banking during the past two decades both within the private and public sectors. This system of banking, based on Sharia principles, has been gaining grounds as a means of development and also as an option to conventional banking. Sharia-based banking is well embraced in the Muslim dominated countries in the Middle and Far East, and a good number of the conventional banks in the Western World operate Islamic banking windows. Islamic banking, at a minimal level, is being practiced in some of the West African states. In some jurisdictions, the conventional banks offer Islamic products to their customers. Given the growing popularity of Islamic banking in West Africa, it became expedient that the sensitization on its rudiments be carried out. This will set the tone for more focused courses in future to build the capacities of operators and potential operators, as well as regulators.

The objective of the course was to provide a broad understanding on rudiments of Islamic banking to participants. In particular, it was meant to provide clarity on the Sharia requirements and the avoidance of “RIBA” (Interest) in modern day banking business.

The course was declared open by the Governor, Central Bank of The Gambia, Hon. Amadou Colley. In his keynote address, the Governor welcomed all participants, especially those visiting The Gambia for the first time. Hon. Colley commended WAIFEM for their relentless efforts in building capacity for macroeconomic and financial management in the sub-region. According to him, Islamic banking is a variant of interest free banking bound by Sharia (Islamic Law) that prohibits the taking or payment of interest.

The Governor noted that within the period 2007 to 2009, Islamic banks' assets grew, on an average, twice as fast as conventional banks' assets in major markets. He stated that about 400 - 500 Islamic banks worldwide manage close to $1 trillion worth of assets, which is estimated to rise to $4 trillion by 2020. Hon. Colley stated that although there were differences between Islamic and conventional banking, some fundamental principles such as strong corporate governance, rigorous risk management, sound capital adequacy, etc., apply equally to both. Honourable Colley underscored that Islamic Banking has evolved as a viable and competitive component of the overall financial system aimed at driving growth and development throughout the world, particularly, the Middle East and Asia Pacific regions.

On the steps taken by The Gambia to leverage on the potential of Islamic Banking, the Governor noted that the Government of The Gambia engaged the Islamic Development Bank for partnership to develop the necessary infrastructure to accommodate Islamic Banking. The partnership, he stated, facilitated the creation of a legal framework for the establishment of Islamic banking in the country. Consequently, in 1997, the first Islamic institution, 'the Arab Gambia Islamic Bank' was established.

In his welcoming remarks, the Director General of WAIFEM, Prof. Akpan H. Ekpo warmly welcomed everyone to the course. He used the opportunity to express the Institute's immense gratitude to His Excellency, Sheik. Prof. Alhaji, Dr. Yahya A. J. J. Jammeh, the President and the good people of The Gambia for the opportunity to organize the course in Banjul. Prof Ekpo also thanked Governor Amadou Colley and the entire Management and staff of the Central Bank of The Gambia for continued support to the Institute.

The Director General of WAIFEM reiterated that Islamic Banking is a banking model based on profit and loss sharing system. He also stated that the

Islamic banking has the potential to bridge the gap between the deposit and lending rates. The Prof. further noted that an Islamic banker sees the business of his client as his own, and ensures the success of the client. In concluding his address, Prof Ekpo enjoined participants to take time off to explore the city of Banjul with its numerous tourist attractions.

The course was attended by twenty-five (25) senior officers and middle level executives from the Central Banks, Ministry of Trade and Industry, Ministry of Finance and Economic Planning, Deposit Money Banks, Controller and Accountant General's Department and Competition Commission. Of the total, twelve (12) were Gambians, three (3) Ghanaians, two (2) Guineans, one (1) Liberian, four (4) Nigerians, and (3) three Sierra Leoneans. A country-wise breakdown of participation by institution is as follows:

Table 6

S/N	INSTITUTIONS	COUNTRIES						Total
		The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	
1	Central Banks	6	2	1	4	2	2	17
2	Ministry of Finance	1	-	-	-	-	-	1
3	Other Public Agencies	5	1	-	-	1	-	7
	Total	**12**	**3**	**1**	**4**	**3**	**2**	**25**
	Male	6	2	-	4	3	2	17
	Female	6	1	1	-	-	-	8

The facilitators of the course were drawn from a pool of experts in West Africa. The broad themes covered at the course included:

- Fundamentals of Islam and Introduction to Islamic Thought;
- Concept and Overview of Islamic Finance: the Prohibition of RIBA, Principles of Islamic Finance, Trade, and Law;
- Legal and Institutional Framework: Islamic Legal System, Regulatory Regime for Islamic Banks, and Sharia Boards;
- Operation of Islamic Banking (AAOIFI standards): Structure of Islamic Banks, Income Generation, Accounting Procedures, Profit Distribution, Reserve Management, and Financial Contracts;
- Development and Challenges in Islamic Banking;
- Risk Management in Islamic Finance;
- Islamic Banking versus Conventional Banking: Differences, Advantages, and Accommodating Islamic Banking in Conventional Banking Institutions;
- Islamic Financial Products: Mudaraba, Musharat, Murabaha, Ijara, Salam, Mutual Fund, etc.;
- Sharia Compliant Investible Instruments - Sukuk, Ijara, etc.;
- Islamic Finance in a Secular Environment - The Opportunities and Challenges;
- Islamic Insurance: Concept and Operation, Conventional Insurance versus Islamic Insurance; and
- Operators' Perspective of Islamic Insurance: Instruments, Products, Pricing, Profit Sharing, etc.
- Analysis of the evaluation questionnaires completed by participants showed that:
- 97% of the participants agreed that the course content was very good;
- Over 96% of them were of the opinion that the topics covered were relevant and useful;
- Another 96% agreed that the presentations were of high quality;
- About 81% agreed that the time allotted for the presentations was adequate; and
- Overall 99% agreed that the course met their expectations.

Following the papers presentations and the discussions that ensued, participants made the following observations:

i. There is little awareness about Islamic banking and its benefits to the people in the sub-region as well as experts to operate the banks;

ii. Most countries in the sub-region do not have legal and regulatory framework to ensure the establishment of Islamic bank;

iii. Most African countries do not practice Islamic banking and the number of Islamic banks in West Africa is very small;

iv. Islamic banking derives its substance from Sharia law which is based on the principles of trust, honesty, sacrifice, commitment, integrity; etc.;

v. Islamic banking is complementary to conventional banking and has potential to promote growth in the real sector of the economy;

vi. Islamic banking is essentially a business concept rather than religion entity; and

vii. The concept of profit sharing is fundamental in Islamic banking and the framework for determining profit is however somewhat discretional.

In view of the above observations, participants made the following recommendations for implementation by relevant authorities:

i. Appropriate legal and regulatory framework should be formulated to ensure the establishment of Islamic banks in the sub-region;

ii. Effort should be geared towards the introduction of Islamic banking in the sub-region through adequate sensitization of people to encourage its acceptability;

iii. Awareness should be created stressing that this form of banking is not Islam, but a form of business;

iv. There should be a clear methodology for the determination of profit and loss in Islamic banking; and

v. Shariah board should absorb Islamic scholars based on their technical expertise rather than popularity.

1.3.11 REGIONAL COURSE ON ADVANCED BANKING SUPERVISION AND FINANCIAL STABILITY: LAGOS, NIGERIA, NOVEMBER 10 - 18, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a seven-day Regional Course on Advanced Banking Supervision and Financial Stability at its Headquarters in Lagos, Nigeria from November 10 - 18, 2011.

The course was the final of the three-course module put together by WAIFEM in collaboration with the College of Supervisors. The banking industry in the sub-region is witnessing several reforms, and banks are growing organically beyond their traditional frontiers. Concurrent with the dynamic development in the global financial system, this calls for significant change in the perspective of banking supervision worldwide. The new supervisory regime encourages improvements in banks' systems for managing risks. Supervisory authorities worldwide are expected to closely monitor the financial system in their jurisdictions to ensure financial stability. This underlines the importance of capacity building on the part of operators and supervisors in the vital areas of risk management, corporate governance and other supervisory tools. Therefore, the timing of the course was apt and appropriate.

The course was designed to assist participants to develop the required skills in effective banking supervision. In addition, the course provided participants the opportunity to relate the Basel Core Principles for effective banking supervision to the current supervisory environment and issues of financial stability in the sub-region.

The course was declared open by the Director General of WAIFEM, who was represented by the Director, Administration and Finance, Mr. Eurakly Williams. In the keynote address, the Director General mentioned that financial systems stability plays a crucial role in the survival of any economy as the current crisis had shown. He added that, “with increasing number of active financial institutions on the continent, global financial intermediaries, markets and market infrastructure facilitate and promote growth in economic activities. Conversely, financial instability is a material disruption to this intermediation process with the potential damaging implications for the real economy.” He further explained that, safe-guarding financial stability must be a forward looking task, one that seeks to identify vulnerabilities within the financial system and where possible, take mitigation action.

He pointed out that "in fulfilling its mandate of promoting financial stability, supervisory authorities have a dual role to play in mitigating the risk of financial disturbances with its potential systemic consequences, and responding effectively when a system disturbance occurs". Supervisory authorities can reduce financial instability through macro-prudential supervision and regulation. The Director General opined that a fundamental conclusion drawn from the financial crisis was that the supervision and regulation of financial firms in isolation, using purely micro-prudential approaches, was not sufficient to maintain financial stability. Rather, a macro-prudential approach, which evaluates and responds to financial system as a whole is necessary.

The course was attended by forty-two (42) participants made up of six (6) from The Gambia, seven (7) from Liberia, nine (9) from Nigeria, five (5) each from Sierra Leone and Guinea and ten (10) from Ghana. Participants were drawn from institutions such as central banks, ministries of finance and economic planning, Nigeria Deposit Insurance Corporation, West African Monetary Agency (WAMA), and other financial institutions in the sub-region. The participation in terms of countries and institutions is provided in the table below:

Table 6

S/N	INSTITUTIONS	COUNTRIES						Total
		The Gambia	Ghana	Liberia	Nigeria	Sierra Leone	Others	
1	Central Banks	2	5	5	8	4	5	29
2	Ministry of Finance	2	3	2	-	-	-	7
3	Other Public Agencies	2	2	-	1	1	-	7
	Total	**6**	**10**	**7**	**9**	**5**	**5**	**42**
	Male	5	9	5	5	5	4	33
	Female	1	1	2	4	-	1	9

The facilitators were drawn from a pool of experts in West African sub-region.The broad themes covered at the course included:

- Contemporary Regulatory Issues; Corporate Governance
- Tools for Assessing Financial Sector Vulnerability including Stress Testing;
- Risk-Based Supervisory Approach: Costs, Benefits, and Implementation Challenges;
- Basel II and III;
- Cross-Border Supervision;
- Bank Failure-Causes, Lessons for Regulators, etc.;
- Bank Financial Statement Analysis including Ratio Analysis;
- Bank Internal Control Measures;
- Operational Risks for Banks;
- 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; Assets Management Companies, etc.;
- Report Writing Techniques;
- Financial Systems and Importance of Financial Stability: Lessons for West Africa;
- Financial Stability: Towards a Macro-Prudential Approach to Banking Supervision; and
- Managing and Monitoring Systemic Risks for Financial Stability: The Experience of Ghana.

Analysis of the evaluation questionnaires completed by participants showed that:

- 95% of the participants agreed that the course content was very good;

- Over 95% of them were of the opinion that the topics covered were relevant and useful;
- About 89% agreed that the presentations were of high quality;
- About 86% agreed that the time allotted for the presentations was adequate; and
- Overall 98% agreed that the course met their expectation.

Observations

Following a careful analysis of the state of regulatory and supervisory systems and risk management frameworks in the member countries, the lectures delivered, group work, and experiences shared during the course, the following observations were noted:

(i) Bank failures in the sub-region were principally due to poor corporate governance, weak risk management practices and political interference;

(ii) There is inadequate skills and technical expertise amongst supervisors in the region to effectively implement Risk-Based Supervision (RBS), Consolidated Supervision(CS) and IT/e-Money Examination;

(iii) Test for fit and proper persons, critically important for excluding fraudsters, dubious and other unqualified persons from taking positions in the industry was being hampered by undue delays. Regulators response to enquiries from cross-border supervisors were often not timely;

(iv) Many jurisdictions in the sub-region are yet to establish an explicit deposit insurance scheme as a safety-net, credit reference bureaus, e-FASS and other tools for effective supervision of financial institutions;

(v) There is need for macro-prudential approach to regulation and supervision to prevent systemic crisis and financial instability in the region, especially with the increase in internationally active banks within the region;

(vi) Some Governments in the region are yet to give the required support (training, infrastructure, independence and other resources) to regulators and supervisors to effectively execute their mandates on effective banking supervision;

(vii) Abuse of the judiciary system in some of the countries in the region had frustrated the implementation of some supervisory processes;

(viii) Some countries in the region had no systemic crises contingency planning framework in place. No explicit crises prevention, management or resolution options in place in some member states; and

(ix) Weak payment and settlement system was also noted as a hindrance for effective integration of the region's financial systems.

Recommendations

In view of the above observations, participants made the following recommendations for the relevant authorities:

i. Regulators and supervisors in the sub-region should ensure strict compliance with code of good corporate governance in their jurisdictions. Member states without the codes should establish them immediately and also ensure compliance;

ii. All financial institutions in the region should be encourage to put in place appropriate robust risk management framework;

iii. Member countries should vigorously pursue capacity building of their relevant staff in the areas of RBS, CS, IT based examination, IFRS, etc., for effective discharge of their mandate of effective supervision of financial institutions;

iv. More collaborations amongst supervisory authorities in the region including sharing of information, timely response to enquiries by cross-border supervisors and regular interaction through the established supervisory college;

v. Countries in the region should endeavour to establish an explicit deposit insurance scheme as a financial safety-net for sustainable financial stability;

vi. Member countries should put in place a Financial System Stability Committee (FSSC) for the entire region. The FSSC should be able to assess systemic risks in the region's financial system and proffer solutions to eliminate buildup of systemic financial crises in the region. Regular regional stability report should be generated by the proposed FSSC;

vii. All countries in the region should have a reasonable and implementable system crises contingency planning framework;

viii. WAIFEM countries should adopt macro-prudential approach in regulation and supervision of their financial institutions; and

ix. Establishment of credit reference bureaus, credit rating agencies, e-FASS and other tools for effective banking supervision should be pursued by member countries.

1.4 Macroeconomic Management Programmes

1.4.0 INTRODUCTION

The Macroeconomic Management Department organized a total of 13 programmes during the period under review. This exceeded the target of 9 activities originally planned for the year. The programmes benefitted 359 officials from the central banks, ministries of finance and economic planning, parliament, other relevant public sector agencies, as well as the mass media.

A country-wise breakdown of the distribution of the total participants revealed that 41 participants (or 11.4 %) came from The Gambia; 82 (or 22.8%) from Ghana; Liberia had 34 (or 9.5%); Nigeria had 137 (or 38.2%) ; Sierra Leone was 25 (or 7%) and others 40 (or 11.1%). The higher participation rate in the case of Nigeria was largely due to the demand driven programmes organized for the staff of the Central Bank of Nigeria.

A breakdown of participation according to institutions also showed that central banks accounted for 119 (or 33.1%); the ministries of finance and economic planning recorded 179 (or 49.9%); other public sector agencies had 18 (or 5.0%), while parliaments and mass media together registered 43 (or 12%). In terms of gender distribution, there were 294 males (or 81.9%) and 65 females (or 18.1%).

1.4.1 WTO/WAIFEM REGIONAL WORKSHOP ON THE WTO AND THE MULTILATERAL TRADING SYSTEM: ACCRA, GHANA, FEBRUARY 7- 11, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the World Trade Organization (WTO) and the Economic Community of West African States (ECOWAS) organized a one week regional workshop on WTO and the Multilateral Trading System in Accra, Ghana from February 7 11, 2011.

The opening ceremony was witnessed by Honourable Mohamed Dharamy, Commissioner for Trade, Customs and Free Movement at the ECOWAS Commission, Councilors from the WTO, Director of Macroeconomic Management Department, Dr. Johnson Asiama and Dr. H. Asiedu, a facilitator from the Ministry of Trade and Industry, Ghana. The main objectives of the course were to upgrade participants' knowledge of the multilateral trading framework; and the institutional framework of the WTO and its decision-making processes.

The broad themes covered included an overview of the WTO and the multilateral trading system; international trade theory and policy and global trade flows; an overview of the Doha negotiations; the agriculture negotiations; non-agricultural market access (NAMA); negotiations on trade in services; negotiations on trade facilitation; negotiations on rules, including fisheries subsidies; overview of WTO rules relating to regional trade agreements; development issues in the DDA negotiations; overview of developments in other negotiating areas; international trade in West Africa challenges and prospects; and ECOWAS and the Economic Partnership Agreements (EPA).

The workshop was facilitated by Councillors from the WTO and experienced trade practitioners drawn from the ECOWAS Commission and the Ministry of Trade and Industry, Ghana. It was attended by a total of twenty-six (26) participants from the ministries of trade and the ministries of finance from both the Francophone and Anglophone countries in the sub-region.

1.4.2 WAIFEM/IMF REGIONAL COURSE ON FINANCIAL PROGRAMMING AND POLICIES: ACCRA, GHANA, FEBRUARY 14 - 25, 2011

The West African Institute for Financial and Economic Management (WAIFEM) and the International Monetary Fund (IMF) Institute jointly organised a regional course on Financial Programming and Policies (FPP) in Accra, Ghana from February 14 25, 2011.

The opening ceremony of the course was presided over by the Governor of the Bank of Ghana, who was represented by Mr. Yao Abalo, Director of the External Finance Relations Department of the Bank.

Also present were the Director General (WAIFEM), Professor Akpan H. Ekpo, and the IMF 3-member team led by Mr. Eric Verreydt, a Senior Economist in the African Division at the IMF Office in Washington. 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 course covered four broad areas notably;

- A review of the key macroeconomic accounts used in economic analysis, viz: the national accounts, balance of payment statistics, government finance statistics, and monetary aggregates, along with forecasting techniques for each sector and their interrelations;
- A review of policies and issues associated with economic growth for the real sector; exchange rate policy and external debt for the external sector, fiscal and monetary policies and economic policy coordination;
- Current IMF challenges (which included the role and recent activities of the Fund), macroeconomic management of aid, and Ghana's experience with inflation targeting; and
- Formulation and presentation of a hypothetical financial programme for Zambia's economy in 2000 as a case study.

At the end of the course, participants made the following observations and 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 indigenization 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 4 weeks to give participants more in-depth exposure to the formidable tools of financial programming; and
- Finally, 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.

1.4.3 REGIONAL WORKSHOP ON BANKNOTE AND CURRENCY MANAGEMENT AND FORECASTING FOR CENTRAL BANKS: BANJUL, THE GAMBIA, MARCH 7 - 11, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in conjunction with De la Rue Plc. and Oreille Fussli organised a regional workshop on Banknote and Currency Management and Forecasting for Central Banks in Banjul, The Gambia from 7 11 March, 2011.

The opening ceremony was presided over by the Honourable Governor, Central Bank of The Gambia, Mr. Amadou Colley. Also present were the Deputy Governors, Mr. Bashiru Njie and Mrs. Omie Savage-Samba, the Director General of WAIFEM, Prof. Akpan Ekpo, Mr. Morf from Orell Fussli Security Printing Ltd. (Switzerland), and Mr. Ehi Okoyomon, Managing Director/CEO of the Nigerian Security Printing and Minting Plc.

The workshop was aimed at exploring the key challenges central banks face in currency management and how they could be resolved. Specifically, the workshop was designed to deepen the knowledge and upgrade the analytical skills of staff in performing the currency management function. It was also designed to enhance participants' forecasting techniques and expose them to contemporary issues in banknote and currency management.

The main themes covered include: Choice of Substrate; Key Issues in Note Printing, Sorting and Processing; New Directions in Banknote Design; New Challenges in Currency Management; Security Features against Counterfeiting; Forecasting the Demand for Banknotes; Currency Management Practices in the Region; and International Best Practice in Currency Management.

A total of twenty six (26) middle/senior/executive officials from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone attended the workshop. The institutions represented were Central Banks, Ministries of Finance and Economic Planning, West African Monetary Institute (WAMI), Access Bank, and other Government Departments and Agencies.The Facilitators were drawn from the Central Bank of Nigeria, De La Rue Plc. (UK), Orell Fussli Security Printing Ltd., and the Nigeria Security Printing and Minting Plc.

In a communiqué issued at the end of the workshop, the participants made the following observations:

- That because public memory retains limited number of features, designs of banknotes must emphasize and optimise recognition of human senses (LOOK, TILT AND FEEL);
- Advances in technology have increased the risk of counterfeiting banknotes;
- Counterfeiting of banknotes undermines confidence in the domestic currency, creating economic distortions and rendering economic management tools ineffective;
- The choice of security features in banknotes should take into consideration the need for easy identification by the public, ATMs and Vending machines;
- Accurately forecasting the demand for banknotes is critical to effective and efficient currency management;
- It is important to include the replacement rates of different denominations, buffer stock and expected rate of inflation in forecasting the demand for banknotes;
- While most countries in the region do not have formal models for forecasting the demand for banknotes, they adopt simple approaches to forecast demand for banknotes;
- There is poor handling of banknotes in the region due to the large informal sector;
- The currency life cycle was made to account for the critical roles and functions of the various stakeholders in currency management;
- Relevant issues such as design, procurement and distribution policy were also common to all the countries;
- Some countries neither have a 'clean note policy' nor a 'stock/ordering policy';
- Most Central Banks in the region sort their currency manually;
- Some member countries, however, do not resort to tendering process for ordering currency printing as required by best practice, either because it is not a requirement in their laws or because it is not in line with their strategic national policy;
- The low usage of coins is common problem in all the countries in the region;
- Countries do not have formal policies / contingency plans in place to respond to attacks from counterfeiters;
- Public education and security features are critical to preventing counterfeiting of banknotes;

Among the recommendations made by Participants was that:

- Central Banks in the region should ensure that new designs of banknotes incorporate appropriate security features and meet durability standards through the use of the highest available technology, while at the same time being cost effective;
- Central Banks should clearly establish and define the objectives of their currency management functions;
- Central Banks and Security Printing Companies should rise up to the challenge of protecting the currencies integrity by developing complex banknote designs with modern and comprehensive security features so as to reduce counterfeiting;
- Central Banks should embark on aggressive public education campaigns to sensitize citizens about the security features of genuine banknotes thereby helping to deter counterfeiting;
- 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;
- Periodic research should be undertaken to ensure that the denominational structure of the currencies reflect the current economic fundamentals;
- The usage of coins should be promoted by

designing and issuing user friendly coins of the right denominations;

- There should be formal 'clean note policies' that set standards for determining whether a banknote is fit or unfit for circulation;
- To prevent opportunity losses, there should be formal policies on stock holding and ordering of new banknote series;
- There should be 'contingency plans' in place to respond to both attacks from counterfeiters and accidents like fire;
- The Central banks should acquire electronic processing and sorting machines to enhance efficiency of currency management in the region; and
- There should be transparency in currency management by disclosing all information relating to the motivation of new currency designs, as well as ensuring compliance with national laws when procuring/ordering new banknote series.

1.4.4 REGIONAL COURSE ON PUBLIC FINANCIAL MANAGEMENT: PLANNING AND PERFORMANCE: LAGOS, NIGERIA, MARCH 21 - APRIL 1, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organised a two-week Regional Course on Public Financial Management: Planning and Performance in Lagos, Nigeria from March 21 April 1, 2011.

The opening ceremony was chaired by the Director General, who was ably represented by Mr. Baba Y. Musa, Director, Debt Management Department. In his welcoming address, the Director General emphasised the general agreement that a strong Public Financial Management (PFM) framework serves as a catalyst for economic growth, development and poverty reduction. Effective PFM promotes efficiency, transparency and accountability in the use of public resources, he said. The importance of monitoring, auditing and scrutinizing the annual and final accounts of government agencies by an independent body were also emphasised. To this end, the Director General stressed the need for external auditors to be functionally independent from governments. Other dignitaries present were Dr. Johnson P. Asiama, Director, Macroeconomic Management Department and Mr. Euracklyn V. Williams, Director, Administration and Finance Department. The facilitators were represented by Prof. Festus Egwaikhide.

The course was designed to increase participants' knowledge and skills of current Public Financial Management and also to introduce participants to the international best practices of PFM. The broad themes covered included:

(i) the concept of public financial management;

(ii) budgeting and financial management in public sector: traditional budgeting models;

(iii) fiscal performance and fiscal rules;

(iv) pro-poor fiscal management and economic growth;

(v) mechanics of fiscal budget preparation;

(vi) benchmarking poverty reduction strategies and MTEF process;

(vii) managing expenditure: cash planning and management; MTEF country experiences; international standards, PEFA, codes of fiscal transparency etc.;

(viii) fiscal policy and macroeconomic management;

(ix) debt management and sources of finance;

(x) integrated financial management information systems (IFMIS);

(xi) cash/accrual accounting in budgeting;

(xii) private/public partnership in infrastructural development;

(xiii) monitoring and evaluation of public projects;

(xiv) planning, budgeting and expenditure control in the public sector: good governance, accountability and transparency; and

(xv) analysis of budget revenue and expenditure.

The course was facilitated by a team of experienced professionals drawn from the academia and public service of WAIFEM member countries, as well as from the WAIFEM faculty.A total of thirty (30) participants drawn from The Gambia, Ghana, Liberia and Nigeria attended the course. Institutions represented were the central banks, ministries of finance and economic planning, revenue agencies and the statistical offices. In a Communiqué presented by the participants at the end of the course, the following observations and recommendations were made:

Observations

- Effective Public Financial Management (PFM) strategy is essential for prudent macroeconomic management.
- That implementation of most annual budgets was not successful because they were not prepared within the framework of a national poverty reduction strategy (PRS) and the medium term expenditure framework (MTEF).
- Good leadership and change of attitude, especially on the part of political leaders, public officials and the citizenry is critical to the attainment of the overall objective of sustainable and inclusive development.
- That the linkage between PRSPs, MTEFs and annual budgets is weak.
- Total commitment from all stakeholders, particularly bureaucrats and politicians is an essential ingredient in achieving fiscal discipline.
- Monitoring and evaluation mechanism have not been well developed at all levels of the budgetary process; and
- That corruption continues to be a challenge in the effective utilization of public funds within the West-African sub region.

In the light of the aforementioned observations, the following recommendations were made:

- There is the need to enforce and strengthen legislations by various governments with the aim of tackling fiscal indiscipline. Investigative institutions and the judicial arm of government must be truly independent and capable of prosecuting wrong doing.
- Budgets by MDAs must be based on the objectives of established MTEF and PRSPs.
- Budgets and audit reports must be available and timely to ensure accountability and transparency.
- Monitoring and performance indicators should be established to monitor and evaluate annual budgets as well as facilitate adequate expenditure control and performance evaluation.
- Annual budgets should be treated as an integral part of the MTEF and not as a separate exercise.
- Delays 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; and finally
- That constitutional provision is enacted to prevent the absolute excise of power by the legislature in determining budgetary allocations during budget preparation.

1.4.5 WAIFEM/UNECA REGIONAL COURSE ON WEST AFRICA'S INTERNATIONAL TRADE, TAXES AND POLICIES: ABUJA, NIGERIA, MAY 9 - 18, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the United Nations Economic Commission for Africa (UNECA) organised a regional course on West Africa's International Trade, Taxes and Policies in Abuja, Nigeria from May 9 18, 2011. The course was attended by thirty-six (36) participants from the five member countries drawn from the Central Banks, Ministries of Finance, Ministries of Trade and Commerce and the ECOWAS Commission.

The opening ceremony was chaired by the Honourable Governor of the Central Bank of Nigeria, Mr. Sanusi Lamido Sanusi, who was ably represented by the Dr. Okorie Uchendu, Director, Monetary Policy Department. Also present were the Director General of WAIFEM, Prof. Akpan H. Ekpo; Dr. Johnson P. Asiama, Director, Macroeconomic Management Department; and Prof. Festus Egwaikhide who represented the facilitators.

In his Keynote Address, Dr. Uchendu indicated that international trade still remains critical and necessary for the economic growth of member countries in the sub-region. To this end, he stressed the need for trade liberalization, streamlining import regime, reducing red tape, and ensuring transparent customs procedures, among others.

The Director General of WAIFEM, Prof. Akpan H. Ekpo, in his welcoming remarks expressed his delight in the established partnership between WAIFEM, the UNECA and Third World Network, Geneva, Switzerland. Prof. Ekpo commended them for their immense support in building intellectual capacity in the sub-region.

The objective of the course was to provide participants with an understanding of pertinent issues related to international trade, taxes and policies in West Africa and provide the needed platform for building capacity in the formulation and implementation of good and effective external trade policies to yield maximum benefits to countries in the sub region.

The main themes covered during the course included:

(i) international trade theory;

(ii) an overview of multilateral trade policy;

(iii) World Trade Organization (WTO) and regional trade agreement;

(iv) regional integration, international trade economic growth in sub-Sahara Africa;

(v) international trade in west Africa -challenges and prospects;

(vi) regional trade arrangements in West Africa;

(vii) modeling international trade, optimal commercial policy for West African countries;

(viii) promoting a regional common market and investment climate in west Africa;

(ix) ECOWAS and Economic Partnership Agreements (EPA); and

(x) tariff harmonization, government revenue and economic integration in West Africa.

There were also presentations by the five member countries on strategies for promoting trade and foreign direct investment.The course was facilitated by a team of experienced experts drawn from the WAIFEM faculty, WAMI, Third World Network, Universities of Benin and Ibadan, Central Bank of Nigeria, Ministry of Trade and Industry of Ghana, ECOWAS Commission and University of Ghana.

A total of thirty-six (36) participants including directors, senior and executive officials from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone attended the course. The institutions represented were Central Banks, Ministries of Finance and Economic Planning, Ministries of Trade and Commerce, Revenue Authorities, Customs, ECOWAS Commission, West African Monetary Institute (WAMI), and West African Monetary Agency (WAMA).

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

- In spite of the numerous benefits accruing from the ECOWAS Trade Liberalization Scheme (ETLS), the scheme has been marred by obvious lack of legal status hence the charging of full duties by some Authorities within the region.
- As it is now, the ETLS does not provide any mechanism where traders in the region who have been molested or extorted could establish any redress just as it is in the European Union (EU). This has aggravated corruption along the regional trade corridor.
- Barriers to movement of goods due to road blocks at border posts have been a threat to the international trade process.
- Lack of adequate awareness and sensitization on the ETLS which leads to inability of companies to tap fully their opportunities is another challenge facing the intra-trade union.
- Rejection of some products by member states from total tariff exemption even after admission of companies and products to the ETLS is still yet another problem.
- Another challenge which has actually impacted negatively on the effectiveness of the ETLS is the jeopardy of the sovereignty of member states, because, each member state is a sovereign state and has liberty to or not to observe the ETLS when the rules come into play.
- Officials at various border posts have also exploited this avenue by allegedly enriching themselves through extortions they make from the traders across these border posts in the region. Even cases of molesting and harassing traders have been so rampant simply because the victims cannot access any ECOWAS court to seek for redress.
- The economic health of the Francophone states to some extent depends on assistance from France. This has frustrated efforts aimed at the full implementation of the ETLS. This assistance comes with conditionality, many a time with negative consequences on their economies. This has also created some imbalances in the system.
- Language constraints have to a large extent also contributed to the case at hand.

- Specifically, concerning the ECOWAS Trade Liberalisation Scheme (ETLS), there have been many confrontations between exporters and customs officials about the interpretation of Rules of Origin (ROO).
- Also the inability of the population including economic operators to move freely across borders due to non-compliance with the Protocol on Free Movement of Persons, Right of Residence and Establishment hampers increased trade flows within the ECOWAS region.
- Also economic operators' lack of knowledge of international health requirements may lead to the authorities denying them entry into countries which are of business interest to them.
- In addition, the absence of an efficient and effective payment mechanism, particularly between Anglophone and Francophone countries, is an impediment to cross-border and intra-ECOWAS trade. Economic operators invariably have to resort sometimes to physically carrying large amounts of cash in either United States dollars or Euros to effect payments for goods and services in countries of business interest to them.
- The high cost of transport and communications services and the lack of adequate transport and communications infrastructure constitute serious drawback to the promotion of intra ECOWAS trade.
- Given the structure of West African economies, which is clearly in contrast with that of the EU in terms of development and achievement of integration, the reciprocity condition implicit in the on-going Economic Partnership Agreements (EPAs) may have several consequences for trade, general economic performance and poverty in West Africa.
- There is the lack of trade lawyers who are well informed to negotiate trade agreements on behalf of the region.

A number of recommendations were made on the way forward. These include the need to:

- Intensify awareness of ECOWAS protocols to officials at the borders, traders and everybody in the region.
- Furthermore, in order to export agricultural products, knowledge of rules and regulations on Sanitary and Phytosanitary (SPS) measures is essential for ensuring rapid flow of goods across borders. This will be approached within the context of trade in agricultural products (vegetables and animals), intermediate and industrial products.
- In addressing the question of obstacles to intra-ECOWAS trade, exporters and customs officials must establish a common platform for commercial conflict resolution.
- The Authorities should reduce the high tariffs as well as establish a consultation mechanism with governments to address the problem of lack of infrastructure namely rail, sea and road transport between ECOWAS countries.
- The measures adopted by economic operators to effect payments for goods and services in intra-ECOWAS trade should be examined and steps taken to strengthen them.
- There is a need for the establishment of a common understanding between economic operators and the relevant government ministries/departments and border agencies (customs, immigration and police). This will improve compliance with ECOWAS trade-related protocols and ease the flow of trade at border posts and ports leading to increased intra-ECOWAS trade and deepening of economic integration process.
- There should be a harmonized certificate of origin with clear cut security features.
- Product differentiation, diversification as well as value addition through industrialization should be an on-going process in the region. Inter-sectoral linkages between universities, industries and markets should also be strengthened.
- While Member States should endeavour to improve internal transportation and communication infrastructure, ECOWAS Commission on the other hand, should prevail on the Governments of Member States to accelerate inter-linkage of Member States through rail, sea and air transport.
- In reaching mutually beneficial partnership agreements therefore, the structure and level of industrial development of West African nations should be an important factor in negotiating EPAs between ECOWAS and the EU. EPA's

goal should be to complement the development programmes of ECOWAS countries.

- On the on-going EPA negotiations, it is recommended that the EU should be prevailed upon to provide EPA treatment to all African countries whether they are classified as LDCs or not, just as the USA has done for sub-Saharan African countries via its African Growth and Opportunity Act (AGOA). This will give more time for negotiating a mutually beneficial EPA with the EU while avoiding disruptions to trade flows in the case of some non-LDC countries in Africa.
- Finally, the region should provide more training for lawyers in trade agreement negotiations. WAIFEM is urged to focus on legislators and parliamentarians in the region, to enhance their capacity in such critical areas of trade issues.

1.4.6 WAIFEM/IMF REGIONAL COURSE ON THE COMPILATION OF REMITTANCES STATISTICS: ACCRA, GHANA, JUNE 6 - 10, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in partnership with the International Monetary Fund (IMF) organised a one week regional seminar on Remittances Statistics in Accra, Ghana on the June 6 -10, 2011. The seminar was attended by thirty-two (32) participants from the five member countries drawn from the Central Banks, Ministries of Finance, the Revenue Authority and one representative from the Department for International Development (DFID), British High Commission.

The opening ceremony was chaired by the Honourable Governor, Bank of Ghana, Mr. Kwesi Amissah-Arthur, who was ably represented by Mr. Francis Kumah, Deputy Director of Research Department. Also present were the Director General of WAIFEM, Professor Akpan H. Ekpo; resource persons from the IMF, Ms. Tamara Razin and Ms. Silvia Matei; and Dr. Johnson Asiama, Director, Macroeconomic Management Department, WAIFEM.

In his welcoming address, the Director General indicated that the diverse channels used to transfer international funds and the relatively small transaction value involved is now a major challenge for compilers. He therefore stressed the importance of accurate compilation and analysis of remittances statistics which he maintained could only flow from a well trained workforce. The Director General also used the opportunity to express his gratitude to the Governor of Bank of Ghana and his management team for the excellent logistics support offered WAIFEM in organizing the seminar.

In his keynote address, the Governor of the Bank of Ghana welcomed the IMF team and participants to Accra. He commended WAIFEM and the IMF for bringing the important seminar on remittances statistics to the doorsteps of Ghanaians. He concurred with the general agreement that workers' remittances at the individual level enhances consumption and therefore reduces poverty, improves education, health sectors, and other social sectors. Finally, he emphasised that workers' access to banking in the remittance-receiving countries would not only reduce costs, but also lead to financial development.

On her part, the leader of the IMF team, Ms. Tamara Razin, on behalf of the IMF, extended the Institute's appreciation to the participants for attending the seminar. She indicated that the recent remarkable interest in remittances statistics have been as a result of factors such as rising trend in international labour migration, particularly from developing to industrial and emerging economies; and high income distribution.

The main objective of the seminar was to equip participants with the developments and techniques of the new standard in remittances statistics as set out in the Guide for Compilers and Users (RCG) and the Balance of Payments and International Investment Position Manual (BPM6).

The main themes covered during the seminar included: overview and recent developments in remittances statistics; concepts and definition of remittances in BPM6 framework; understanding remittances; data sources: International Transactions Reporting System (ITRS), household surveys, and direct reporting by MTOs; data sources: models and estimation procedure; supplementing ITRS data with data from other sources; legal environment, data processing and dissemination issues; compilation of remittances statistics: There were also group and country presentations.

The seminar was facilitated by a two member team from the Department of Statistics, Balance of Payments Division of the IMF and the Bank of Ghana. The seminar was attended by thirty-two (32) participants comprising of six (6) females and twenty-six (26) males from the central banks, ministries of finance and economic planning, statistics offices, WAMI, Revenue Authority from The Gambia, Ghana, Liberia, Nigeria, Sierra Leone, and DFID. The following observations and recommendations were made in the communiqué presented by the participants at the end of the seminar:

- Remittances statistics data generation and compilation is at a very low ebb within the West African Sub-region;
- That the seminar afforded participants a good opportunity to acquaint themselves with the concepts, issues and techniques of remittances statistics using the BPM6 framework, as well as the opportunity of sharing country experiences;
- That the seminar content was well designed and expertly delivered by the resource persons from the IMF;
- That the seminar provided participants the opportunity to interact and build net-working amongst themselves;
- That the seminar duration was quite inadequate given the number and volume of reading materials distributed to participants.

Participants made the following recommendations:

- For better economic management in the sub-region, adequate human and material resources should be deployed to the compilation and dissemination of timely and accurate remittances statistics as set out in the Guide for Compilers and Users (RCG) and the Balance of Payments and International Investment Position Manual (BPM6);
- Countries should strive to adequately develop a proper International Transaction Reporting System (ITRS) for purposes of tracking remittances statistics;
- Estimation approach should be tailored to the needs and aspiration of each country;
- WAIFEM and IMF Institutes are urged to expedite action in their training programmes within the sub-region so as to adequately develop the mass of officials with the requisite technical capacity needed for the compilation of remittances statistics for sound macroeconomic management;
- The two institutes should consider having further modules of the seminar and with the same set of participants invited so as to give them better in-depth exposure to the compilation of remittances statistics;
- Finally, to develop and sustain the technical capacity for remittances statistics compilation, the participants urged donor countries and institutions to adequately fund the IMF Institute and WAIFEM to internally sustain the design and delivery of the seminar, in modules for the benefit of more officials in the sub-region.

1.4.7 REGIONAL COURSE ON ECONOMETRIC MODELLING AND FORECASTING FOR POLICY ANALYSIS: LAGOS, NIGERIA, JULY 4 - 15, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organised two weeks Regional Course on Econometric Modelling and Forecasting Policy Analysis in Lagos, Nigeria from July 4 - 15 2011. The opening ceremony was chaired by the Director General, Professor Akpan H. Ekpo. Other dignitaries present included Dr. Johnson P. Asiama, Director, Macroeconomic Management Department and Dr. Kwasi Osei-Yeboah, Head, Financial Market and Financial Stability Faculty, Bank of Ghana who represented the facilitators.

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 indicated that econometric models allow us to overcome the limitations of the human mind and obtain a more complex representation of the economy. He however cautioned that models are generally an abstract and may not explained reality, however as more information are obtained, models tends towards realism.

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-two (32) middle and senior level officials from the Gambia, Ghana, Liberia, Nigeria and Sierra Leone attended the course. Institutions represented were Central Banks, Ministries of Finance and Economic Planning, Trade, Budget Office of the Federation and 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 98 per cent of the participants consented that the course content was relevant to their day-to-day work.
- In terms of the overall objective of the course, about 96 per cent of the participants indicated that the course had deepened their knowledge in understanding the basic tools in macroeconomic forecasting and modelling techniques.
- The presentations by the resource persons were adjudged to be very good by 99 per cent of the participants.
- About 98 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 82 per cent of the participants.
- 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.

8.0 Communiqué

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

Observations

At the end of the course, the participants made the following observations:

- That the course was rigorous, useful and timely given the policy challenges facing member countries;
- The two weeks period allotted for the course programme was not sufficient to exhaust the course content;
- The number of computers in the IT room were not sufficient to allow for one-to-one practical exercise;
- Access to internet facility was poor in the hostels, limiting participants to access information for their group work;
- The versions of econometric software packages used for the course are most times not available in our institutions, thereby making it difficult for participants to put into practice the skills and techniques they have acquired from the course;

Recommendations

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

- The duration of the course should be extended to three weeks to allow more time for practical sessions;
- Induction course on the various econometric software packages to be used in the practical sessions should precede the course;
- Institutions participating in WAIFEM 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;
- The number of computers in the IT room should be proportional to the number of participants to allow every participant have hands-on exercise;

- Internet facility should be provided in the hostels to enable participants to access information on the web to enhance their group work.

1.4.8 REGIONAL WORKSHOP ON MACROECONOMIC MODELING AND FORECASTING FOR MONETARY POLICY FOR DIRECTORS OF RESEARCH AND SENIOR ECONOMISTS: LAGOS, NIGERIA, JULY 25 - 29, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Macroeconomic Modelling and Forecasting for Directors of Research and Senior Economists for Anglophone West African Countries at its headquarters in Lagos, Nigeria from July 25 - 29, 2011.

The opening ceremony was chaired by the Director General of WAIFEM, Prof. Akpan H. Ekpo and present were Dr. Patrick Osakwe from United Nations Conference on Trade and Development (UNCTAD), Professor Fabio Canova from the Universitat Pompeu Fabra, Barcelona, Spain and the departmental Directors of the Institute. In his welcoming remarks, Professor Akpan H. Ekpo, on behalf of the Institute, welcomed participants to the course. He also welcomed them to the launch of the 2011 report of UNCTAD on the theme 'Fostering Industrial Development in Africa in the New Global Environment'. The report, he noted, examined current economic trends and major policy issues of global concern and provided ways of tackling these issues at various levels. Prof. Ekpo thanked UNCTAD through Dr. Patrick Osakwe for choosing the Institute as a platform to launch this important policy document.

The overall objective of the course was to provide participants with the knowledge and skills needed to formulate and analyze macroeconomic models for sound monetary policy and effective macroeconomic management. In this regard, the course was designed to build competencies of participants in the areas of dynamic stochastic general equilibrium (DSGE) models for monetary policy analysis and for strengthening their forecasting potential. The broad themes covered included: Basic DSGE models, calibration of DSGE models and stochastic simulation, evaluation of DSGE models, conditional forecasting, among others. In addition to the main themes, topics on empirical time series methods such as vector autoregressive models (VARs), Bayesian VARs and Factor model and hands-on-computer exercises, were covered during the programme.

The course was mainly facilitated by Professor Fabio Canova, ICREA Research Professor, Universitat Fabra, Barcelona, Spain. A total of twenty-three (23) participants including Directors of Research, Senior Economists and other executive officials attended the course from The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. The institutions represented were central banks, ministry of finance and economic planning, ministry of trade and commerce, West African Monetary Institute (WAMI), among others.

An analysis of participants' evaluation of the course in terms of its content, usefulness to work, presentation, time allotment and the general organization of the course, revealed that the content was very beneficial and that the course was useful to their day-to-day work. Participants also affirmed that the overall objective of helping them to understand the framework of general equilibrium modelling and its application in the analysis of monetary policy was met.

In a communiqué issued at the end of the course, the participants recommended that the course should be extended to a minimum of two weeks; or in the alternative, design the programme into modular form to start from the very basics. They also recommended that countries and institutions should be encouraged to purchase basic software for the course (e.g. MATLAB) which is a prerequisite for running dynare, IRIS or Yada codes. Participants also called on WAIFEM to consider organizing in-country training on the use of these software for relevant officials, and that there should be a follow-up on the course by WAIFEM to ensure total knowledge transfer.

Further, participants suggested that universities in the sub-region should restructure their curriculum with emphasis on econometric modelling and policy analysis in the relevant departments so as to increase the supply of experts on macroeconomic modelling and policy analysis, and that policy makers in the sub-region should be encouraged to embrace econometric modelling as an effective tool for sound economic policy making.

1.4.9 WORKSHOP ON ANALYSIS AND MANAGEMENT OF EXTERNAL SECTOR POLICY FOR NATIONAL COORDIANTING COMMITTEES OF THE ECOWAS MULTILATERAL SURVEILLANCE MECHANISM:LAGOS, NIGERIA, AUGUST 1 - 5, 2011

The West African Institute for Financial and Economic Management (WAIFEM), in collaboration with the ECOWAS Commission, organized a workshop on Analysis and Management of the External Sector Policy for the National Coordinating Committees NCCs of the ECOWAS Multilateral Surveillance in Lagos, Nigeria from August 1 - 5, 2011. The Director General of WAIFEM, Prof. Akpan H. Ekpo, presided over the opening ceremony of the workshop, and in attendance were Dr. Nelson Magbagbeola, who deputized for Mr. Lassane Kabore, Director of Multilateral Surveillance of the ECOWAS Commission, Directors of WAIFEM, and some facilitators at the workshop.

The main objective of this course was to equip staff of the National Coordinating Committees (NCCs) and Joint Secretariat within the framework of the ECOWAS Multilateral Surveillance Mechanism with a comprehensive overview of the analysis and management of the external sector.

The broad themes covered include:

i. introduction to the balance of payments accounts: current account items - treatment of goods and services in the BOP and national accounts, current account sustainability, capital and financial account items and recording;

ii. analysis and significance of trade balance, current account balance, and the overall balance; analyses and competitiveness of a country's goods and services;

iii. analyze the level of gross reserves: implication on the economy; objectives and analysis of exchange rate policy, various concepts (including nominal, real and effective);

iv. exchangerate management: policy implications that target the nominal exchange rate as well as the real exchange rate;

v. review of exchange rate regimes: explain the main differences between fixed and flexible exchange rate systems, merits and demerits;

vi. models of exchange rate determination;

vii. analysis of the external debt burden; and

viii. balance of payments analysis and forecasting.

The workshop was attended by thirty-four (34) participants drawn from the ECOWAS Commission, central banks, ministries of finance and economic planning, national statistics offices from Benin, Burkina Faso, Cote d'Ivoire, The Gambia, Ghana, Guinea Conakry, Guinea Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone and Togo. The workshop was facilitated by a team of experienced practitioners drawn from the sub-region and WAIFEM faculty.

An analysis of participants' evaluation of the workshop in respect of its content, usefulness to work, presentation, time allotment and the general organization of the workshop revealed that the workshop met its overall objective of upgrading the analytical competencies of officials and the respective macroeconomists of the NCC's involved in the formulation and implementation of macroeconomic and structural policies. During the wrap up session, participants commended WAIFEM and the ECOWAS Commission for their unflinching support to build capacity for National Coordinating Committees of the ECOWAS Multilateral Surveillance Mechanism in financial programming and policies. They however suggested a need for further training on the practical aspects of financial programming.

In a communiqué issued at the end of the workshop, participants recommended that Member Countries devote adequate resources in the compilation and dissemination of timely and reliable data, with the goal of attaining international best practices and standards set under the general data dissemination system (GDDS). They also suggested that Member Countries use financial programming as a tool for macroeconomic management, and that the ECOWAS convergence criteria be the fulcrum in the design of national economic policies in order to help achieve the ECOWAS single currency objective. Finally, it was suggested that the ECOWAC database, which is based on the concept of interrelationships of macroeconomic accounts, be used by all ECOWAS member states for the production of quarterly economic reports; and that member states should endeavour to maintain and consolidate on stable macroeconomic conditions.

1.4.10 COURSE ON BUDGETING RESOURCE DISBURSEMENT & TRANSPARENCY FOR STAFF OF NEITI: ENUGU, NIGERIA AUGUST 8 - 10, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organized a three-day course on Training on Budgeting, Resource Disbursement and Transparency for Staff of NEITI, held at Nike Resort Hotel in Enugu from August 8 to 10, 2011. The training commenced with an opening ceremony which was chaired by the Director General of WAIFEM, Prof. Akpan H. Ekpo, ably represented by Dr. Johnson P. Asiama, Director, Macroeconomics Management Department, WAIFEM. Also present at the ceremony were the Director, Finance and Administration of NEITI, Mr. Donald Tyoachimin, who stood in for the Executive Secretary of NEITI, Mrs. Zainab S. Ahmed and Mr. J. K. Naiyeju, former Accountant General of the Federation as one of the Resource Persons.

In her opening remarks, Mrs. Zainab S. Ahmed underscored the importance NEITI attached to capacity development of its staff. This, according to her, informed NEITI's partnership with WAIFEM, considering the Institute's pedigree in manpower development especially in financial management. While appreciating the World Bank that created the platform for the training with their funding arrangement from Multi Donor Trust Fund (MTDF), Mrs. Ahmed said the training was one of such series that were mapped out to improve the skills of NEITI staff to enable them deliver on its mandate. She implored the participants to fully participate in the training in order to enhance their capacity.

In his keynote address, Prof. Akpan H. Ekpo, the Director General of WAIFEM, welcomed participants to the training and expressed his appreciation to the Board and Management of NEITI in contracting the Institute to organize the course towards building capacity of its staff. He also congratulated NEITI for its attainment of Compliant Status from the International board of Extractive Industries and Transparency Initiative (EITI).

Prof. Ekpo acquainted the participants with the operations and achievements of WAIFEM. According to the Director General, the Institute was established in 1996 by central banks of five countries namely, The Gambia, Ghana, Liberia, Nigeria and Sierra Leone, principally to build sustainable capacity in financial and economic management in the five member countries. Prof. Ekpo averred that WAIFEM had expanded its activities over the past fifteen (15) years to include demand assessment, advisory, follow-up and institutional building missions, institutional strengthening, best practice studies and high level awareness seminars for policy-makers. Since inception, the Institute had recorded over 10,233 beneficiaries of its programmes.

Finally, Prof. Ekpo attributed the challenges of under development of most resource-rich countries to poor management of resources from extractive sector. He assured participants that the course was designed to meet their expectations in both content and delivery.

The principal objective of the course was to equip the staff of NEITI with a comprehensive overview of the management of revenues accruing to Government from the oil and gas industry, and to upscale their competences in the efficient disbursements of fiscal allocations as well as statutory disbursements due from Federal Government to statutory recipients. Specifically, the training provided the following:

i. Exposed staff to the basic principles and practice of oil and gas industry accounting;

ii. Strengthened the capacity of staff in the nature and details of how revenues accruing to Government from the extractive industry is managed and disbursed to statutory recipients.

The main themes covered in the course included: revenue management: monitoring and enhancement; basic principles and practice of oil and gas industry accounting for both contractual and tax purposes; revenue recording and budget cycle in oil and gas operations: lifting and invoice arrangements and reporting; budget mechanism preparation, tracking and monitoring performances; tax management and cost control issues; overview of auditing standards (national and international); resource disbursement techniques: Federation Account Allocation Committee Operation, legal framework, membership representation; revenue and cost oversight; and due process, good governance, accountability and transparency in revenue disbursement.

The course was attended by ten (10) executive/senior and middle cadre staff of NEITI. A team of experts drawn from experienced practitioners facilitated the course. The themes covered included:

- Revenue management: monitoring and enhancement

- Basic principles and practice of oil and gas industry accounting, for both contractual and tax purposes
- Revenue recording and budget cycle in oil and gas operations: lifting and invoice arrangements and reporting
- Tax management and cost control issues
- Budget mechanism preparation, tracking and monitoring performances
- Overview of auditing standards (national and international)
- Resource disbursement techniques: Federation Account Allocation Committee Operation, legal framework, membership representation
- Revenue and cost oversight
- Due process, good governance, accountability and transparency in revenue disbursement

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

i. 80 percent of the participants affirmed that the course met the overall objectives of upgrading their knowledge and skills in management of revenues accruing to Government from oil and gas industry, as well as efficient disbursements of fiscal allocations due from Federal Government to statutory recipients.

ii. An overwhelming majority found the course content to be useful, and asserted that the course would improve their job performance.

iii. About 80 percent of the participants found the quality of training materials and documentation to be very good.

iv. The substantive impact of the resource persons as a team and their presentation skills were adjudged to be very good by a majority of the participants.

v. The participants unanimously concurred that the overall administration and coordination of the programme by WAIFEM was very effective.

vi. Over 98 percent of the participants were of the opinion that the time allotment was adequate.

vii. In a wrap-up session at the end of the course, the participants demanded for more training on the auditing process especially for the oil and gas industry.

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

Observations

- That there are remarkable leakages in crude oil production due to illegal activities like bunkering and oil theft;
- That as a result of the above, not all revenues from crude oil production are accounted for;
- That there is lack of transparency in production and cost determination which often resulted in bloating of cost of production and consequently reduces profit margin;
- That there is lack of indigenous expertise in oil and gas sector;
- That there is failure to disclose all revenues streams by Ministries, Departments and Agencies (MDAs); and
- That there is abuse in the computation and remittance of Operational Surpluses of some extractive revenue generating Agencies.

Recommendations

- That the 21st century oil and gas revenue management requires deployment of modern accounting software like the International Financial Management System (IFMIS) to track revenue flows;
- That NEITI should be interested in how oil blocks are allocated, so as to enable it track the records of Signature bonuses and ensure transparency in the processes;
- That NEITI must be represented on Board of various statutory extractive revenue collecting agencies;
- That NEITI should ensure timely release of its Audit to serve as input into Nigerian budgeting system;
- That NEITI should step up its capacity development efforts to ensure that its manpower acquire necessary skills required in the effective monitoring of the sector;
- That NEITI should be a full member of Federal

Account Allocation Committee (FAAC) and **NOT** an Observer as its current status;

- That NEITI should be involved in the various committees saddled with responsibilities of determining production cost to ensure transparency of the whole process;
- That the country should diversify and shift emphasis to Non-Oil Sector so as to eliminate threat that may result from the global financial crisis and avoid Dutch disease; and
- That government should block all identified leakages in extractive sector production and revenue generation process.

The participants expressed their sincere appreciation to the Management of NEITI for the opportunity afforded them to participate in the training and to the World Bank for funding the course. They also thanked WAIFEM for a well organized course, and affirmed that the knowledge and skills learnt would enhance their job performance.

1.4.11 WAIFEM/IMF REGIONAL COURSE ON MACROECONOMIC MANAGEMENT AND FINANCIAL SECTOR ISSUES: ACCRA, GHANA, SEPTEMBER 12 - 23, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the International Monetary Fund (IMF) organized a regional course on Macroeconomic Management and Financial Sector Issues in Accra, Ghana, from September 12 - 23, 2011.

The opening ceremony was presided over by Dr. Kofi Wampah, First Deputy Governor, who represented Hon. Kwesi Amissah-Arthur, Governor of the Bank of Ghana. Also present were the Director General of WAIFEM, Prof. Akpan Ekpo, the course facilitators from the IMF, Messrs. Mico Loretan, Mr. Fabio Comelli and Ms. Jennifer Moyo. The course was designed to examine the policy dilemmas confronting authorities and the policy options available to them, with special attention on how financial sector issues interact with macroeconomic management.

The sub-themes covered in the course included: macroeconomic management; monetary policy frameworks; exchange rate regimes; managing international capital flows; fiscal policy; debt sustainability; management of aid flows; financial sector development and economic growth; financial crises: the global financial crisis of 2007-2010 and the impact on Africa; the development of global financial markets (including in sub-Saharan Africa; management of aid flows, remittances and natural resources revenues; international financial architecture; monetary policy and the impact of the global financial crisis in Africa and the WAMZ countries in particular; and formulation and presentation of group work on key macroeconomic challenges using the IMF Article IV country report for Ghana and Liberian economies in 2010 as a case study.

The course was attended by a total of twenty five (25) senior and mid-level officials from the 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.

At the end of the training programme, participants were of the view that the course had upgraded their knowledge in how financial issues interact with macroeconomic management, and that the objectives of the course were achieved. In terms of the workshop content and its relevance to their day-to-day work, over 97.4 percent of the participants agreed that their job performance would be enhanced; and that the quality of training materials and documentation was very good. The presentations were also adjudged to be very good and the substantive impact of the resource persons as a team was rated 'very good' by 93.3 percent of the participants.

In their recommendation, participants called on WAIFEM and the IMF Institute 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 prudent and effective macroeconomic management and financial sector supervision. They also called on donors to assist the IMF Institute in funding WAIFEM to internally sustain the design and delivery of the course to benefit more officials in the sub-region.

1.4.12 WORKSHOP ON DESIGN AND MANAGEMENT OF MONETARY POLICY IN A DYNAMIC ENVIRONMENT FOR STAFF OF THE CENTRAL BANK OF NIGERIA: KADUNA, NIGERIA, OCTOBER 17 - 21, 2011

The West African Institute for Financial and Economic Management (WAIFEM) organised a national course on Design and Management of

Monetary Policy in a Dynamic Environment for Staff of the Central Bank of Nigeria in Kaduna, Nigeria from October, 17 21, 2011. The course was attended by twenty nine (29) senior officials including deputy directors from the Central Bank of Nigeria.

The opening ceremony was presided over by the Branch Controller, Kaduna Branch of the Central Bank of Nigeria, Mr. Mohammed Ibrahim Gusau. Also present were Dr. Johnson P. Asiama, who represented the Director General of WAIFEM; Mr. A. Bamidele, who also represented the Acting Director, MPD; and Professor Festus Egwaikhide of the University of Ibadan, Nigeria, a representative of the facilitators.

In his welcome address, the Branch Controller welcomed participants to Kaduna. He enjoined them to make use of the available facilities and also visit places of interest. The Director General of WAIFEM on his part, expressed his appreciation to the Management of the CBN for giving the Institute the opportunity to design and deliver the course. He noted that the acquisition of basic knowledge on the "Design and Management of Monetary Policy in a Dynamic Environment" was critical and important for the effective and efficient functioning of staff of the Economic Policy Directorate in formulating policies for the financial system and the wider economy.

The objectives of the course were as follows:

i. to help participants understand monetary policy and economic management in an open economy;

ii. assess alternative monetary policy frameworks such as monetary targeting, exchange rate targeting, inflation targeting, interest rate targeting and output targeting;

iii. simulate models of monetary policy and the transmission mechanism;

iv. understand money markets and monetary operations of the central bank ;

v. analyse the central bank's balance sheet, including currency in circulation, government balances and net foreign assets; and

vi. the role of liquidity management in monetary policy implementation.

The main themes covered during the course included:

(i) global financial crises and monetary policy;

(ii) targets of monetary policy;

(iii) the design and tools of monetary policy;

(iv) monetary policy and liquidity management : forecasting cash in circulation, the float and government cash flows;

(v) forecasting foreign exchange flows and interbank market liquidity;

(vi) case studies: liquidity forecasting exercises;

(vii) transmission mechanism of monetary policy;

(viii) models of monetary policy and transmission mechanism;

(ix) monetary policy process in Nigeria: from monetary programming to the MPC; and

(x) monetary policy in Ghana experiences and challenges.

The course was facilitated by a team of experienced experts drawn from the WAIFEM faculty, the Central Bank of Nigeria, Bank of Ghana, and from the University of Ibadan, Nigeria. It was attended by twenty-nine (29) participants from the Economic Policy Directorate of the Central Bank of Nigeria (CBN) including deputy directors and other senior officials.

At the end of the course, participants rated the content as relevance to their day-to-day work, and that the overall objectives were met. They affirmed that the course had enhanced their knowledge and competences on issues related to the general design and management of monetary policy, and also that the mix of lectures and hands-on exercises used in the delivery of the course had enhanced their understanding of monetary policy.

They also recommended that the session on monetary policy transmission mechanism and modelling should be organized as a separate course for the Directorate, and that a two-week course on the modelling and forecasting aspects should be organized for the participants to make up for the inadequate time allotted and ensure adequate understanding of the subject matter.

1.4.13 WAIFEM/ECOWAS/WTO REGIONAL WORKSHOP ON THE WTO AND THE DOHA ROUND OF NEGOTIATIONS FOR PARLIAMENTARIANS AND POLICYMAKERS FROM WEST AFRICA: LAGOS, NIGERIA, OCTOBER 26 - 28, 2011

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Economic Community of West African States (ECOWAS) and the World Trade Organisation (WTO) organised a three day regional seminar on the WTO and Doha Round for Parliamentarians and other Policymakers from West Africa in Lagos, Nigeria from October 26 28, 2011.

The opening ceremony was chaired by Honourable Francis Yaw Osei-Sarfo, a member of the ECOWAS parliament. Also present were the Director General of WAIFEM who was ably represented by the Director of Macroeconomic Management Department, Dr. Johnson P. Asiama; and counsellors from the WTO, Edwini K. Kessie and Annet Blank (Ms) who facilitated the seminar.

In his welcome address, the Director General re-emphasised the increasing need to scale up the contribution of trade in our economies, and indicated that countries that had succeeded trading in goods and attracting foreign direct investment and labour had been growing faster than those that fail to integrate in the global economy. Trade can therefore be a powerful source of growth and development through its impact on markets competition, knowledge dissemination, productivity increases, and exposure to new technologies. He concluded that the benefits notwithstanding, the contribution of trade in our sub region continued to lag behind other developing regions, hence to reverse these trends required effort on many fronts including the need to engineer flexibility and policy space in multilateral trade rules.

Honourable Francis Yaw Osei-Sarfo, on his part, indicated that trade has become more sophisticated in line with the evolution of complex societies. He added that in the midst of limited resources, free trade agreements and negotiations are cogs in the efforts of world governments to rationalize the depletory impact of modern societies on world resources by adopting the most efficient means of allocating these scare resources.

Touching on the Economic Partnership Agreements (EPA), the chairman indicated that ECOWAS had been negotiating on behalf of West Africa countries with the European Union (EU). The EPA's are understood in West Africa to mean the scheme to create a free trade area (FTA) between the European Union (EU) acting through the European Commission (EC) and the group of African, Caribbean and Pacific (ACP) countries. However, he stressed that the path to negotiating an enduring EPA for West African has been rocky, and that has been as a result of the perception in West Africa that the EPA is an agreement between two unequal partners.

On their part, the counsellors from the WTO extended the appreciation of their organisation to the participants for attending the seminar. The objective of the seminar was to enhance the understanding of members of parliament and senior policymakers of the fundamental principles underpinning the WTO agreements including the key issues being negotiated by WTO members in the context of the current Doha round so as to facilitate their quick adoption in the sub-region.

The main themes covered during the seminar included: introduction to the WTO; parliamentary dimension of the WTO; development issues in the DDA negotiations; agriculture negotiations; tariff barriers and NAMA negotiations; services; trade facilitation; and overview of WTO rules relating to regional trade agreements.

The seminar was facilitated by the Counsellors from the WTO, Mr. Edwini K. Kessie and Annet Blank (Ms), and was attended by twenty seven (27) participants including members of parliament and senior policymakers from Nigeria, Ghana, Niger, Mali, the Gambia, Guinea Bissau, Sierra Leone and Ivory Coast.

An analysis of participants' evaluation of the seminar in terms of its content, usefulness to work, presentation, time allotment and the general organization, revealed that the seminar content and its relevance to day-to-day work was very good. Participants also indicated that the seminar had enhanced their knowledge and competences on pertinent issues relating to the general fundamental principles underpinning the WTO agreements.

Participants also observed among others that, Parliaments were often not involved during the negotiating process of international agreements even where such agreements are subsequently required to be sent for parliamentary ratification. They also noted with concern that the Secretariat of the WTO did not have the ability to render proposals to its member states and additionally was not empowered to sanction errant member states. It was further noted that the West African sub region had not taken full advantage of the existing special and differential treatment provisions in the WTO rules, to expand trade in the sub region.

They also observed with concern the numerous barriers to trade and in particular, intra community trade within the sub region. The constraints at the borders, the prohibitive costs of transportation and the problems of indiscriminate closure of community borders were particularly identified. Finally, participants were dismayed about the length of time being taken to conclude the Doha rounds of negotiations and noted that the delays were particularly centered on subjects like agricultural subsidies that were of concern to the sub region.

The participants recommended that Parliaments should be involved during all steps of negotiations that require the eventual ratification by a parliament. This should particularly be applicable in relation to WTO negotiations. They also recommended that provisions establishing the WTO secretariat should be reviewed to strengthen and empower the secretariat to play a more effective role in monitoring the implementation of its rules. They also called for the provisions on special and differential treatment of developing countries at the WTO to be fully exploited by the sub region.

Finally, they emphasized the need for ECOWAS to strengthen its mechanisms for the implementation and monitoring of community protocols and international agreements, and that mechanisms should be put in place at the regional level to promote the continuity of national policies in member states. In conclusion, the attendees called for a speedy conclusion of the ongoing WTO and Doha negotiations.

2.0 ADMINISTRATION AND FINANCE DEPARTMENT

2.1 ADMINISTRATION

2.1.1 Furnishing of Classrooms, Hostel and Administrative Block

The host bank, Central Bank of Nigeria (CBN), in its magnanimity, has commenced the exercise of furnishing WAIFEM's Classrooms, Hostel and Administrative Block. In addition to furniture, the CBN is providing the Institute with modern learning tools such as interactive boards and over-head projectors.

2.1.2 Interview, Recruitment and Assumption of Duty of New Staff and Staff Training

Management continues to cater for an improvement in the knowledge and skills level of its staff in order to enhance their job performance. In this connection, two (2) members of staff attended training programmes organized by the Institute and other training Institutions during the period under review. The Library Assistant attended a three-day National Workshop organised by the Nigerian Library Association (NLA) in conjunction with Babcock Consulting Limited and Universal Bipolar Consults Limited in Ilishan, Remo, Ogun State, Nigeria, while the Executive Assistant attended a Regional Course on Productivity Enhancement for Executive Assistants and Personal Secretaries to Chief Executives and Senior Executives held in Accra, Ghana. The latter was organised by WAIFEM.

During the year, interview was conducted for the recruitment of a research manager of WAIFEM. In this regard, Mr. Alvin Johnson was recruited and he assumed duty on October 6th, 2011 as the Research Manager. Mr. Johnson, who is from the Republic of Liberia, joins WAIFEM with experience from the Central Bank of Liberia and the Ministry of Finance.

2.1.3 Courtesy Calls

2.1.3.1 Working Visit by the Deputy Governor, Bank of Ghana

On August 26, 2011, Dr. H. A. K. Wampah, Deputy Governor, Bank of Ghana paid a one day working visit to the Institute. He was accompanied by Mr. Arthur Ankrah, Director, Human Resources Department of the Bank.

During the visit, the Deputy Governor applauded the positive impact of WAIFEM's training programmes in the region and in particular, on the staff of the Bank of Ghana, noting the positive effect on the performance of past attendees. He pointed out that other user institutions in Ghana also observed similar positive effect. The Deputy Governor expressed the desire of the Bank to collaborate with the Institute with a view to organizing demand driven programmes for its staff. Modalities were discussed and are to be finalized in due course.

On behalf of the Governor of the Bank, the Deputy Governor appreciated the efforts of the host central bank, the Central Bank of Nigeria, for its support and assistance to WAIFEM, noting the wonderful facilities placed at the Institute's disposal. A presentation on WAIFEM's activities was made, after which the Deputy Governor was taken on a tour of the offices, hostel and other facilities of the Institute by the Director General, Prof. Akpan H. Ekpo.

2.1.3.2 Working Visit by the Deputy Governor, Central Bank of The Gambia

The Deputy Governor of the Central Bank of The Gambia, Mrs. Oumie Savage-Samba also paid a courtesy call on the Director General of WAIFEM on December 15, 2011. In welcoming her, the Director General expressed delight on the Deputy Governor's visit. He remarked that as owners of WAIFEM, they are always welcomed to visit the Institute.

In response, the Deputy Governor thanked the Director General and his staff for the warm reception. She observed that the job performance of her bank's staff has improved over the years as a result of the capacity building activities of WAIFEM and therefore urged the Management to continue the good work. Following the tour of the Institute's facilities, she expressed satisfaction on their suitability for a conducive learning environment.

2.1.4 International and Regional Relations

2.1.4.1 WAIFEM/ECOWAS Commission Meeting

A seven-man delegation from the Economic Community of West African States (ECOWAS)

Commission led by Dr. (Mrs.) Ada Okwuosa, (OON), Commissioner, Administration and Finance, paid a courtesy call on the Institute on May 4, 2011.

During discussions, the two organizations noted the similarities in their respective objectives of establishment such as promoting capacity building within the sub-region and contributing towards the establishment of a common currency (ECO), among others. Presentations were made by both parties on the background, achievement, challenges, opportunities and possible ways of collaboration between the two organizations. As part of the mission, the delegation was taken round the Institute's facilities.

At end of the mission, a draft Memorandum of Understanding (MOU) was prepared. The MOU was to be further reviewed by both organizations before its finalization.

2.1.4.2 Launch of UNCTAD Report

Dr. Patrick Osakwe, Senior Economic Affairs Officer at the United Nations for Conference, Trade and Development (UNCTAD), Geneva, Switzerland was at the Institute on July 25, 2011 to launch the Economic Development in Africa Report 2011. The launch took place during the opening ceremony of the Regional Course on Macroeconomic Modeling and Forecasting for Monetary Policy Analysis for Directors of Research and Senior Economists.

During the launch, Dr. Osakwe hinted that the initiative was jointly undertaken with the United Nations Industrial Development Organization (UNIDO) and could be categorized under four main points as follows:

1) Promoting Industrial Development in Africa;
2) Government's deliberate intervention to foster development;
3) New type of industrial policy; and
4) Complementarity of agricultural development and structural transformation to engender overall economic development.

2.1.4.3 WAIFEM/GIABIA Meeting

A three man mission from Inter Governmental Action Group Against Money Laundering in West Africa (GIABA) led by the Information Manager, Mr. Timothy Meleye paid a courtesy visit to the Institute on Thursday, September 29, 2011.

During the discussions, the two organisations noted the similarity between their objectives of enhancing the knowledge and skills of officials in the West African Sub-region regarding anti-money laundering and fight against financial crimes. They also noted the worsening state of terrorism in Nigeria as well as the need to put more effort in building capacity for operators in the non-banking and informal sectors. The meeting discussed possible collaboration in the following areas:

- capacity for analysis and management of the non-bank sector such as the microfinance, insurance and bureau de change;
- collaboration in research on issues that are of mutual interest to the two institutions; and
- Engagement of WAIFEM to train GIABA's staff in subject matters such as Report Writing and Presentation Skills.

In addition, GIABA was requested to include the Institute in its mailing list for their publication on typologies and other research works.The visit was concluded with a tour of the Institute facilities.

2.1.4.4 African Capacity Building Foundations (ACBF)

Mr. Yusupha M. Jobe, Financial Management Officer, African Capacity Building Foundation (ACBF) visited the Institute between September 29 and October 1, 2011 on an official mission. The main objective of the mission was to complete the relevant formalities for the final closure of Grant 173 Agreement. This was a prelude to the finalization of arrangements for the commencement of Phase III Grant Agreement which has been formally forwarded to the Foundation.

The mission was impressed with the overall management set up, physical facilities and robust internal controls at the Institute. At the end of the mission, an aide memoire was signed.

2.1.4.5 Signing of Phase III Grant Agreement with the ACBF

On December 9, 2011 the Director General of WAIFEM and the Executive Secretary of the African Capacity Building Foundation (ACBF) signed WAIFEM III Project Grant Agreement on behalf of their respective Institutions.

The Grant Agreement covers the period January 1, 2012 December 31, 2015.

The overall objective of WAIFEM III is to improve debt, financial and macroeconomic management in WAIFEM member countries.

WAIFEM III is organized along four main components and one innovative component. These components are:

- debt Management
- financial sector management
- macroeconomic management
- Innovation areas (E-learning & Research)

In her remarks at the signing ceremony of the Grant, Dr. Frannie Leautier, the Executive Secretary of ACBF said that ACBF support of WAIFEM III was motivated by the following:

- WAIFEM fits within the category of Institutions envisaged in ACBF's strategic plan as credible and worthy for partnership.
- The core competency of WAIFEM (financial and economic management) is relevant to the target beneficiaries of WAIFEM's programme which is consistent with ACBF's mandate and programme selection.
- ACBF considers WAIFEM not only as grant recipient, but a worthy partner for the Foundation's knowledge generation and dissemination programmes.

The Director General of WAIFEM Prof. Akpan H. Ekpo in his remarks thanked ACBF for its support to the Institute over the years. The Director General recalled that the just concluded WAIFEM bi-annual regional conference on post-crisis economic reforms would have run into serious problems but for the financial and moral support of ACBF.

2.1.4.6 Regional Conference on Post Crisis Economic Reforms

The Institute organized a two day Regional Conference on Post-Crisis Economic Reforms: Implications for sustained Economic Development in the Economic Community of West African States at NICON Luxury Hotel, Abuja, Nigeria from October 10 11, 2011. The conference was organized against the backdrop of increasing uncertainty and the threat of double dip depression facing the world economy. It was also aimed at contributing to the debate on how the ECOWAS region could address potential challenges that may arise.

The objective of the two-day conference was to discuss policy lessons of the recent global economic crisis as well as the emerging crises in Europe and its implications for the development of the West African sub-region. The conference marked the commencement of activities of the Research sub-unit of the Institute.

A major development arising from the Conference was the launch of the West African Economic Society (WAES) to be housed at WAIFEM. A communiqué was issued at the end of the conference calling for the continuation of such dialogue in an effort to finding solutions to the emerging economic challenges of the region, among others.

2.1.5 Evaluation and Assessment of Training Programmes:

A recent independent evaluation report by Universalia Management Group, contracted by the African Capacity Building Foundation (ACBF), has found WAIFEM to be very effective and efficient in course delivery. The report noted the heavy external demand for the courses, given the constraints of time, money and human resources. “Course participants and their employers have agreed that the course offerings are relevant to their work portfolios and contribute to the advancement of their respective organizations”, according to the report.

WAIFEM noted that during the course of the year, most of the courses offered were oversubscribed. The normal class size ranges from 25 30 participants. However, in recent times, the class size during many of the courses has increased to a range of 35 40 per course. Apart from the impact on the cost of training, it also shows that the courses are in high demand across the region as more and more interest is being expressed by non-traditional attendees from the private and public sectors.

2.2 WAIFEM FUNDING

2.2.0 Introduction

The member central banks statutory budgetary contributions and financial support from donor agencies remain the major source of funding for the execution of WAIFEM programmes during the financial year. Besides, the Institute also generated funds internally, mainly from consultancy services. The international donor agencies included the African capacity Building Foundation (ACBF), the World Bank, the International Monetary Fund (IMF), United Nations Economic Commission for Africa (UNECA), and Debt Relief International (DRI).In addition to the financial support to WAIFEM, most of these agencies also provided technical assistance.

2.2.1 Central Banks' Contributions

The total contribution of WAIFEM member countries comprising the Central Bank of The Gambia, the Bank of Ghana, the Central Bank of Liberia, the Central Bank of Nigeria, and the Bank of Sierra Leone during the year 2011, amounted to US$ 2,313,145. This amount constitutes about 65.8 per cent of the Institute's annual budget of US$ 3,513,752.71.

2.2.2 Contributions from Donors

The contribution from international donor partners to the Institute's budget amounted to US$382,794, representing 10.95 per cent for the year 2011. The details of the donor support are stated below.

2.2.2.1 African Capacity Building Foundation (ACBF)

In July, 2006, the African Capacity Building Foundation renewed under the WAIFEM II Grant Agreement with WAIFEM, spanning the period 2006-2011, upon the expiration of the initial agreement WAIFEM I. In 2011, which is the final year of the WAIFEM II, the Institute is to receive the total of US$ 135,000 from the ACBF.

2.2.2.2 International Monetary Fund (IMF)

During the period under review, the IMF provided the sum of US$ 80,000 as its financial contributions towards the execution of the WAIFEM programme of activities. This was in addition to technical assistance provided by the IMF Institute in conducting regional courses organised by WAIFEM.

2.2.2.3 World Bank

The World Bank contributed the sum of US$ 122,868 to the Institute 2011 budget in addition to technical mission fielded alongside with the WAIFEM team in macroeconomic capacity building in the region.

2.2.2.4 United Nations Economic Commission for Africa (UNECA)

UNECA provided the sum of US$ 36, 770 as its financial support towards the execution of WAIFEM courses during the year under review. This was in addition to technical assistance provided in the delivery of courses as well.

2.2.2.5 Debt Relief International (DRI)

Debt Relief International contributed US$8,156 as financial support to the Institute for the year 2011. It also provided technical support during the delivery of courses.

2.2.3 Other Income

During the year under review, the Institute mobilised income from the conduct of demand driven courses, course fees, consultancy services, interest earned from investments and exchange rate gains in the tune of US$ 233,633.

3.0 WAIFEM COUNTRIES ECONOMIC REPORTS

3.1 THE GAMBIA

3.1.0 Overview

Economic activity in the Gambia remains strong despite the global economic crises. Real GDP growth was 3.3 percent in 2011 compared to 5.5 percent in 2010. Agricultural output grew at a slower pace of 4 percent compared to 12.1 percent in 2010 reflecting the protracted and inadequate rains that affected crop production. Consumer price inflation decelerated to 4.4 percent in 2011 relative to 5.8 percent in 2010 on account of lower global food prices and less Government recourse to Central Bank financing of the fiscal deficit. Average inflation (12-month moving average) also declined, albeit slightly to 4.8 percent in 2011 from 5.0 percent in 2010, helped by the tight monetary policy. The Dalasi was broadly stable, losing only 7.7 percent of its value against the US dollar.

The Gambian economy faced considerable policy challenges coming into 2011. First, the fiscal policy expansion in the final quarter of 2009 and in 2010 contributed to an increase in the interest rates on treasury bills in early 2011, causing interest costs to exceed budget allocations. Second, extra budgetary spending demands emerged during the year, including from an increase in fuel subsidies to cushion the impact of rising international oil prices and additional pressures from election related spending and the wage bill. Third, the monetary expansion in 2009 and 2010, coupled with increasing food and fuel prices made it difficult to bring inflation down to the 5.0 percent target in the first half of 2011 as envisaged. Annual inflation was 5.4 percent in June 2011.

Responding to these challenges, the government implemented measures to bring economic policies back on track. First, fiscal tightening, particularly in the second half of 2011 reduced bank and non-bank financing to 2.3 percent of GDP in line with projections compared to 3.8 percent in 2010. This was achieved through restrained spending which fell below target by 21.0 percent and increased domestic revenue mobilization which registered a growth of 6.9 percent. The increase in domestic revenue was driven by higher personal and corporate income taxes, international trade taxes as well as increases in domestic taxes on goods and services.

3.1.1 Monetary Policy

The primary objective of monetary policy remains the pursuit of price stability and the support of Government's overall macroeconomic objective of sustaining high and non-inflationary growth for poverty reduction. Monetary policy was tightened during the first half of 2011 and into the third quarter to rein in inflationary pressures, including by mopping up liquidity through net sales of Treasury bills.

As a result of the improved fiscal position, interest rates on 91-day Treasury bills declined by more than 2 percentage points to about 8.07 percent at end-2011. The Central Bank was able to relax monetary policy towards the end of the year and the monetary policy rate was reduced from 15.0 percent to 14.0 percent in October 2011. Reserve money growth also declined during the same period.

3.1.2 Monetary Developments

Over the years, sustaining price stability has been the prime focus of monetary policy in the Gambia. In 2011, the objective was to contain inflation below 6.0 percent. To achieve this objective, open market operations remained the major tool for liquidity management.

It should also be noted that in 2011, monetary policy was conducted in a highly challenging global economic environment, including larger-than expected rise in commodity prices in the first half of the year.

Nonetheless, the policy measures yielded the desired results as the ultimate objective of maintaining low single-digit inflation was achieved throughout the year. In addition, growth in monetary aggregates, including reserve money and broad money supply, remained generally under control.

Reflecting the tight monetary policy stance of the Bank, growth in broad money supply has been trending downwards since October, 2009. In November 2011, annual growth in money supply declined to 8.8 percent, the lowest recorded since June 2008. However, in December 2011, money supply growth rose slightly to 11.0 percent but still lower than the growth rate of 13.7 percent in December, 2010. Both narrow money and quasi money increased and at a fairly equal pace.

Narrow money (M1) grew to D6.7 billion or 10.7 percent compared to 7.5 percent in the corresponding period a year earlier. Year-on-year, demand deposits and currency outside banks rose by 8.4 percent and 15.1 percent respectively. The ratio of narrow money to broad money decreased slightly from 45.3 percent at end-December 2010 to 45.2 percent at end-December 2011.

Quasi money rose by an annual rate of 11.2 percent in December 2011 compared to a growth rate of 19.3 percent in the corresponding period a year ago. Both time and savings deposits increased by 5.5 percent and 16.3 percent respectively during the review period.

Net Foreign Assets (NFA)

The net foreign assets of the banking system rose to 4.5 billion or 13.1 percent in 2011 relative to the corresponding period last year. The net foreign assets of both the Central Bank and commercial banks increased.

The net foreign assets of the Central Bank rose to D3.1 billion or 15.9 percent in 2011 compared to a contraction of 17.5 percent a year earlier. Gross official reserves increased to D5.5 billion or 19.6 percent while foreign liabilities increased to D2.4 billion or 24.5 percent.

Similarly, the net foreign assets of commercial banks rose to D1.5 billion or 7.7 percent in 2011 but lower than the increase of 102.1 percent in 2010. The increase in net foreign assets of commercial banks is due, in the main, to the increase in their foreign assets holdings coupled with a minimal increase in foreign liabilities.

Foreign assets of commercial banks rose to D2.0 billion or 5.8 percent in 2011 relative to 25.7 percent in 2010. Balances held with foreign banks, including head offices and branches, was the main driver of the increase in foreign assets. Balances held with foreign banks rose to D1.4 billion or 20.1 percent in December, 2011 whilst foreign currency holdings as well as foreign investments declined by 29.0 percent and 2.8 percent respectively.

Foreign liabilities of commercial banks increased to D493.5 million or 0.7 percent compared to a decline of 38.6 percent a year earlier. Balances held for foreign banks rose by 44.1 percent whilst foreign borrowing declined by 3.3 percent.

Net Domestic Assets (NDA)

The net domestic assets of the banking system rose to D10.2 billion or 10.1 percent in 2011 relative to 19.0 percent a year earlier. Domestic credit grew to D11.4 billion or 13.3 percent compared to the growth of 34.6 percent in 2010.

Developments in Deposit Money

Banks' Credit

Available data for 2011 show that deposit money banks' outstanding credit to the private and public institutions stood at D5.45 billion, compared to D5.2 billion in 2010.

Private sector credit expansion continued to slow down steadily during the period under review. Growth declined from 13.8 percent in March 2011 to 8.8 percent in December 2011. The sluggish growth in private sector credit could be explained, in part, by the continued increase in the size of the government thereby crowding out private investment. High lending rates as well as tight monetary conditions are also contributing factors. The scenario is also reflective of the general slowdown in economic activity during the period.

Loans and advances to Agriculture and Tourism increased by 7.3 percent and 11.7 percent in 2011 compared to 10.4 percent and 35.1 percent in 2010 respectively. In contrast, advances to Fishing, Building and Construction and Distributive Trade contracted by 26.3 percent, 4.0 percent and 8.3 percent relative to the expansion of 16.4 percent, 2.2 percent and 29.6 percent in 2010 respectively.

Distributive trade which contributed significantly to the credit boom period from 2007 to 2010 accounted for the largest decline in credit allocation in the recent past.

The non-performing loan levels in all major sectors improved in 2011 compared to 2010. Non-performing loans represented 12.9 percent of total loans at end-December 2011 compared to a ratio of 14.5 percent in December 2010, in part, an indication of improving asset quality. Provision for credit losses stood at D388.20 million at end-December 2011 compared to D314.66 million at end-December 2010 and represented an excess of D71.6 million above required level. This provides sufficient cushion to absorb significant amounts of loan losses. Despite the decrease in the level of non-performing loans and high levels of provisions, the double digit gross NPL to gross loan ratio remains a cause for concern.

3.1.3 Interest Rates Developments

Developments in interest rates during the year

Deposit Money Banks' Loans and Advances to Major Sectors of the Economy (D'millions)

	2007	2008	2009	2010	2011
Sectors	**December**	**December**	**December**	**December**	**December**
Agriculture	189.39	195.48	262.41	289.76	311.03
Fishing	16.24	15.87	16.87	19.64	14.47
Building & construct	302.17	435.73	502.38	513.42	492.69
Transportation	325.60	267.82	336.55	361.64	330.37
Distributive Trades	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	1,246.49	1,768.20	1,989.26
Total	**2,631.63**	**3,536.25**	**4,495.23**	**5,260.99**	**5,451.25**

under review were mixed, generally trending upwards in the first half and edging downwards in the second half, reflecting diminishing inflation expectations and policy rate easing. Having left the policy rate unchanged in the first half, the MPC lowered the policy rate from 15.0 percent to 14.0 percent in October where it stayed until year-end. Earlier, in April 2011, the MPC, cognizant of the high lending rates in the economy, decided to reduce the reserve requirement by 2.0 percentage points to 12.0 percent.

The average interest rate on the 91-day Treasury bills, which was 10.09 percent in January 2011 declined to 8.71 percent in June and further down to 8.07 in December 2011. Similarly, the average interest rate on the 182-day and 364-day bills declined to 9.63 percent and 11.53 percent in December 2011 from 10.59 percent and 13.03 percent in January 2011 respectively.

The minimum rate on deposit money banks' 3-month time deposit rate declined from 5.0 percent in December 2010 to 4.5 percent in December 2011 whilst the maximum 3-month time deposit rates inched to 12.5 percent in December 2011 from 12.0 percent in the preceding year. Deposit money banks' average lending rate to the major sectors of the economy declined, albeit slightly, from 22.5 percent in 2010 to 22.0 percent in 2011.

3.1.4 Price Developments

Consumer price inflation decelerated to 4.4 percent in 2011 relative to 5.8 percent in 2010 on account of lower global food prices and less Government recourse to central bank financing of the fiscal deficit. Average inflation (12-month moving average) also declined, albeit slightly to 4.8 percent in 2011 from 5.0 percent in 2010, helped by the tight monetary policy.

Headline inflation which stood at 5.8 percent in December 2010 declined steadily to 5.39 percent and 5.4 percent in March and June 2011 before ending the year at 4.4 percent. Although the trend in inflation during the year emanated from both the food and non-food components of the consumer price index, the rate of increase in food inflation sector was much higher. Food and non-food inflation recorded respective average increases of 5.7 percent and 2.5 percent in the twelve months to December 2011 from 8.3 percent and 1.9 percent in 2010.

The Bank's measure of core inflation (defined to exclude prices of energy, utilities and volatile food items) followed the trends in headline inflation. It increased markedly to 5.7 percent at end-December 2010 from 2.8 percent a year earlier. In January 2011, core inflation declined to 4.9 percent but rose steadily to 5.4 percent at end-June 2011 before declining to 4.3 percent at end-December 2011.

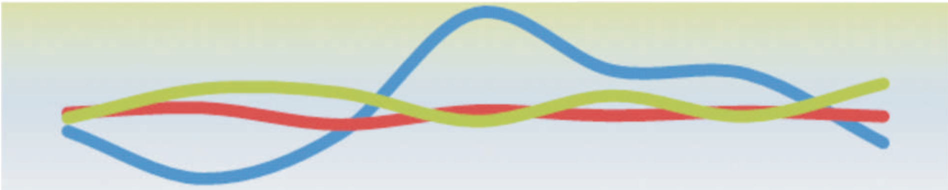
3.1.5 Real Sector Developments

Available data from the Gambia Bureau of Statistics (GBOS) revealed that real GDP growth moderated to 3.3 percent in 2011 from the 5.5 percent and 6.7 percent growth in 2010 and in 2009 respectively. Per capita GDP in 2011 was estimated at US $543 relative to US $550 in 2010. Economic activity in

2011 was characterized by early cessation of rains that affected crop production. Furthermore, mining and quarrying activity suffered a temporal halt during the first half of 2011 thus affecting economic growth.

In contrast, wholesale and retail trade, communication and financial intermediation in the services sector are estimated to have contributed significantly to GDP growth in 2011.

Sectoral Growth Rates (2005-2011)



	2005	2006	2007	2008	2009	2010	2011
Agriculture	-2.3%	-14.3%	-2.9%	27.5%	13.1%	12.1%	-5.2%
Industry	2.3%	3.53%	-0.9%	2.8%	1.5%	2.6%	1.3%
Services	0.8%	8.2%	7.2%	-0.1%	6.5%	1.2%	9.5%

Agriculture

Failure of the 2011/2012 cropping season adversely affected agricultural growth since food and cash crops are the major contributors to growth in agriculture over the years. The resurgence of tourists related activities in the tourism industry supported growth in the services sector. The industrial sector was somewhat largely unchanged from the previous year contracting only slightly by 1.3 basis points.

Agriculture is one of the main drivers of economic growth, contributing 25.9 percent of GDP in 2011 and employing about 70 percent of the labour force. However, domestic food production caters only half of national consumption requirements, attributed mainly to poor farming techniques.

In recent years, government efforts through the initiation of the Gambia National Agric Investment Program (GNAIP) in 2010 and the increase in budgetary allocation towards the sector have yielded fruits. The sector grew on average by 17.6 percent in the past three years but only to be marred by the poor crop performance in 2011 dragging down the average ratio to 11.9 percent. During the 2011/12 cropping season The Gambia was exposed to late, unevenly-distributed and erratic rainfall and this adversely affected farming activity and crop performance. Total rainfall was 10.0 percent below normal on a 30- year average and 36.0 percent for the first two months. The North Bank and Lower River Regions were the hardest hit regions with average rainfall recorded at over 76.0 percent and 82 percent below normal in May - June and over 35.0 percent and 41.0 percent below normal in July October.

Performance of Agricultural Sub-sectors 2005-2011

	2005	2006	2007	2008	2009	2010	2011
Crops	-4.1%	-26.3%	-15.2%	55.2%	24.4%	14.2%	-12.0%
Livestock	0.9%	2.4%	9.1%	5.9%	-0.7%	10.9%	6.3%
Forestry	3.0%	3.0%	-4.0%	1.0%	0.1%	3.0%	3.5%
Fishing	-2.2%	7.8%	18.0%	3.5%	1.1%	1.7%	2.1%

Services

The services sector accounting for 56.5 percent of GDP in 2011 grew by 9.5 percent relative to a marginal growth of 1.1 percent in 2010. The more than expected growth in services mirrored the robust performance of the wholesale and retail and hotels and restaurants sub-sectors that emerged from their negative growths of 0.4 percent and 35.7 percent in 2010 to 9.7 percent and 34.2 percent respectively for the year under review. The turnaround in hotel and restaurants largely reflected the rapid recovery in the tourism sub-sector which was earlier hit by the global recession. Financial intermediation and communication services also grew by 7.0 percent and 14.0 percent relative to 8.5 percent and 15.0 percent in 2010 respectively.

Industry

The industrial sector is estimated to have grown by 1.3 percent in 2011 compared to a revised growth of 2.6 percent in 2010 reflecting expansion in manufacturing, the main contributor to the sector by 42.5 percent and mining and quarrying sub-sectors by 21.6 percent. Construction, the second largest contributor to industrial output improved from negative 3.7 percent in 2010 to negative 2.9 percent in 2011 on account of gradual recovery in the sub-sector. The quantity of cement imported into the country in 2011 increased to 146,786mt from 105,172mt in 2010. Growth in the electricity sub-sector, on the other hand, weakened considerably to 1.4 percent from 7.7 percent in 2010.

3.1.6 Fiscal Developments

Provisional data on the execution of the 2011 budget suggests some degree of buoyancy in domestic revenue mobilization led by domestic taxes on goods and services, personal and corporate tax collections. This, coupled with restrain in expenditure resulted in a contraction in the deficit by D128.3 million to 2.8 percent of GDP in 2011 from 3.8 percent of GDP in 2010.

Fiscal policy was contractionary in the second half of 2011. Budgetary expenditures were broadly as envisaged throughout the year with spending allocations 21.0 percent below the projections for the year as a whole.

Domestically financed capital expenditures funded just 18.0 percent of the annual public investment expenditures due to the winding up of some infrastructure projects in the country. The wage bill for the year rose to D1.7 billion due to additional hiring in the public sector, pensions and social security related expenditures as well as increased payroll for foreign missions. Other current spending were higher than anticipated due to higher fuel subsidies in the face of rising oil prices, interest payments, payments for goods and services as well as other unanticipated expenditures. Payments for goods and services grew by 15.1 percent to D1.3 billion. Spending was partly financed by the 6.9 percent increase in domestic revenue collection with only D50.4 million on net external financing. As a result, domestic financing from banks and non-bank financial institutions was close to the yearly projection of 2.3 percent of GDP. This was achieved through restrained spending and increased domestic revenue mobilization which registered a growth of 6.9 percent.

Revenue and Grants

Total revenue and grants for 2011 amounted to D5.2 billion (16.1 percent of GDP) compared to D5.0 billion (17 percent of GDP) in 2010. Domestic revenue rose by 6.9 percent to D4.2 billion. About D3.7 billion was collected from taxes, of which D1.8 billion or 47.8 percent came from international trade taxes. This was supported by an increase in the sales tax on imports of 5.1 percent which slightly offset the decline in duty on oil and non-oil products of 3.7 percent.

Domestic taxes on goods and services at D732.9 million constituted 19.7 percent of tax revenue while personal and corporate taxes contributed 16.7 percent and 13.6 percent respectively to total tax receipts.

Non-tax revenue collections grew by D34.4 million from 2010 to D499.6 million in 2011. The annual target realized stood at 86.0 percent.

Following periodic oil price surges in the international market in 2011, duty waiver and subsidy on oil products rose to D181.7 million to cushion fuel price shocks despite some noticeable increases in pump prices observed in the domestic market. Revenue loss on non-oil products amounted to D359.8 million compared to D103.2 million in 2010.

Grants received stood at D1.0 billion (3.1 percent of GDP), D44.7 million below the previous year's figure and represents just over 50 percent of what has been projected for the year.

Expenditure and Net Lending

Total expenditure and net lending in 2011 was estimated at D6.1 billion (18.8 percent of GDP), growing by just over one and a half percent relative to 2010.

Total current spending for the year amounted to D4.4 billion (13.6 percent of GDP), an increase of D520.0 million from last year's level. 'Other charges' constituted the largest component of current budget amounting to D1.9 billion or 43.5 percent. Payments for goods and services grew by 15.1 percent to D1.3 billion.

The wage bill for the year was D1.7 billion or 38.1 percent of current budget. This is equivalent to 45.2 percent of the annual tax revenue and recorded an increase of D162.0 million over the 2010 bill.

Interest payments constituted 18.4 percent of current budget amounting to D811.3 million, of which domestic interest payments absorbed D638.6 million while external interest payments amounted to D172.7 million.

The current efforts of spending cut backs have been against public investments which contracted by D452.7 million or 20.8 percent from 2010 to D1.7 billion in 2011. More than half (59.2 percent) of investments were financed from grants while 23.0 percent were external-loan financed. Government local fund funded just 17.8 percent (D307.8 million) of the annual public investment expenditure.

Budget Balance

The overall deficit (including grants) to GDP narrowed by 0.7 percentage points from 2010 to 2.8 percent (D909.4 million) in 2011. On the other hand, the primary surplus contracted from D476.9 million in 2010 to D294.4 million with the basic deficit growing from D295.5 million to D512.5 million during the same period.

Domestic Debt

As at end-December 2011, the total outstanding domestic debt stock grew to D9.4 billion (28.0 percent of GDP) from D8.7 billion in December 2010, or an increase of 8.6 percent. This increase was mainly driven by Treasury Bills accounting for 75.0 percent of the total outstanding domestic debt. This is contrary to the government debt management strategy of restructuring the domestic debt from short-term to medium to long-term securities.

At end December 2011, the commercial banks held the bulk of Treasury bills accounting for 83.52 percent of the stock compared to 79.24 percent a year ago. The non-bank holdings accounted for 14.92 percent compared to 26.76 percent in December 2010. The increase in commercial bank holdings of Treasury bills could be largely attributed to Social Security and Housing Finance Cooperation (SSHFC), a major non-bank public investor's failure to re-invest their matured bills during the period under review.

Social Security and Housing Finance Corporation's holding of T/Bills, as a percentage of the stock of debt, declined to 1.43 percent in 2011 from 6.18 percent in 2010.

TABLE 3.7.2: COMPOSITION OF DOMESTIC DEBT (D'millions)

SECURITY TYPE	2010	2011	% ?(CHANGE)
TREASURY BILLS	5,907.87	6,573.60	14.32
SAS BILLS	215.14	345.56	60.62
3-YEAR GOVT. BOND	25.00	25.00	0.00
GOVERNMENT BOND	250.00	250.00	-
30 YEAR GOVERNMENT BOND	1,825.00	1764.16	-3.33
10 YEAR GOVERNMENT BOND	208.46	187.61	-10.00
GOVERNMENT NIB NOTES	0.00	128.34	100.00
GOVERNMENT OVERDRAFT	275.23	0.00	-100.00
TOTAL	**8,706.70**	**9,454.27**	**8.59**

3.1.7 External Sector Developments

Balance of Payments estimates for the year ending 2011 indicate an overall surplus of US$31.73 million, from US$86.52 million in 2010. The current account was in surplus of US$66.86 million, slightly higher than the US$56.25 million a year ago. The capital and financial account, however, recorded a deficit of US$35.12 million in 2011 relative to a surplus of US$30.27 million in 2010.

Merchandise Trade

The goods account recorded a deficit of US$133.49 million relative to a deficit of US$105.81 million last year. The widening of the deficit in the goods account was on account of the increase in the import bill which amounted to US$294.97 million compared to US$245 million in 2010 or an increase of 19.91 percent. This development could be attributed to the pass through effects of the rise in fuel costs which increases the cost of freight of goods, coupled with the effect of the deprecation of the dalasi vis-vis the major trading currencies in the face of rising commodity prices.

Total exports rose to US$153.88 million from US$134.55 million last year, an increase of 14.36 percent, of which exports of groundnut and groundnut products for the year ending 2012 stood at US$ 15.07 million with handpicked selection (HPS) accounting for US$5.74 million, groundnut crude oil (US$8.12 million), and groundnut cake (US$ 1.20 million). However, the increase was more than offset by the rise in the import bill, thus worsening the trade balance.

Proceeds from goods procured in ports by carriers also increased from US$5.62 million in 2010 to US$7.60 million in 2011 or by 35.23 percent. The increase was mainly on account of the increase in proceeds from airport to US$2.97 million from US$1.29 million last year and was due to both supply of aviation fuel to airplanes and proceeds from catering services from the Atlantic hotel for airlines.

Services, Income and Current Transfers

The services account balance increased significantly on a net basis in 2011 relative to 2010, recording US$84.39 million against US$57.47 million, an increase of 46.84 percent. The main contributing factor being the rise in income earned from tourism which rose significantly in 2011 to US$95.60 million from US$73.62 million last year or by 29.85 percent, due in the main, to the increase in tourist arrivals.

Proceeds from air transportation improved slightly by 15.82 percent in 2011 relative to 2010. However, the deficit in sea transportation widened from US$23.54 million to US$27.85 million, due mainly to the rise in fuel costs which translated to higher costs of transportation and freight services.

Proceeds from Insurance services during the period under review further deteriorated on a net basis from a deficit of US$5.14 million to US$6.67 million whilst income from construction services also declined from US$3.96 million to US$2.91 million or by 26.5 percent.

The Income Account The deficit in the income account worsened in 2011 relative to 2010, from US$8.05 million to US$15.63 million and was on account of the net increase in interest payments on external debt and on portfolio income from US$0.77 million in 2010 to US$ 2.49 million in 2011.

Current Transfers in 2011 recorded US$131.59 million against US$112.69 million last year, an increase of 16.77 percent. Transfers to general government recorded US$44.78 million and accounted for 34.02 percent of total current transfers compared to last year when it recorded US$34.67 million and accounted for 30.76 percent of total transfers.

Transfers to other sectors which comprise workers' remittances and other transfers registered US$86.84 million in 2011 relative to US$78.02 million last year, an increase of 11.30 percent and accounted for 65.99 percent of total transfers, relative to 69.23 percent in 2010.

Data from the Gambia Tourism Authority for the year ending 2011 indicate an increase in tourist arrivals to 122,219 from 89,637 last year or an increase of 36.34 percent. Income from tourism increased to D2.8 billion relative to D2.0 billion or by 39.40 percent, which could be attributed to the arrival numbers coupled with the effect of the depreciation of the dalasi.

The Capital and Financial Account registered a deficit of US$35.12 million in 2011 relative to a surplus of US$ 30.27 million in 2010, an increase of 10.02 percent.

There was however, an increase in reserve assets because there was no recourse for a drawdown of the reserves for any form of financing.

International Reserves

Gross international reserves of the Bank at the end of 2011 stood at US$182.5 million, equivalent to 5.0

months of imports of goods and services. The net international reserves were US$135.20 million, showing a buildup of US$15.4 million for the year.

Foreign Exchange Market

Developments in the domestic foreign exchange market in the year to end-December 2011 showed that activity volumes, measured by aggregate sales and purchases of foreign currency, moderated to US$1.43 billion from US$1.67 billion in 2010.

The Dalasi was relatively stable in the first quarter of 2011. In the second quarter, it depreciated against the US Dollar by 1.31 percent, Euro by 7.05 percent, Pound Sterling by 3.44 percent and CFA by 4.29 percent. It recorded a further slump against the above major trading currencies in the third quarter as it slid against the US Dollar by 2.77 percent, Euro (0.411 percent) and Pound Sterling (1.48 percent). It however strengthened against the CFA by 1.53 percent. The decline in the rate of depreciation against the Euro and Pound Sterling has considerably mirrored developments in the international FX market where the two currencies significantly depreciated against the US Dollar. Whilst the Dalasi rebounded against the Euro and Pound Sterling in the fourth quarter of 2011, it further declined against the USD largely due to supply imbalance.

3.1.8 External Debt

The primary objective of the Gambia's external debt policy in 2011 was to meet government financing needs at minimum cost while maintaining debt sustainability. The debt management strategy for 2010-12 has been to distribute the total gross borrowing requirement between 90 percent domestic borrowing and 10 percent external. The external borrowing policy has been to maximize borrowing from multilateral and bilateral concessional sources, and to borrow from multilateral and bilateral semi-concessional sources at the margin. However, the strategy that had *de facto* been implemented implied a domestic borrowing of 93 percent and the residual from external sources.

At the end of 2011, Gambia's gross external debt stock was estimated at US$400.1 million, compared with US$377.1 million at the end of 2010.

DebtIndicators and Debt Sustainability

The standard debt indicators show that the Gambia's external debt burden remained high. Although The Gambia received extensive relief under the Highly Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative (MDRI) in December 2007, the country remains at high risk of distress on its external debt.

Total external debt service comprising of principal and interest payments was US$19.20 million in 2011 relative to US$17.70 million in 2010, an increase of 8.47 percent. As a percentage of total revenue, it recorded 10.06 percent in 2011 against 9.86 percent in 2010 and as a percentage of GDP, it stood at 1.97 percent relative to 1.86 percent a year earlier. Total external debt service to exports amounted to 12.48 percent relative to 13.15 percent a year earlier and was below the threshold of 20-25 percent, placing the Gambia under moderately indebted countries under the Pre-HIPC debt indicators and thresholds.

3.2 Ghana

3.2.0 OVERVIEW

Global economic growth stalled in the second half of 2011 as the Euro-zone debt crises and issues with the US debt ceiling negatively affected the financial and commodity markets. Economic growth in developed economies remained subdued with high prevailing unemployment rates driven by low investor and consumer confidence. Emerging and developing economies, however, performed better with projected growth of 6 per cent for 2011, driven by countries such as China, and India. Sub-Saharan Africa was also projected to grow at 5.5 per cent in 2011.

The domestic economy, however, performed rather well during the review year with real GDP projected to grow at 13.6 per cent in 2011 mainly driven by a stable macroeconomic environment and the nascent oil industry. Annual inflation rose slightly during the last quarter of 2011 but stayed below the targeted 9.0 per cent for the second year in a row. Monetary growth also slowed down over the review period while credit to the private sector went up markedly.

Market capitalization of the Ghana Stock Exchange (GSE) also increased by 134.5 per cent in the year, mainly as a result of the listing of Tullow Plc., an oil company. Activities on the Exchange, were however bearish in the second half of the year resulting in a cumulative loss of 3.1 per cent in the Composite Index.

3.2.1 Monetary Developments

3.2.1.1 Money Supply

Growth of the key monetary aggregates remained in line with in 2011, with strong credit growth in support of the real sector. After surging in the first half, growth in the key monetary aggregates broadly eased downward in the second half of 2011, underpinned by a slowdown in the pace of accumulation of Net Foreign Assets in line with the revised monetary program.

Annual growth of broad money supply, including foreign currency deposits (M2+), after surging to 40.2 per cent in June 2011, broadly eased to 33.2 per cent (GHC4,532.1 million) in December 2011. The growth of 33.2 per cent in M2+ compares with 33.8 per cent at end-December 2010 and was supported by growth in both Net Foreign Asset (NFA) and Net Domestic Assets (NDA) of the banking system.

The development in the NDA reflected among others, a stronger than expected private sector credit growth of 30.4 per cent and increased banking sector net claims on government which grew by 21.9 per cent.

In line with the revised monetary programme, the pace of accumulation of NFA in the banking system, significantly slowed down, especially in the fourth quarter closing the year with an annual growth of 36.9 per cent compared to 46.3 per cent growth recorded in December 2010.

In terms of composition, the growth of M2+ over the period was reflected in significant slowdown in the pace of domestic currency deposits expansion while foreign currency deposits growth surged by 45.0 per cent with increased exchange rate volatility in the period

3.2.1.2 Deposit Money Banks (DMBs) Credit Developments

Provisional data on growth of outstanding DMBs credit to the private sector and public institutions indicates that growth of credit recovered significantly in 2011, absorbed mainly by the services, import trade and commerce and finance sectors. Total outstanding credit granted by Banks to public and private institutions stood at GH¢9,352.4 million at the end of December 2011, indicating an increase of 17.0 per cent (GH¢1,357.7 million) year-on-year, up from the 15.4 per cent (GH¢1,066.0 million) growth recorded at the end of 2010. Real annual growth of DMBs credit rose to 7.7 per cent in December 2011 from 6.3 per cent in December 2010.

The private sector's share in banks outstanding credit rose from 84.8 per cent in December 2010 to 91.5 per cent at the end of December 2011. At the end of 2011, outstanding credit to the private sector increased by 26.3 per cent to GH¢ 8,560.9 million from GH¢6,776.96 million in the preceding year. In real terms, outstanding credit to the private sector progressively increased from 0.2 per cent in 2009 to 10.4 per cent in 2010 and further to 16.3 per cent on year-on-year basis.

Table 1.1: Selected Macroeconomic Indicators

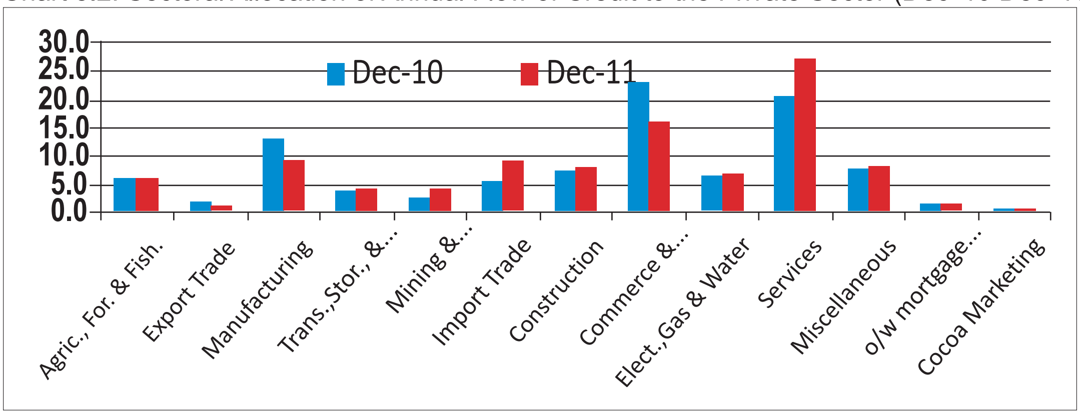
	2007	2008	2009	2010	2011
GDP					
Real GDP Growth (%)	6.46	8.43	3.99	7.72	13.60
Nominal GDP (Gh¢ million)	23,154.40	30,178.60	36,867.40	46,232.00	56,282.40
Inflation (%)					
Year-on-year	12.75	18.13	15.97	8.58	8.58
Annual Average	10.73	16.52	19.25	10.71	8.70
Exchange Rate (End Period, Transaction Rates)					
Gh¢/US$	0.9704	1.2141	1.4284	1.4738	1.5505
Gh¢/Pound Sterling	1.9511	1.8049	2.2991	2.2709	2.4946
Gh¢/Euro	1.4398	1.7211	2.0484	1.9407	2.1076
Commodity Prices					
Cocoa (US$/tonne)	1,880.45	2,549.58	2,801.58	2950.65	2,947.81
Gold (US$/fine ounce)	697.09	871.93	968.92	1133.23	1,569.42
Crude oil, IPE Brent Crude (US$/Barrel)	72.66	98.38	62.45	73.99	111.29
External Sector					
Exports of Goods and Services (US$' m)	6,004.00	7,070.63	7,609.40	9,437.37	12,785.41
Imports of Goods and Services (US$' m)	10,064.70	12,566.56	10,989.37	13,925.33	15,958.42
Current Account Balance (US$' m)	-2,151.47	-3,543.12	-1,598.47	-2,700.48	-3,675.14
Overall Balance of Payments (US$' m)	413.11	-940.75	1,158.78	1,462.67	546.53
Gross International Reserves (end period. In US$' m)	2,836.65	2,036.22	3,164.81	4,724.89	5,382.82
(Months of imports of Goods and Services)	2.6	2.1	2.9	3.7	3.2
External Debt (US$' m)	3,590.37	3,982.60	5,007.88	6,118.27	7,589.50
Interest Rates (%)					
Bank of Ghana Policy Rate	13.50	17.00	18.00	13.50	12.50
91-day Treasury Bill	10.60	24.70	23.70	12.28	10.30
182-day Treasury Bill	10.70	26.27	26.46	12.68	11.13
1-year Note	12.30	20.00	20.00	12.65	11.30
2-year Note	12.80	21.00	23.25	12.70	12.40
Monetary Aggregates Annual Growth Rates (%)					
Reserve Money	30.50	39.00	24.90	45.00	31.10
Money Supply (M2+)	35.90	42.40	24.70	33.80	33.20
Money Supply (M2)	43.50	34.00	18.50	44.80	30.20
Public Finance (% of Non-Oil GDP)					
Government Finances					
Domestic Revenue	15.77	15.91	15.39	17.43	20.75
Grant	3.70	2.71	2.99	2.44	2.09
Total Expenditure	24.29	26.54	22.37	26.01	23.77
Overall Balance (Including Grant & Divestiture)	-4.89	-6.55	-5.58	-6.77	-4.26
Domestic Primary Balance	-3.72	-5.88	0.33	0.08	2.85

Table 1.2: Monetary Indicators (GH¢' Million)

(Amount in GH¢ 'million)									
	Levels			Variations (year-on-year)					
				As at end-Jan. 2009		As at end-Dec. 20110		As at end-Dec 2011	
	Dec-09	Dec-10	Dec-11	abs	per cent	abs	per cent	abs	per cent
Reserve Money	3,040.9	4,409.6	5,779.6	608.0	25.0	1,368.7	45.0	1,370.0	31.1
Narrow Money (M1)	4,147.7	6,401.8	8,714.4	216.6	5.5	2,254.1	54.3	2,312.6	36.1
Broad Money (M2)	7,550.0	10,935.1	14,241.1	1,176.2	18.5	3,385.1	44.8	3,306.0	30.2
Broad Money (M2+)	10,211.3	13,663.0	18,195.2	2,020.7	24.7	3,451.7	33.8	4,532.2	33.2
Currency with the Public	2,082.4	2,927.2	3,763.3	351.6	20.3	844.8	40.6	836.1	28.6
Demand Deposits	2,065.3	3,474.6	4,951.1	-135.0	-6.1	1,409.3	68.2	1,476.5	42.5
Savings & Time Deposits	3,402.3	4,533.3	5,526.6	959.6	39.3	1,131.0	33.2	993.4	21.9
Foreign Currency Deposits	2,661.3	2,727.9	3,954.2	844.5	46.5	66.6	2.5	1,226.2	45.0
Sources of M2+									
Net Foreign Assets (NFA)	3,935.1	5,754.0	7,880.0	1,749.4	80.0	1,818.9	46.2	2,126.0	36.9
BOG	3,271.0	5,240.9	6,669.6	1,340.1	69.4	1,969.9	60.2	1,428.7	27.3
DMBs	664.1	513.1	1,210.4	409.3	160.6	-151.0	-22.7	697.3	135.9
Net Domestic Assets	6,276.2	7,909.0	10,315.3	271.3	4.5	1,632.8	26.0	2,406.2	30.4
Claims on Government (net)	3,675.7	4,248.7	5,180.5	1,278.2	53.3	573.0	15.6	931.8	21.9
BOG	1,389.7	1,371.3	1,943.0	-58.2	-4.0	-18.4	-1.3	571.7	41.7
DMBs	2,286.0	2,877.4	3,237.5	1,336.4	140.7	591.4	25.9	360.1	12.5
Claims on Public Sector	1,120.9	1,164.1	764.7	187.3	20.1	43.2	3.9	-399.3	-34.3
BOG	5.5	24.1	24.1	94.6	-106.2	18.6	338.2	0.0	0.0
DMBs	1,115.4	1,140.0	740.6	92.7	9.1	24.6	2.2	-399.3	-35.0
Claims on Private Sector	5,719.3	6,521.1	8,305.4	832.2	17.0	801.8	14.0	1,784.3	27.4
BOG	-46.9	-255.5	-255.5	-49.6	-1,805.4	-208.6	444.9	0.0	0.0
DMBs	5,766.2	6,776.6	8,560.9	881.8	18.1	1,010.4	17.5	1,784.3	26.3
Other Items (Net) (OIN)	-4,239.7	-4,024.9	-4,126.8	-1,900.3	81.2	214.8	-5.1	-102.0	2.5
o/w BOG OMO (Sterilisation)	-607.4	-920.8	-975.5	-521.6	607.9	-313.4	51.6	-54.7	5.9

Sectoral distribution of credit to the private sector over the review period showed that the Services, Import Trade, Commerce & Finance as well as Manufacturing sectors collectively absorbed 61.5 per cent of the total credit. With the exception of the Manufacturing, Commerce & Finance Agriculture, Forestry & Fisheries and Export Trade, which recorded declines in credit flow, all the other sectors witnessed increases.

Chart 5.2: Sectoral Allocation of Annual Flow of Credit to the Private Sector (Dec '10 Dec '11)



3.2.1.3 Money Market Developments

Money market developments in 2011 generally reflected significant easing of inflation expectations.

Interest Rates

The monetary Policy Committee cut the MPR by a cumulative 100 bps to 12.5 per cent in 2011 in response to easing inflation expectations.

Interest rates on the money market generally declined in the year through October, underpinned by significant declines in inflation expectations. However, in November and December, the rates firmed somewhat as inflation expectations edged up. In first 10-months of 2011, the 91-day Treasury bill rate declined by 312 bps. It however firmed up by 153 bps from October to end at 10.67 per cent in December 2011. Similarly, the 182-day Treasury bill rate shed 282 bps during the first 10-months of 2011, firming up by 140 bps to end-December 2011 at 12.4 per cent. The rates on the 1-year note and the 2-year fixed rate note followed similar patterns, rising by 30 bps and 150 bps respectively to 11.3 per cent and 12.4 per cent.

The overnight interbank rate, the rate at which commercial banks deal with each other, after remaining close to the floor of the policy rate corridor (reflecting the strong liquidity situation on the market), fell below the corridor in November following a re-calibration of the monetary programme in October 2011. The re-calibration exercise allowed for a moderately higher monetary growth with both reduced NFA accumulation and OMOs, consistent with the inflation target for the period. The overnight rate dropped from 11.7 per cent in January to 10.5 per cent in October, and further to 6.3 per cent in December 2011.

The Deposit Money banks' average 3-month time deposit rate declined by 275 basis points to 7.75 per cent whilst the savings rate went down by 183 points to 4.05 per cent. The average lending rates declined by 170 basis points from 27.63 per cent to 26.95 per cent during the period under review.

The average bank base and lending rates similarly declined in the period. Average base rates fell by 332 bps to 22.5 per cent while lending rates eased downward by 170 bps to 25.9 per cent in 2011. Over the same period, the average savings and deposit rates declined by 183 bps and 275 bps to 4.1 per cent and 7.8 per cent respectively.

The spread between the borrowing and lending rates rose marginally from 17.13 per cent in December 2010 to 18.18 per cent in December 2011.

Stock Market Developments

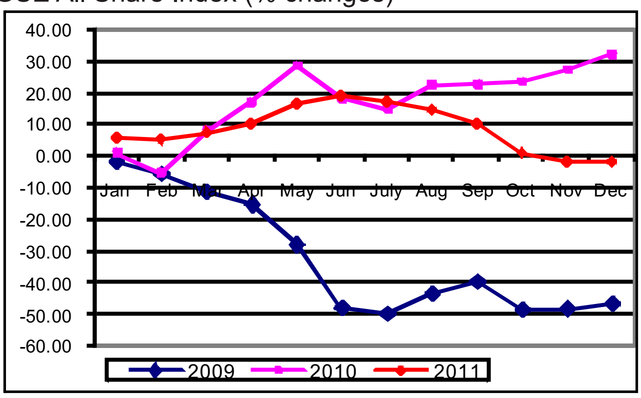
The Ghana Stock Exchange (GSE) generally witnessed bearish sentiments in 2011 mainly as a result of the finance sub-sector on the back of selling pressures. After recording some impressive performance in the first half of 2011, investors among others engaged in profit taking activities that effectively reversed the earlier strong performance recorded mostly in the first half.

At the end of December 2011, the GSE Composite Index (GSE-CI) closed lower at 969.03 points, a cumulative loss of 3.1 percent, down from 18.9 per cent during the first half of the year. The GSE Financial Stocks Index (GSE-FSI) closed December at 863.09 points, representing a loss of 13.7 per cent compared with 16.0 per cent during the first half of 2011.

Total market capitalization at the end-December 2011 more than doubled to GH¢47.3 billion from GH¢ 20.5 billion at the end of June 2011, mainly on the back of the listing of oil giant - Tullow oil.

An analysis of the PE ratios on the GSE indicates that the ratio generally declined in 2011 below its long term trend, mainly reflecting the significant share price declines, making most of the shares cheaper and attractive relative to historical trends.

GSE All Share Index (% changes)

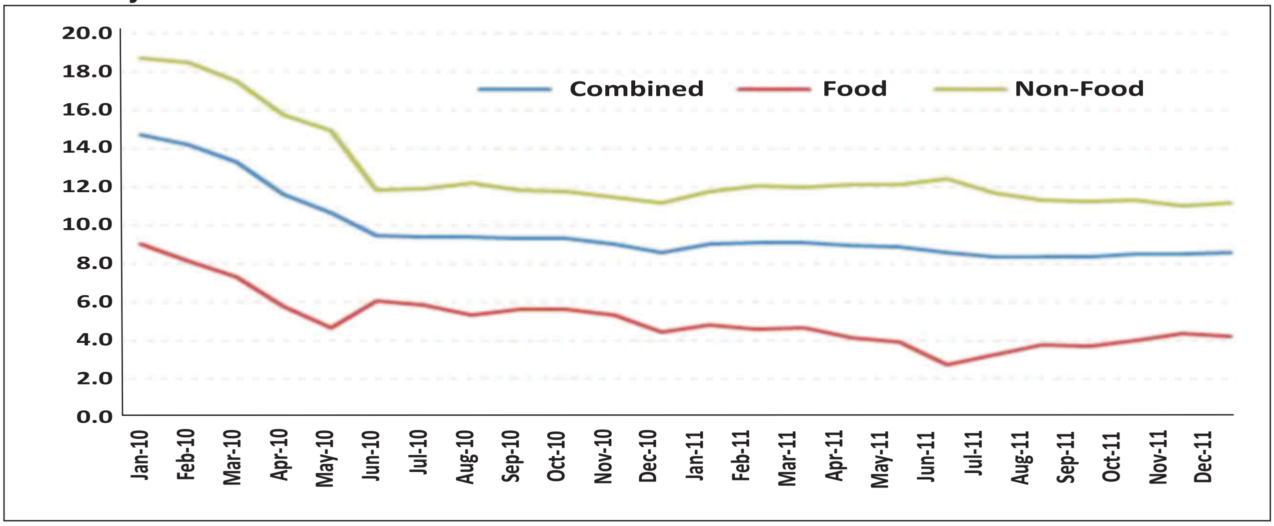


3.2.2 Price Developments

Consumer Price inflation rose slightly during the last quarter of 2011 but stayed below the targeted 9.0 per cent for the second year in a row. CPI inflation jumped from 8.6 per cent in December 2010 to 9.2 per cent in February 2011 on account of the petroleum price hikes. Inflation declined marginally to 9.1 per cent in March and further down to 8.4 per cent in June and remained unchanged for the third consecutive month in September. During the fourth quarter, CPI inflation inched up to close the year at 8.58 per cent.

Whilst Food inflation has maintained steady declines since the beginning of the year the non-Food inflation has remained sticky around 11 - 12.0 per cent over the same period. Food inflation has remained in single digits for the past 25 consecutive months and currently stands at 4.3 per cent in December 2011, down from 4.8 per cent at the beginning of the year. The non-food inflation also declined to 11.2 per cent in December 2011 from 11.8 per cent at the beginning of the year and a peak of 12.4 per cent in June 2011.

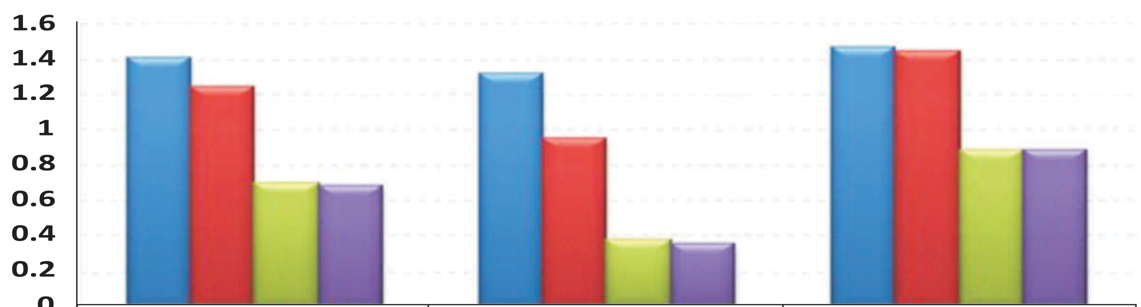
Inflationary Trends



On monthly changes in consumer prices, inflation averaged 0.69 per cent in 2011, slightly below the 0.7 per cent recorded a year earlier, supported by declining food prices and restored confidence.

In spite of the petroleum price adjustment at the beginning of the year, food inflation declined by 0.02 percentage points to average at 0.36 per cent in 2011 whilst non-food inflation remained unchanged at 0.89 per cent over the same period.

Chart 3.5: Average Inflation (Monthly Changes in CPI)



	Combined	Food	Non-Food
2008	1.41	1.32	1.47
2009	1.25	0.96	1.45
2010	0.7	0.38	0.89
2011	0.69	0.36	0.89

3.2.3 Real Sector Performance

Ghana was adjudged as one of the fastest growing economies in 2011. Real GDP including oil was projected to grow at 13.6 per cent during the year compared with a growth of 7.7 per cent in 2010. Economic activity broadly improved in 2011 supported by a stable macroeconomic environment and commencement of oil exports. The strong performance of the real sector in 2011 was underpinned by strong growth in the traditional exports including gold, cocoa and the non-traditional exports.

The Bank of Ghana's Trends in Composite Index of Economic Activity (CIEA), which provides a complimentary tracking of developments in real sector activities including output of selected key enterprises, industrial electricity consumption, domestic VAT, port activity, imports, exports and employment contributions, points to increased real sector activities in 2011. In year- on-year terms, the index grew by 15.2 per cent in 2011 compared to a 10.4 per cent growth in 2010.

3.2.4 Fiscal Developments

The 2011 national budget sought to build on the progress made in restoring fiscal sustainability and macroeconomic stability by targeting the overall fiscal deficit of 4.9 per cent of GDP compared with 6.5 per cent registered in 2010. Consequently, conscious efforts were made to boost revenue mobilization while at the same time government expenditure was restrained; with the overall budget recording a deficit equivalent to 4.3 per cent of GDP.

Total government revenue and grants amounted to GH¢12,851.6 million (22.8% of GDP) indicating an excess of GH¢26.5 million (0.05% of GDP) over the budgeted target of GH¢12,825.0 million (22.8 % of GDP). Efforts to improve domestic revenue mobilisation were broadly successful in the review year largely due to improvements in tax administration and streamlining of tax exemptions. The tax revenue to GDP ratio of 17.51 per cent was higher than the 13.6 per cent recorded in 2010. Disbursement of grants of GH¢1,175.0 million was 18.8 percentage points higher than budgeted target of GH¢989.4 million.

Total government expenditures, including clearance of payment arrears and commitments, amounted to GH¢13,380.0 million (23.8% of GDP) short of the budgeted sum of GH¢13,837.3 million (24.6% of GDP). Both Recurrent and Capital expenditures fell below budgeted levels by 4.4 per cent and 0.2 per cent respectively while the wage bill exceeded the budgeted target by GH¢203.7 million reflecting payments of arrears related to government employees migrating to the single spine salary structure.

As a result of this impressive performance, on both revenue and expenditure side, for the year, the overall fiscal outturn showed a deficit of (4.3% of GDP) compared with the budgeted target deficit of GH¢2,740.5 million (4.9% of GDP) which compares favourably with the outturn of 6.5 per cent registered in 2010.

The deficit of GH¢2,395.4 million was financed by net domestic borrowing of GH¢1,988.1 million (3.5% of GDP) and net foreign inflow of GH¢979.3 million (1.7% of GDP). Out of the net domestic borrowing of GH¢1,988.1 million, 84.1 per cent were sourced from the non-bank public mainly through the issuance of government bonds with banking sector contributing 15.9 per cent.

3.2.5 Structure of Domestic Debt

The stock of domestic debt at the end of 2011 stood at GH¢11,841.1 million, an increase of GH¢3,561.0 million over the 2010 stock reflecting growth in all categories of debt: short-term, medium-term and long-term went up by GH¢1,138.9 million, GH¢1,812.7 million and GH¢609.4 million respectively. In percentage terms, however, medium-term debt instruments increased from 45.8 per cent in 2010 to 47.3 per cent in 2011 compared to short-term instruments which came down from 38.8 per cent in 2010 to 36.8 per cent in 2011. Long-term government debt instrument also increased marginally from 15.4 per cent in 2010 to 15.9 per cent in 2011.

Holdings of Domestic Debt

Holdings of domestic debt stock in 2011 by all the sectors increased compared with levels in 2010: Banking and Non-bank sector holdings went up by GH¢1,715.5 million and GH¢1,142.4 million to their current respective stock of GH¢7,004.6 million and GH¢2,568.5 million in 2011. The Non-residents holdings of the domestic debt rose by GH¢ 703.1 million to GH¢2,268.1 million. The holdings by the Banking sector in relation to the total stock of domestic debt declined from 63.9 per cent in 2010 to 59.2 per cent in 2011. The Non-bank sector, however registered a rise from 17.2 per cent in 2010 to 21.7 per cent in 2011.

Composition of Domestic Debt (GH¢' Million)

	2010	2011	2011	2011	2011	(As a) % OF
	DECEMBDER	MARCH	JUNE	SEPTEMBER	DECEMBER	DEC 2011 TOTAL
A. SHORT-TERM						
91-Day Treasury Bill	641.0	897.8	652.2	816.6	1,225.0	10.3
182-Day Treasury Bill	1,334.6	1,486.6	1,578.7	1,291.1	1,291.1	10.9
1-Year Treasury Note	1,134.6	958.6	1,164.8	1,540.0	1,733.0	14.6
Short term Advance	104.2	104.2	104.2	104.2	104.2	0.9
SUB-TOTAL (A)	**3,214.5**	**3,447.2**	**3,500.0**	**3,752.0**	**4,353.3**	**36.8**
B. MEDIUM-TERM						
2-Year Fixed Treasury Note	1,647.0	1,656.3	1,815.9	1,651.5	1,174.1	9.9
3-Year Fixed Treasury Note	1,653.1	2,009.7	2,492.8	2,543.8	2,743.8	23.2
3-Year Stock(SBG)			29.9	29.9	29.9	0.3
3-Year Stock(SSNIT)			0.0	162.0	162.0	1.4
5-Year GOG Bond	268.8	268.8	268.8	574.1	695.1	5.9
5-year Golden Jubilee Bond	29.4	30.5	31.6	32.7	34.1	0.3
GOG Petroleum Finance Bond	80.0	80.0	80.0	80.0	80.0	0.7
TOR Bonds	110.0	110.0	682.0	682.0	682.0	5.8
SUB-TOTAL (B)	**3,788.3**	**4,155.3**	**5,401.0**	**5,756.0**	**5,601.1**	**47.3**
C. LONG-TERM						
Long Term Government Stocks	673.8	1,320.6	1,320.6	1,320.6	1,320.6	11.2
Telekom Malaysia Stocks	109.5	109.5	109.5	109.5	109.5	0.9
Revaluation Stock	493.1	493.1	493.1	493.1	455.7	3.8
Others Government Stocks	1.0	1.0	1.0	1.0	1.0	-
SUB-TOTAL (C)	**1,277.3**	**1,924.0**	**1,924.0**	**1,924.0**	**1,886.7**	**15.9**
TOTAL(A+B+C)	**8,280.1**	**9,526.6**	**10,825.0**	**11,432.1**	**11,841.1**	**100.0**

Bank of Ghana's holdings of domestic debt at the end of December 2011 stood at GH¢2,702.3 million (22.8%) compared with 18.5 per cent as at end-December 2010. The Deposit Money Banks (DMBs) held GH¢4,302.3 million (36.3%), SSNIT GH¢475.1 million (4.0%), Insurance companies GH¢39.0 million (0.3%), 'Other' holders comprising Rural Banks, Firms & Institutions and individuals held GH¢2,054.3 million representing 17.3 per cent of the total stock.

In 2010, holdings of DMBs, SSNIT, Insurance companies, and 'Other' holders were 45.4 per cent, 2.4 per cent, 0.5 per cent, and 14.3 per cent respectively. Non-residents holdings of the domestic debt increased from GH¢1,565.0 million (18.9%) in December 2010 to GH¢ 2,268.1 million (or 19.5 %) in December 2011 representing an annual growth of 45.0 per cent.

Holders of Domestic Debt (GHC' Million)

HOLDERS	DECEMBER		MARCH		JUNE		SEPTEMBER		DECEMBER	
	2010	%	2011	%	2011	%	2011	%	2011	%
A. Banking sector	**5,289.1**	**63.9**	**5,670.9**	**59.5**	**6,589.0**	**60.9**	**6,613.4**	**57.8**	**7,004.6**	**59.2**
Bank of Ghana	1,533.3	18.5	2,155.4	22.6	2,147.7	19.8	2,430.3	21.3	2,702.3	22.8
Deposit Money Banks	3,755.7	45.4	3,515.5	36.9	4,441.4	41.0	4,183.1	36.6	4,302.3	36.3
B. Nonbank sector	**1,426.1**	**17.2**	**1,851.6**	**19.4**	**1,758.8**	**16.2**	**2,286.4**	**20.0**	**2,568.5**	**21.7**
SSNIT	201.4	2.4	233.1	2.4	164.3	1.5	421.0	3.7	475.1	4.0
Insurance Companies	38.6	0.5	42.9	0.5	48.0	0.4	36.1	0.3	39.0	0.3
Others Holders	1,186.0	14.3	1,575.6	16.5	1,546.4	14.3	1,829.4	16.0	2,054.3	17.3
Rural Banks	163.4	2.0	187.4	2.0	167.0	1.5	173.7	1.5	197.6	1.7
Firms & Institutions	608.1	7.3	765.5	8.0	894.3	8.3	1,018.4	8.9	1,052.4	8.9
Individuals	414.5	5.0	622.7	6.5	485.1	4.5	637.3	5.6	804.4	6.8
C. Foreign sector(Non-Residents)	**1,565.0**	**18.9**	**2,004.1**	**21.0**	**2,477.2**	**22.9**	**2,532.2**	**22.2**	**2,268.1**	**19.2**
TOTAL(A+B+C)	**8,280.1**	**100.0**	**9,526.6**	**100.0**	**10,825.0**	**100.0**	**11,432.1**	**100.0**	**11,841.1**	**100.0**

3.2.6 External Sector Developments

The BOP recorded a surplus of US$546.5 million as at the end of December 2011, compared to a surplus of US$1,462.7 million registered during the corresponding period of 2010. The 2011 BOP surplus compares favourably with the programmed buildup of US$517.0 million. The modest surplus recorded in 2011 emanated from an improvement in the capital and financial account which compensated for the deterioration in the current account.

The Current Account

The current account worsened by 32.7 per cent (US$9.5.5 million) to a deficit of US$3,675.1 million (9.9% of GDP) in 2011, compared to the deficit of US$2,769.7 million (9.3% of GDP) in 2010. This development was attributed to a worsening trade balance and an increase in services and income payments. The trade balance dipped by 7.5 per cent to US$3.2 billion on account of a higher import bill which offset the gains in exports. The current transfer accounts however, recorded a net inflow of US$2,597.4 million.

Merchandise Balance of Trade

The merchandise balance of trade in 2011 is estimated to have worsened to US$3,183.0 million from a deficit of US$2,962.0 million recorded in 2010.The development was as a result of a soaring import bill of US$15,968.4 million as against export earnings of US$12,785.4 million.

Merchandise Exports

Total export receipts grew significantly by US$4,825.3 million (60.6%) to US$12,785.4 million in the year ended December 2011 from US$7,960.1 million in 2010. The growth in export receipts was largely driven by increased earnings from gold, cocoa beans, other exports and the emergence of oil as an export commodity.

Earnings from gold exports were estimated to have increased by 29.4 per cent at US$4,920.2 million from US$3,803.5 million recorded during the corresponding period of 2010. This development was on account of 28.3 per cent rise in average realized price to US$1,564.8 per fine ounce while volume went up by 0.9 per cent to 3.1 million fine ounces.

Export earnings from cocoa (beans and products) grew by 29.4 per cent to US$2,870.9 million. Earnings from cocoa beans improved by 27.2 per cent to US$2,027.9 million on account of a 19.0 per cent increase in volume to 630,216 tonnes while the average realised price increased marginally by 6.8

per cent to US$3,217.9 per tonne. Earnings from cocoa products also increased by 34.8 per cent to US$842.9 million in 2011 and these were mainly attributed to volume increase of 37.9 per cent to 226,232.0 tonnes. Price of cocoa products, on the other hand, decline by 2.2 per cent to end at US$3,726.0 million in 2011.

The value of timber products exported decreased by 12.6 per cent to US$165.7 million from US$189.5 million in 2010. The decline was a result of 16.7 per cent drop in volume exported to 355,620 cubic metres as against a 5.0 per cent gain in price to US$465.8 per cubic metre.

The value of crude oil exported in 2011, the first year of production, was estimated at US$2,778.5 million based on an average realized price of US$112.4 per barrel, and volume of 24.73 million barrels.

The reporting period also witnessed an increase of export of "others (including non-traditionals)" by 17.3 per cent to US$2,050.1 million. Significant among these was the exports of aluminum alloys in 2011 which amounted to US$88.8 million.

Merchandise Imports

The total value of imports in the review year shot up by 46.2 per cent to US$15,968.4 million underpinned by strong growth in import values of both oil and non-oil.

Non-oil merchandise imports increased by 45.9 per cent in 2010 to US$12,672.3 million in 2011. This was driven by increases in all the broad categories, indicating increased economic activities in the economy.

The value of capital goods imported was provisionally estimated at US$2,686.1 million, a rise of 61.8 per cent or US$1,025.8 million above the outturn of US$1,660.4 million recorded during the corresponding period of 2010. Consumption goods imported amounted to US$3,042.5 million, up by 47.1 per cent or US$973.9 million. The value of intermediate goods imported was estimated at US$6,081.5 million, an increase of 33.0 per cent and accounted for 48.0 per cent of the total import bill. The value of other goods imported rose by US$474.4 million to US$862.2 million.

Oil Imports

Oil imports (including gas) rose by 47.4 per cent to US$3,296.1 million, driven by increase in price of crude oil and the value of finished products. Total crude oil imports grew by US$345.2 million to US$1,465.5 million. The improvement was attributed mainly to price increase of 47.6 per cent to an average realized price of US$119.9 per barrel that more than offset an 11.4 per cent drop in volume. The volume of gas imported during the year under review was estimated at 31,164,106 MMBTu, valued at US$172.8 million at an average price of US$5.6 per MMBTu.

The total imports of finished oil products went up by 48.6 per cent to US$1,657.8 million.

Service, Income and Current Transfers

The Services, Income and Transfers account recorded a deficit of US$492.1 million in 2011 compared with a surplus of US$192.3 million recorded in 2010. The Services and Income accounts registered net outflows (payments) of US$1,859.5 million and US$1,230.1 million respectively. On the other hand the Current Transfers accounts recorded net inflows of US$2,597.4 million on account of private remittances which increased by 12.0 per cent to US$2,368.8 million and official grants which also increased by 14.5 per cent to US$228.6 million.

Capital and Financial Account

The Capital and Financial accounts recorded net inflows of US$4,479.3 million, an improvement of US$189.8 million compared to 2010. The increase was on account of a 31.9 per cent increase in the Capital account to US$445.1 million and a 2.1 per cent increase in the Financial account to US$4,034.3 million. The performance of the Financial account was mixed; direct investments rose by 27.5 per cent to US$3,222.2 million (US$2,094.4 million from the oil sector) whilst portfolio investment and other investments dropped by 81.1 and 13.7 per cent respectively to US$117.6 million and US$694.5 million.

Developments in the Balance of Payments (US$' Million)

	2009	2010	2011*
CURRENT ACCOUNT	**-1,687.41**	**-2,769.68**	**-3,675.13**
Merchandise Exports (f.o.b.)	**5,839.70**	**7,960.08**	**12,785.41**
Cocoa beans and products	1,866.03	2,219.54	2,870.87
Gold	2,551.36	3,803.52	4,920.22
Timber products	179.83	189.47	165.66
Oil			2,778.53
Others (including non-traditionals)	1,242.48	1,747.55	2,050.13
Merchandise Imports (f.o.b.)	**-8,046.25**	**-10,922.10**	**-15,968.42**
Non-oil	-6,557.28	-8,686.18	-12,672.28
Oil	-1,488.97	-2,235.92	-3,296.14
Trade Balance	**-2,206.55**	**-2,962.02**	**-3,183.01**
Services (net)	**-1,173.42**	**-1,595.14**	**-1,859.45**
Receipts	1,769.70	1,477.30	1,810.12
Payments	-2,943.12	-3,072.44	-3,669.57
Income (net)	**-385.73**	**-534.95**	**-1,230.09**
Receipts	101.12	52.92	55.37
Payments	-486.85	-587.87	-1,285.46
Current Transfers (net)	**2,078.29**	**2,322.43**	**2,597.42**
Official	289.92	199.74	228.65
Private	1,788.37	2,122.69	2,368.77
Services, Income and Current Transfers (net)	**519.14**	**192.34**	**-492.12**
CAPITAL & FINANCIAL ACCOUNT	**4,327.64**	**4,289.54**	**4,479.31**
Capital Account	**563.89**	**337.47**	**445.06**
Capital transfers	563.89	337.47	445.06
Financial Account	**3,763.75**	**3,952.07**	**4,034.25**
Direct Investments	2,890.19	2,527.35	3,222.24
Portfolio Investments	-43.64	620.46	117.56
Of which			
Sovereign bond			
Other Investments	917.20	804.26	694.45
Of Which			
Official Capital (net)	1,086.20	879.63	649.62
Sovereign bond			
Other Private Capital (net)	-135.16	-493.38	-359.10
Short-term capital (net)	-33.84	418.01	403.93
ERRORS AND OMISSIONS	**-1,481.45**	**-57.19**	**-257.65**
OVERALL BALANCE	**1,158.78**	**1,462.67**	**546.53**
FINANCING	**-1,158.78**	**-1,462.67**	**-546.53**
Changes in international reserves	-1,158.78	-1,462.67	-546.53
Of which			
Sovereign Bond			
*** Provisional**			
Note: + Classification of Balance of Payments is according to Balance of Payments Manual 5 (BPM5) format			

International Reserves

The stock of net international reserves (NIR) at the end of December 2011 was estimated at US$4,439.0 million; indicating a build-up of US$546.5 million over a stock position of US$3,892.4 million at the end of December 2010. This compares with a build-up of US$517.0 million programmed for end-December 2011.

The country's gross international reserves increased by 15.0 per cent (US$702.8 million) to US$5,382.8 million in December 2011 from a stock position of US$4,680.0 million at the end of December 2010. This was sufficient to provide cover for 3.2 months of imports, compared to 3.7 months of imports cover at the end of December 2010.

3.2.1.9 Exchange Rate Development in the Domestic Market

The Ghana cedi recorded mixed performance during the year. After sliding in January, the Ghana cedi recovered in February and traded relatively stable up to August. The Ghana cedi then slumped in September and remained weak up to the end of the year.

During 2011, the country recorded appreciably high foreign exchange inflows from the commodities sector, especially cocoa, mining and lately from the oil sectors. In addition foreign exchange sourced offshore by the banks during the second and third quarters were relatively high. However, demand for foreign exchange from official sources for oil importation, loan repayments and contractual payments for infrastructural developments were also high. There was also high demand from the informal sector by traders especially during the Christmas season and also during the Hajj period. These factors created strong demand for foreign exchange in the market which weakened the Ghana cedi.

The cumulative, depreciation of the Ghana cedi in

2011 was 4.9 per cent, 9.0 per cent and 7.9 per cent against the US dollar, the pound sterling and the euro respectively.

On the Forex Bureau Market the Ghana cedi traded weaker than on the inter-bank market depreciating by 11.5 per cent, 11.0 per cent and 9.5 per cent against the US dollar, the pound sterling and the euro respectively during the year.

3.2.8 External Debt

The previously reported external debt stock of US$7,815.9 as at the end of December 2011 has been revised downward to US$7,589.4 million based on new information received from donors. The new position reflected an increase of US$1,268.7 million (or 20.1%) over the US$6,320.68 million (also revised upward from US$6,254.5 million) recorded at the end of December 2010.

At the end of 2011, the stock of disbursed and outstanding external debt was US$7,589.4 million, showing an increase of 20.1 per cent (US$1,268.7 million) over the US$6,320.7 million recorded at the end of December 2010 and US$5,007.9 million at the end of 2009. The change in the debt stock within the year was due to transactions (disbursements less amortizations) of US$ 1,252.0 million (98.7%) and valuation changes due to movement in cross rates among the holding currencies of US$16.7 million (1.3%)

The following table compares the calculated debt burden ratios against the indicative threshold ratios at the end of 2011:

Ghana's external debt ratios fall comfortably within the generally accepted thresholds indicating that there is no imminent solvency or liquidity risk to Ghana's external debt profile.

Selected External Debt Indicators

	2007	2008	2009	2010	2011
External Debt	3,585.93	4,035.07	5,007.88	6,320.68	7,589.45
External Debt Stock/GDP	15.0	16.0	19.4	20.5	20.8
External Debt Service/ Exports of goods and services	3.2	4.3	4.3	33.3	2.9
External Debt Service/Domestic Revenue	5.1	7.7	9.7	6.8	6.4
External Debt Service/GDP	0.8	1.2	1.3	1.0	1.2

3.2.9 Outlook for 2012

Prospects of the Ghanaian economy for 2012 remain positive as the economy continues to show signs of macroeconomic stability. Economic activity is expected to be buoyant with GDP growth expected to be 8.7 per cent in 2012. Oil production is expected to be boosted with the implementation of the gas infrastructure project to produce gas in adequate quantities for domestic use and for feeding VRA's thermal plants for generation of energy as well as to forestall reinjection of gas that presently inhibits optimum production of crude oil at the jubilee field. Against this background, the end-year target for CPI inflation for 2012 has been programmed to be in the range of 6.5 - 10.5 per cent (i.e. 8.5% plus or minus 2%). Upside and downside risks to the outlook however include the following:

Upside Risks to inflation

- Exchange rate volatility and petroleum price adjustment within the first quarter of 2012 may impact adversely on the inflation outlook.
- Wage pressure demands, arrears clearance and the execution of the single spine salary scheme, if not carefully managed, could impact adversely on inflation.
- There is also the issue of potential geo-political concerns that may impact world food and oil supply could pass-through to domestic food inflation.

Downside Risks to Economic activity

- Predicted slowdown in world economy, especially in the euro area, may worsen the country's term of trade conditions as prices of key commodities are likely to fall. Targeted revenues from cocoa, gold and oil exports may also not be realized.
- Low consumer confidence may likely lead to weakness in aggregate demand and output with the attendant rising unemployment.

3.3 Liberia

3.3.0 OVERVIEW

The year 2011 was an eventful year for Liberia. The nation conducted its second successive democratic presidential and legislative elections following and ok bold steps to consolidate the nation's young democracy, by successfully conducting the second consecutive presidential and legislative elections and thus consolidating a peaceful environment for the continued recovery of the economy. Sound fiscal and monetary policies, together with institutional reforms contributed to strong economic growth of about 6.9 percent, with relatively low inflation as at year end 2011. The foreign reserves position of the CBL also strengthened and the banking sector continued to show immense progress by increasing its contribution to the growth of the economy.

The CBL continued its focus on maintaining regulatory surveillance and effective prudential controls, while encouraging improved financial services and accessibility to financing for the benefit of the public. Towards that end, the Bank issued a revised Code of Ethics for the Supervision Department to guide the staff's relationship with the commercial banks; established a Consumer Protection Unit within the Regulation and Supervision Department to ensure that consumers are protected from unfair or unethical practices by financial services providers; and removed monopoly clauses in agreements between commercial banks and Money Transfer Organizations. Permission was given for banks to engage in Mobile Money Services in order to further extend financial services to the rural areas.

Looking forward, it can be said that a good foundation has been laid for the economy to continue with a healthy growth momentum over the medium term. However, greater attention must be given to addressing the unemployment issue, which entails, among others, giving added impetus to the Liberian business sector. In this connection, increased attention has to be given toinitiatives that support “the bricks and mortar of development” infrastructure, with emphasis on power and roads; agriculture rehabilitation and expansion; enhancing the country's manufacturing potential; and improved capacity building through both knowledge transfer and requisite technology and equipment. These are necessary for economic transformation, which is critical to bringing about more vibrant, broad-based endogenous economic growth.

The availability of affordable medium-to-long term credit to sectors of the economy underserved by commercial banks, but holding the potential for diversification, value addition and job creation for the low-skilled outside the enclave sectors remains a challenge. Sectors of the economy that require long gestation periods and carry investment risks, such as agriculture, have not been adequately served by commercial banks. Only 3.3 percent of total bank credit went to agriculture in 2011, whereas agriculture accounted for 41.3 percent of GDP. The CBL will continue to do what it can to enhance credit to the economy, learning from the experience of its Credit Stimulus Initiative for Liberian-owned SMEs, and is considering how additional medium-term resources for targeted lending can be provided. However, it must be recognized that help from the CBL in terms of providing such medium term funding can only be done within the confines of its limited resources. The Government and development partners also have an important role to play.

Table 2: Liberia: Sectoral Origin of Gross Domestic Product (GDP)
(1992 Constant Prices)
(2009 - 2011)
(In Millions US$)

Sector	2009+	2010+	2011*	2012**
Agriculture & Fisheries	228.1	236.7	247.7	254.6
Forestry	80.5	89.7	91.6	93.4
Mining & Panning	8.8	9.6	22.5	60.5
Manufacturing	54.3	56.0	57.8	59.6
Services	159.7	168.8	179.9	188.4
Real Gross Domestic Product	**531.4**	**561.0**	**599.5**	**656.4**

Sources: Liberian Authorities and IMF Staff estimates and projections
+Revised **Estimates* ***Projection*

3.3.1 Real Sector Developments

The Liberian economy grew at an estimated 6.9 percent for 2011, 1.4 percentage points more than the earlier projected rate of 5.5 percent in 2010. Growth was driven by increased rubber production and the resumption of iron-ore exports during the second half of 2011.

Table 3: Key Agricultural and Forestry Production (2009-2011)

Commodity	Unit	2009	2010	2011*
Rubber	MT	62,879.7	62,577	88,026
Cocoa Bean	MT	5,075.0	7,117	26,770
Coffee	MT	130.0	379	215
Round Logs	M^3	NA	7,251	74,208
Sawn Timber	PCS	826,094.6	543,793	382,334

Sources: Ministry of Commerce (MoC); Liberia Produce & Marketing Corporation (LPMC); Forestry Development Authority (FDA)
**Figures are estimates done by the CBL*

Rubber production rose by 40.7 percent to 88,026 metric tons at end-December, 2011, compared with 62,577 metric tons recorded in 2010. Favorable weather condition and surge in global demand were the main contributors to the growth in production. Output of cocoa also significantly increased by 19,653 metric tons to 26,770 metric tons, from 7,117 metric tons produced during 2010. The expansion in cocoa output was ascribed to the rapidly accelerated rehabilitation of smallholders' farms.

From the perspective of the forestry sub-sector, logging activities increased during the review period with total output expanding to 74,208 cubic meters, 66,957 cubic meters higher than the output of the preceding year. The growth in production was partly due to increased commercial logging activities made possible by the lifting of the embargo on exportation of logs from the country at the completion of the regulatory reform in the sector.

An estimated 39,865 carats of diamond were mined during 2011, representing 81.1 percent more than the output of the previous year. The key driver for the increase was the heightened global demand for the product. However, gold output recorded a slump of 29.5 percent to 15,092 ounces at end-2011, from 21,402 ounces mined in 2010. The decline was partly attributed to the 1.0 percentage point increase in royalty fees.

Table 4: Key Industrial Output (2009 - 2011)

Commodity	Unit	2009	2010	2011*
Cement	MT	70,584	71,733	60,764
Beverages	Liter	19,979,814	25,457,394	30,986,250
Paints	Liter	211,694	270,217	284,072
Candle	KG	323,200	578,844	473,383
Chlorox	Liter	529,396	662,285	816,152
Rubbing Alcohol	Liter	231,060	743,960	309,767
Mattresses	PCS	47,278	122,029	142,066
Gold	Ounce	16,859	21,402	15,092+
Diamond	Carat	36,828	22,018	39,865+
Finished Water	Gal	299,664,128	1,408,373,584	1,821,139,929

Sources: Ministry of Commerce & Industry; Lands, Mines & Energy; and Liberia Water & Sewer Corporation (LWSC)
**Figures are estimates by CBL*
+Actual

In the second-half of 2011, Arcelor Mittal successfully exported the first post-war iron ore out of Liberia after years of revitalization of mine related infrastructures. This inaugural iron-ore export signals brighter prospects in the mining industry of Liberia. The revamping of the mining sector remains on course during the year under review with conclusion of mineral development agreement between the Government of Liberia and Elenitto to develop several iron ore mines in western Liberia.

3.3.2 Price Developments

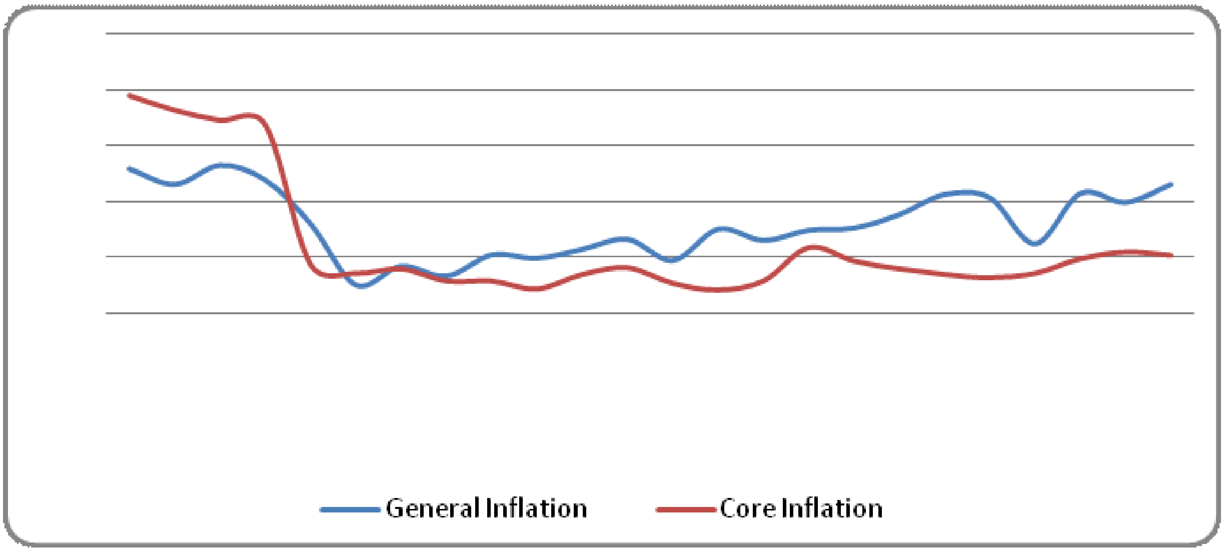
Inflationary pressure rose during the year with annual headline inflation averaging 8.5 percent compared with the 7.5 percent reported in 2010. The build-up was largely driven by food and transportation. Domestic food inflation grew by 10.8 percentage points to 17.0 percent in 2011, up from 6.2 percent of the preceding year mainly due to structural impediments, such as poor state of farm-to-market roads in the country. Similarly, transport inflation rose to 18.2 percent at end-December, 2011, from 4.7 percent at the end of 2010, representing an incremental change of 13.5 percentage point. Transport inflation was partly pressurized by increase in the price of petroleum products.

Table 5: HCPI and Core Inflation
(In Percent) (2010 2011)

Year	Inflation	Wgt.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ave
	Headline	100	12.9	11.5	13.2	11.9	8	2.5	4.2	3.3	5.2	4.9	5.7	6.6	7.5
2010	Core	51.31	19.5	18.2	17.3	16.9	4.4	3.6	4	2.9	2.9	2.2	3.5	4.1	8.3
	Headline	100	4.7	7.5	6.5	7.4	7.6	8.8	10.6	10.3	6.2	10.7	9.9	11.5	8.5
2011	Core	51.31	2.7	2.1	2.9	5.9	4.7	4	3.5	3.2	3.6	4.9	5.5	5.2	4.0

Sources: LISGIS and CBL

Chart 2: HCPI and Core Inflation
(In Percent) (2010 - 2011)



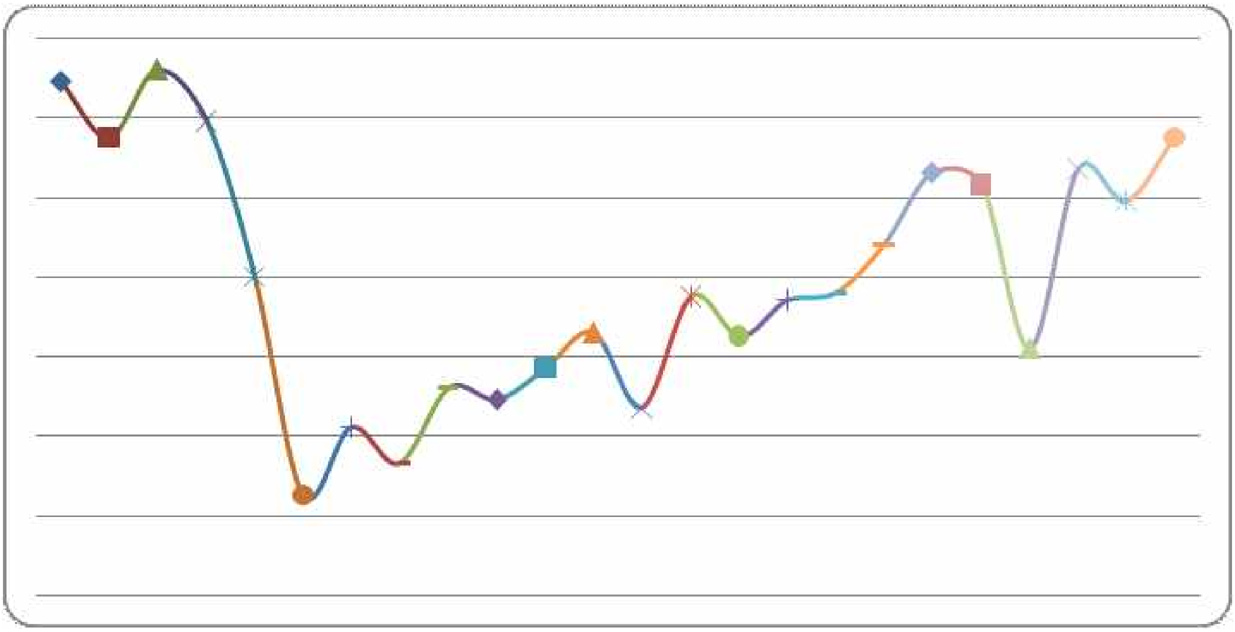
Core inflation (excluding prices of food and transportation) moderated to 4.0 percent in 2011, down from 8.3 percent recorded in 2010. The headline and core inflation differential affirms the role of structural factors in price developments in the country. Inflationary build-up in 2012 is projected to slightly moderate around 7.0 percent. However, the maintenance of the single digit inflation may be challenged by higher food and fuel prices on the world market, and the level of domestic food production.

Table 6: Year-on-Year Rates of Inflation
(2009 - 2011)
(December, 2005 = 100)

	2009	2010	2011
January	6.4	12.9	4.7
February	7.0	11.5	7.5
March	6.9	13.2	6.5
April	7.8	11.9	7.4
May	7.7	8.0	7.6
June	7.6	2.5	8.8
July	7.3	4.2	10.6
August	4.9	3.3	10.3
September	8.0	5.2	6.2
October	8.2	4.9	10.7
November	7.8	5.7	9.9
December	9.7	6.6	11.5
Average Rate	**7.4**	**7.5**	**8.5**

Sources: Central Bank of Liberia and Liberia Institute for Statistics and Geo-Information Services (LISGIS)

Chart 3: Year-on-Year Rates of Inflation
(2010 2011)
(December, 2005 = 100)



3.3.3 Banking Sector Developments

Similar to the developments in 2010, the banking sector in 2011 was well capitalized and liquid, and recorded strong growth. Total assets of the banking sector in 2011 increased by 31.3 percent compared with 2010. The liquidity position stood at 44.0 percent at the end of 2011, 29.0 percentage points in excess of the 15.0 percent legal minimum requirement. At end-December, 2011, the Capital Adequacy Ratio (CAR) of the banking industry was 22.8 percent, 12.8 percent higher than the statutory requirement of 10 percent. Growth was also recorded in the gross earnings and operating profits of the sector at end-December, 2011. Both expanded by 20.4 percent and 24.9 percent, respectively.

In 2011, the Central Bank of Liberia intensified its reform efforts to modernize the National Payments System (NPS) in order to enhance safety and efficiency. This program is part of a regional project to upgrade the payments infrastructure in the West African Monetary Zone (WAMZ). Also, the CBL drafted the payments System Act and submitted same to the National Legislature for enactment into law. The passage of this Act into law will set the legal basis for the regulation and supervision of the payments system and payment service providers.

3.3.4 Money and Credit Developments

3.3.4.1 Monetary Policy Stance

The monetary policy stance of the CBL has remained the achievement of broad exchange rate stability for the attainment of low inflation in the Liberian economy. To this effect, and in the face of limited policy tools, the CBL uses the foreign exchange auction as the principal policy instrument available to influence domestic monetary condition. At the moment, modality is being worked out to introduce a treasury-bill market to increase the number of policy instruments available to the CBL. The CBL has already completed the operational framework for the commencement of the sale of Government of Liberia Treasury bills. The CBL is also contemplating issuing its own notes.

3.3.4.1 Monetary Aggregates

Liberian dollars in circulation totaled L$7,251.6 million at end-December, 2011, from L$5,550.6 million recorded at the end of December, 2010, representing a 30.6 percent rise. The share of currency outside banks accounted for 92.5 percent while currency in banks constituted 7.6 percent of the total currency in circulation during the year. This development signals low level of saving in the banking industry, which requires exerted efforts by commercial banks to increase domestic saving mobilization. The rise in Liberian dollars in circulation was attributed to a 34.0 percent growth in currency outside banks to L$6,704.3 million in December, 2011, from L$5,007.9 million reported in December, 2010.

Money supply (M1) grew by 30.0 percent over the L$23,212.7 million recorded at end-December, 2010, to L$30,069.0 million reported at end-December 2011. The increase in money supply during the review period was primarily due expansion in demand deposits and currency outside banks, respectively. The Liberian dollar component of M1 amounted to L$8057.9 million at end-December, 2011, a 32.7 percent growth compared with the L$6,116.1 million for the same period in 2010. The growth in money supply mirrors the increasing demand for liquidity in the system to facilitate the expanding economic activities in the economy.

Overall liquidity, broad money (M2), rose to L$43,398.0 million at end-December, 2011, from L$31,103.9 million reported in December 2010. The rise in broad money was mainly driven by a 21.3 percent and 47.9 percent growth in M1 and quasi money, respectively. The US dollar share of broad money constituted 72.7 percent while the Liberian dollars accounted for 27.3 percent during the year, 2011. The higher US dollar share of broad money reflects the dollarized nature of the Liberian economy.

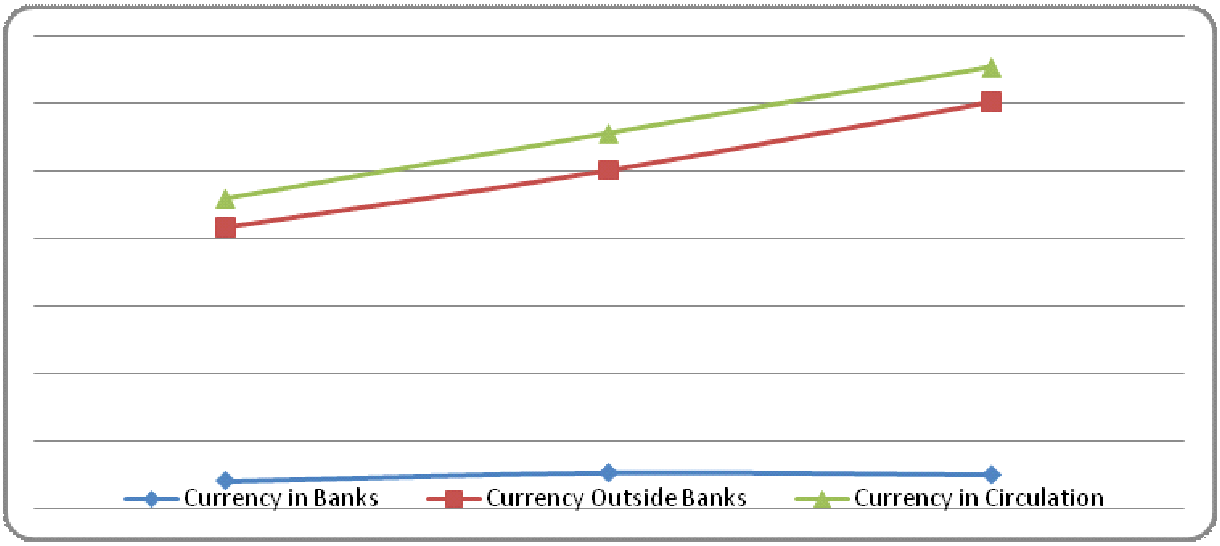
At end-November, 2011, Liberian dollars in circulation amounted to L$6,534.0 million, representing an increase of 17.7 percent, from L$5,550.6 million at end-December, 2010. Of the total currency in circulation, currency outside banks accounted for 92.2 percent while currency in banks constituted 7.8 percent, indicative of the need for greater domestic saving mobilization by banks. The rise in Liberian dollars in circulation was driven by a 20.3 percent increase in currency outside banks, from L$5,007.9 million at end-December, 2010, to L$6,022.4 million at end-November, 2011. Meanwhile, currency in banks fell by 5.6 percent to L$512.4 million at end-November, 2011, from L$542.6 million at end-December, 2010, (Table8 & Chart 4).

Table 8: Liberian Currency in Circulation
(2009-November, 2011)
(in Millions of L$)

Period	Currency in Banks	Currency Outside Banks	Currency in Circulation
	(1)	(2)	(1) + (2) = (3)
End-December '09	421.6	4,161.8	4,583.4
End-December '10	542.6	5007.9	5,550.6
End-November '11	512.4	6,022.4	6,534.0

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 4: Liberian Dollars in Circulation
(2009-November, 2011)
(In Millions of L$)



In the 11-month period to November 2011, money supply (M1) stood at L$28,148.7 million, representing a growth of 21.3 percent over the L$23,212.7 million reported at end-December, 2010. The expansion was driven by a 21.5 percent increase in demand deposits, from L$18,204.7 million at end-December, 2010 to L$22,126.3 million at end-November, 2011 and a 20.3 percent rise in currency outside banks, from L$5,007.9 million to L$6,022.4 million at end-November, 2011, (Table 9 & Chart 5). The expansion in money supply (M1) was in response to the need for liquidity in the system to facilitate the growing economic activities taking place in the economy.

Quasi Money also rose by 47.9 percent, from L$7,891.2 million at end-December, 2010 to L$11,674.3 million at end-November, 2011. The growth in quasi money was on account of a L$2,976.4 million increase in savings deposits and a L$1,010.4 million surge in time deposits.

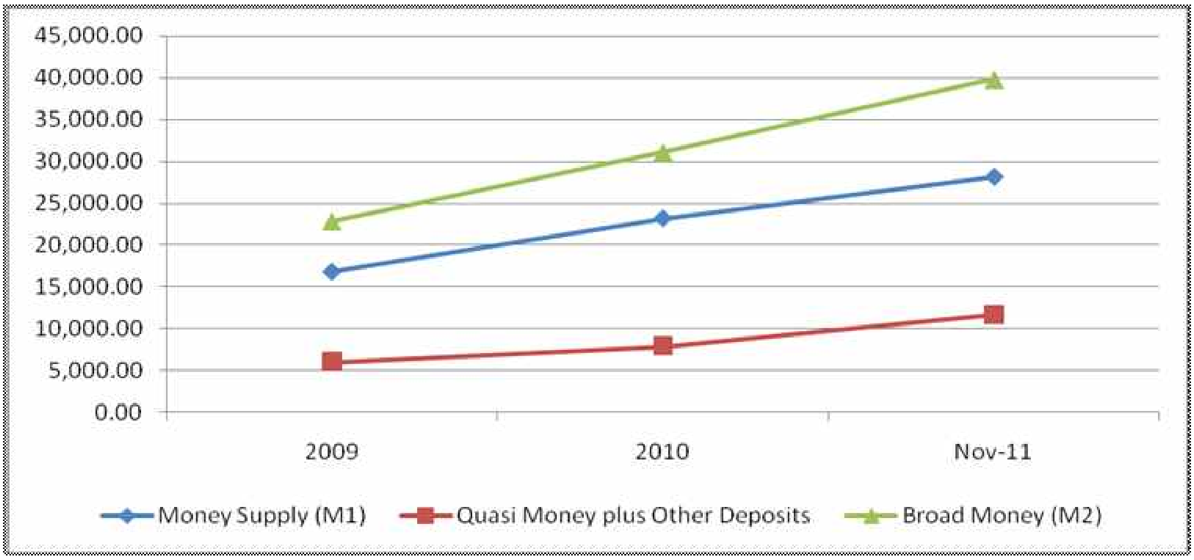
Table 9: Money Supply and its Sources
December, 2009 November, 2011
(in Millions of L$)

Monetary Aggregates	Dec-09	Dec-10	Nov-11	Percent Change Dec 09-10	Percent Change Dec 10-Nov 11
1 Money Supply M2 (1.1 + 1.2.1)	**22.855.4**	**31.103.9**	**39.823.0**	**36.1**	**28.0**
1.1 Money Supply M1	16.847.8	23.212.7	28.148.7	37.8	21.3
1.1.1 Currency outside banks	*4.161.8*	*5.007.9*	*6.022.4*	*20.3*	*20.3*
1.1.2 Demand deposit [1/]	*12,686.0*	*18.204.7*	*22.126.3*	*43.5*	*21.5*
1.2 Quasi Money	**6.007.6**	**7.891.2**	**11.674.3**	**31.4**	**47.9**
1.2.1 Time & Savings deposits	5.884.4	7.572.7	11.559.5	28.7	52.6
1.2.2 Other deposits [2/]	*123.2*	*318.5*	*114.9*	*158.5*	*-63.9*
2 Net Foreign Assets	**(46.832.1)**	**23.629.5**	**22.546.8**	**-150.5**	**-4.6**
2.1 Central Bank	(52.811.5)`	13.681.7	14.846.2	-125.9	8.5
2.2 Banking Institutions	5.979.4	9.947.8	7.700.6	66.4	-22.6
3 Net Domestic Assers (1 - 2)	**69.687.5**	**7.474.3**	**17.276.2**	**-89.3**	**131.1**
3.1 Domestic Credit	**86.629.8**	**26.284.9**	**33.252.2**	**-69.7**	**26.5**
3.1.1 Government (net)	75.739.8	12.013.4	14.964.8	-84.1	24.6
3.1.2 Pvt. Sector & Other Pvt. Sector	10.890.0	14.271.5	18.287.4	31.1	28.1
3 2 Other assets Net (3 - 3.1)	16,942.3	18.810.6	15.976.0	11.0	-15.1
Memorandum Items	**37.598.4**	**50.379.3**	**65.358.5**	**34.0**	**29.7**
1. Overall Liquidity	22.855.4	31.103.9	39.823.0	36.1	28.0
2. Reserve Money	14.743.0	19.275.4	25.535.5	30.7	32.5
Currency outside banks	*4.161.8*	*5.007.9*	*6.022.4*	*20.3*	*20.3*
Banks Reserves	*10.581.2*	*14.267.5*	*19.513.1*	*34.8*	*36.8*

Source: Central Bank of Liberia (CBL)
1Excludes manager check from commercial banks.
2Includes official and managers checks issued by the Central Bank

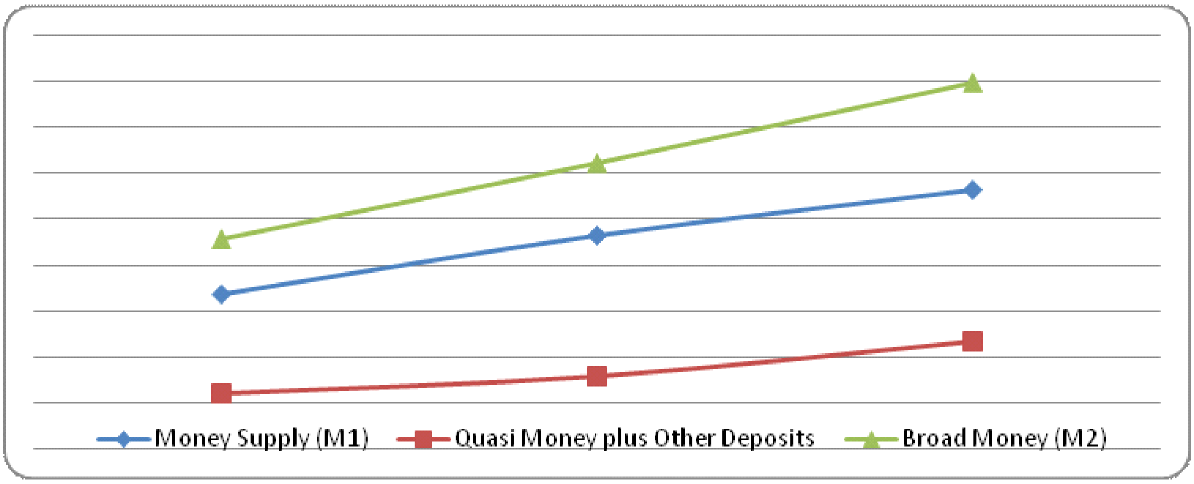
M1 is the narrowest definition of money supply. It is made up of currency outside banks plus demand deposits
Quasi Money is defined as time and savings deposits in both currencies

Chart 5: Money Supply (M1)
(2009 - November, 2011)
(In Million of L$)



During the period, broad money (M2) or overall liquidity grew by 28.0 percent, from L$31,103.9 million at end-December, 2010 to L$39,823.0 million at end-November, 2011. The rise in broad money followed the 21.3 percent and 47.9 percent growth in M1 and quasi money, respectively. In terms of sources of broad money supply, the 131.1 percent increase in net domestic assets (NDA) largely explained the growth in overall liquidity (Table 9 & Chart 6). The growth in overall money supply was mainly driven by the expansion of credit to the private sector in support of economic growth and development.

Chart 6: Broad Money (M2)
(2009 - November, 2011)
(In Millions of L$)



Reserve money at end-November 2011 rose by 32.5 percent to L$25,535.5 million, from L$19,275.4 million at end-December, 2010. The increase was driven predominantly by a36.8 percent rise in commercial banks' reserves, from L$14,267.5 million at end-December, 2010 to L$19,513.1 million at end-November, 2011.

The US dollar share of broad money stood at 72.7 percent while the Liberian-dollar component accounted for 27.3 percent during the review period. The US and Liberian dollar shares of broad money remained largely stable between 2009 and 2011. However, the US- dollar share is remained high, reflecting the dollarized nature of the Liberian economy (Table 10 & Chart 7).

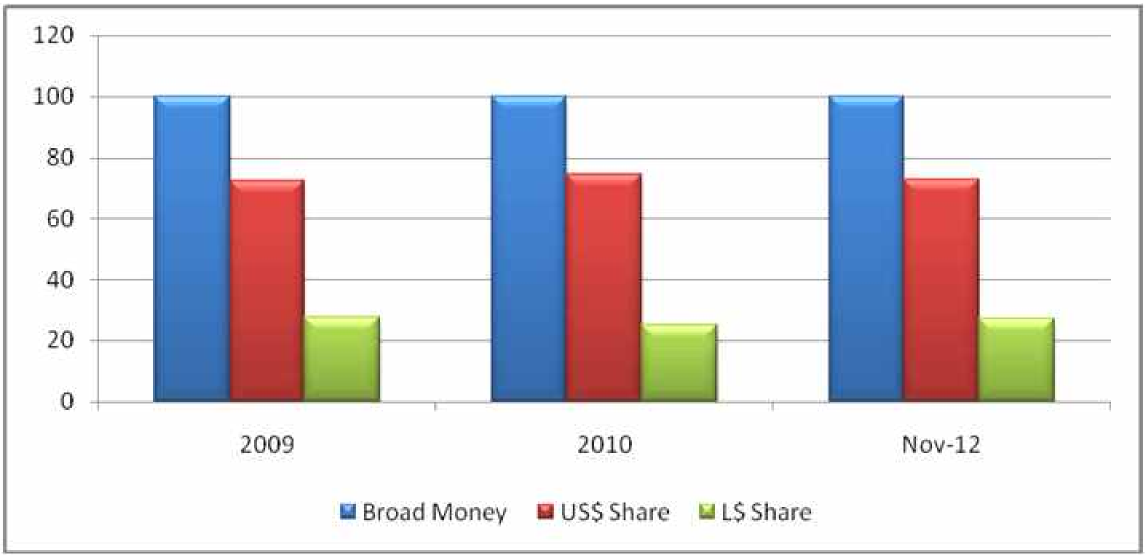
5 Broad Money (M2) is defined as M1 plus Quasi Money

Table 10: Broad Money (M2): Share of US and Liberian Dollars
(2009 - November, 2011)
(In Millions of L$)

	2009	Percent Share	2010	Percent Share	Nov-2011	Percent Share
Broad Money	22,855.4	100	31,103.9	100	39,823.0	100
US$ Share[1]	16,516.2	72.3	23,233.2	74.7	28,944.4	72.7
L$ Share	6,339.2	27.7	7,870.6	25.3	10,878.6	27.3

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 7: Broad Money (M2): Share of US and Liberian Dollars
(2009 - November, 2011)
(In Percent)



3.3.5 Exchange Rate Developments

The Liberian dollar exchange rate remained relatively stable around L$72.00 per US$1.00 during the most part of 2011, on account of the CBL's continued intervention in the foreign exchange market. The end-of-period exchange rate for the review period was L$72.50 per US$1.00, while the period average stood at L$72.23 per US$1.00 for the same period.

Table 11: Monthly Averages of Buying and Selling Rates of Liberian Dollars per US Dollar
(2009 -December, 2011)

	2009		2010		2011	
	Buying	Selling	Buying	Selling	Buying	Selling
January	63.94	64.93	70.83	71.83	71.79	72.75
February	64.00	65.00	71.25	72.31	71.96	72.60
March	64.50	65.35	71.09	72.09	71.61	72.31
April	65.60	66.23	70.21	71.21	71.54	72.21
May	67.46	68.37	70.58	71.58	72.00	72.98
June	69.34	70.30	71.19	72.15	72.10	73.10
July	70.61	71.59	71.81	72.76	72.35	73.33
August	71.67	72.75	72.00	73.00	72.02	73.00
September	71.35	72.44	71.35	72.35	71.58	72.58
October	70.59	71.56	71.50	72.54	71.88	72.69
November	67.36	68.36	69.35	70.31	71.10	72.09
December	67.31	68.31	69.72	70.67	71.43	72.43

Source: Central Bank of Liberia, Monrovia, Liberia

6 The US$ component is converted to L$ at the end-of-period exchange rate

Chart 8: Monthly Averages of Buying and Selling Rates of Liberian Dollars per US Dollar (2009 to 2011)

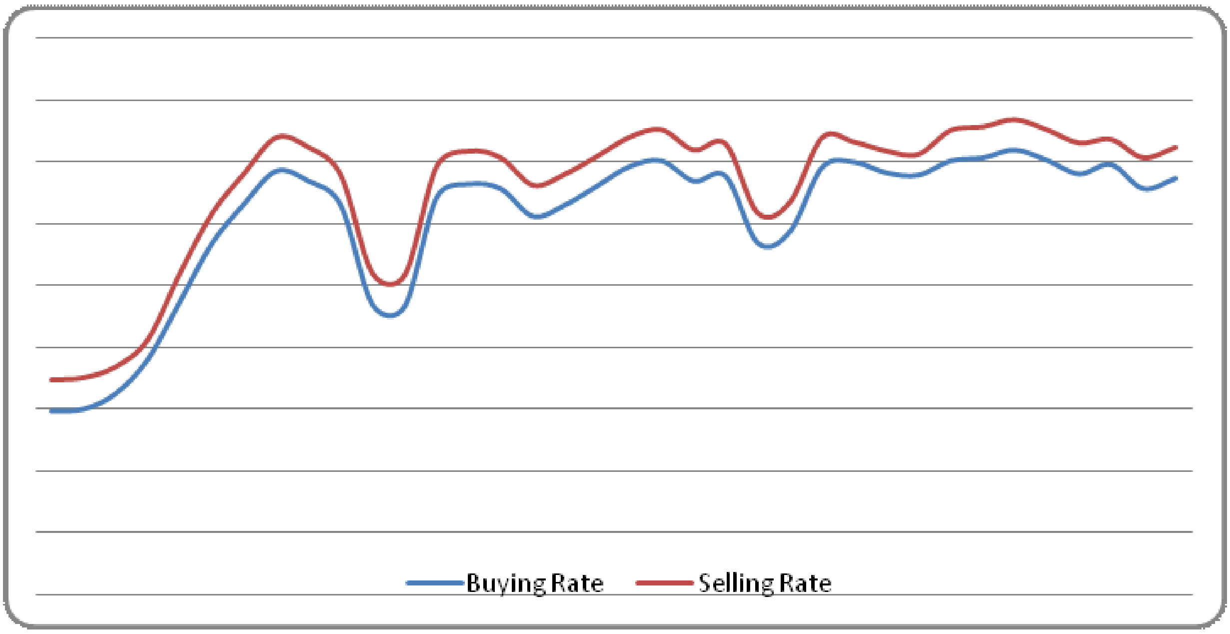


Table 12: Market Exchange Rates: Liberian Dollars per US Dollar (2009 - December, 2011)

Exchange Rate	2009	2010	December 2011
End of Period	70.50	71.50	72.50
Period Average	67.81	70.19	72.23

3.3.6 External Sector Developments

3.3.6.1 Trade Balance

Overall earnings from exports amounted to US$367.0 million at end-December, 2011, compared with US$1,033.7 million import payments recorded in the same period, resulting into a trade deficit of US$666.7 million. The trade deficit was largely due to expansion in imports which more than offset increased exports during the year, 2011. On a year-on-year basis, the trade deficit increased by 36.7 percent, from US$487.8 million at end-December, 2011.

3.3.6.2 Merchandise Imports

The total value of merchandise goods imported during 2011 increased by US$323.9 million, representing 45.6 percent to US$1,033.7 million, from US$709.8 million recorded in 2010. The rise was primarily due to an upsurge in payments for such items as Food & Live Animal and Machinery & Transport Equipment. Import expenditures for Beverage & Tobacco dramatically increased by US$43.8 million to US$61.4 million at end-December, 2011, from US$17.6 million of the preceding year while Chemical & Related product also increased by US$35.4 million.

3.3.6.3 Merchandise Exports

Total exports during the year expanded by 65.3 percent to US$367.0 million at end-December, 2011, from US$222.0 million recorded in 2010. The key drivers of the increase in exports were recommencement of iron ore export, gradual expansion of economic activities especially in the extractive industry, coupled with stable operating environment in the agricultural sub-sector. Rubber remains the dominant export earner in the economy, accounting for 61.6 percent of total receipts in 2011.

Counting on the accelerated pace of revitalization of basic infrastructure, increasing number of mineral development agreements signed between the Government of Liberia and various concession companies, coupled with the rise in foreign direct investment (FDI) flows into the agricultural industry, there is a positive outlook in the medium term for the export sector to boom and stimulate economic growth.

3.3.6.4 Balance of Payments

The estimate of Liberia's balance of payments for 2010 recorded a deficit of US$42.5 million, widening from a deficit of US$25.0 million reported in 2009. This development was largely due to deterioration in the current account, mainly caused by the worsening of the trade balance and services. The rise in the trade deficit was on account of a significant increase in import expenditure that more than offset the increase in the nation's export earnings during the year under review. The current account deficit increased by 42.0 percent to US$ 413.0 million in 2010, from US$291.2 million recorded in the previous year.

The income account recorded a surplus of US$24.1 million in 2010 as against the US$127.8 million deficit reported in 2009. Current transfers stood at US$954.0 million in 2010, down from US$1,086.7 million in 2009. This shows a 12.0 percent drop in donor assistance inflows in 2010. Current transfers comprised mostly UNMIL operation, donor assistance to Liberia, and other transfers net that passed through the banking system of Liberia.

Capital and financial account was US$370.6 million in 2010, compared with US$266.2 million in 2009, representing a 39.0 percent increase in 2010. This was a result of the debt forgiveness the Government of Liberia benefited and an increase in foreign direct investment.

Table 14: Balance of Payments of Liberia, 2010
(In Million US Dollars)

Code		2009			2010		
		Credit	Debit	Net	Credit	Debit	Net
993	**1. Current account**	**1,558.8**	**1,850.0**	**(291.2)**	**1,382.2**	**1,795.3**	**(413.1)**
	A. Goods and services	454.1	1,704.2	(1,250.1)	397.1	1,788.4	(1,391.2)
100	*a. Goods*	180.0	559.0	(379.0)	240.0	715.3	(475.4)
200	*b. Services*	274.1	1,145.2	(871.1)	157.2	1,073.0	(915.8)
300	*B. Income*	18.1	145.9	(127.8)	31.1	7.0	24.1
379	*C. Current transfers*	1,086.7	0.0	1,086.7	954.0	0.0	954.0
996	**2. Capital and financial account**	**266.2**	0.0	**266.2**	**370.6**	0.0	**370.6**
994	***A. Capital Account***	1,526.0	0.0	1,526.0	1,586.0	0.0	1,586.0
995	***B. Financial Account***	**(1,259.8)**	0.0	**(1,259.8)**	**(1,215.4)**	0.0	**(1,215.4)**
500	*1. Direct investment*	217.8	0.0	217.8	450.0	0.0	450.0
555	1.1. in Liberia	217.8	0.0	217.8	450.0	0.0	450.0
600	*2. Portfolio investment*	-	0.0	-	-	0.0	-
700	*3. Other investment*	(1,164.8)	0.0	(1,164.8)	(1,591.4)	0.0	(1,591.4)
703	3.1 Assets	200.4	0.0	200.4	1.4	0.0	1.4
753	3.2 Liabilities	(1,365.3)	0.0	(1,365.3)	(1,592.8)	0.0	(1,592.8)
802	*4. Reserve assets*	(312.7)	0.0	(312.7)	(74.0)	0.0	(74.0)
	Total	**1,825.1**	**1,850.0**	**(25.0)**	**1,752.8**	**1,795.3**	**(42.5)**
998	**Net errors and omissions**			**(25.0)**			**(42.5)**

Sources: Central Bank of Liberia and BIVAC

Balances on goods and Services mostly explained the current account deficits. In the goods account, the trade balance of export and import, was US$475.4 million deficit in 2010, compared with US$379.0 million deficit in 2009. Service account net balance was US$915.8 million deficit in 2010, compared with US$ 871.1 million deficit in 2009.

3.3.7 National Stock of Debt

Liberia's total public debt stock at end-December, 2011 stood at US$530.8 million, from US$518.5 million at end-September 2011, indicating a growth of 2.4 percent. Total domestic debt at end-December, 2011 amounted to US$278.4 million, showing a shrink of 0.7 percent from US$280.3 million at end-September 2011; while external debt rose by 5.9 percent to US$254.4 million at end-December, 2011, from US$238.2 million over the level recorded at end-September 2011.

During the year under review, the IMF updated Liberia's Debt Sustainability Analysis (DSA). The update found that the country is in a low risk of debt distress. At end-September 2011, Liberia's total public debt was recorded at US$519.0 million (44.9 percent of GDP), from US$511.2 million (44.2 percent of GDP) at end-September, 2010.

3.3.7.1 External Debt

Total external debt at end-September 2011 was recorded at US$238.5 million, indicating an increase of about 2.3 percent over the level recorded at end-June, 2011. A disaggregation of external debt showed that multilateral debt accounted for 45.2 percent; bilateral, 54.7 percent, and commercial, 0.1 percent.

3.3.7.2 Domestic Debt

At end-September 2011, total domestic debt was recorded at US$280.5 million, representing an increase of approximately 0.9 percent. The rise in domestic debt was driven mainly by a rise in Others (Miscellaneous Debt), which rose by US$3.1 million in the reporting period.

Table 13: Liberia's Overall Debt Position
As at September 30, 2011

	2010	2011	
Creditor	**September**	**June**	**September**
Multilateral	138.94	110.5	107.8
Bilateral	123.18	122.1	130.4
Commercial	20.5	0.3	0.3
Total External Debt	**282.62**	**232.9**	**238.5**
Suppliers' Credit	5.07	3.3	3.3
Salary & Allowances	3.8	3.7	5
Financial Institutions	270	269.1	269.1
Pre-NTGL Salary Arrears	3.06	1.4	0
Others	0	0	3.1
Total Domestic Debt	**281.93**	**278.1**	**280.5**
Total Public Debt	**564.55**	**511.2**	**519.0**

Source: Ministry of Finance, Monrovia, Liberia

3.4 Nigeria

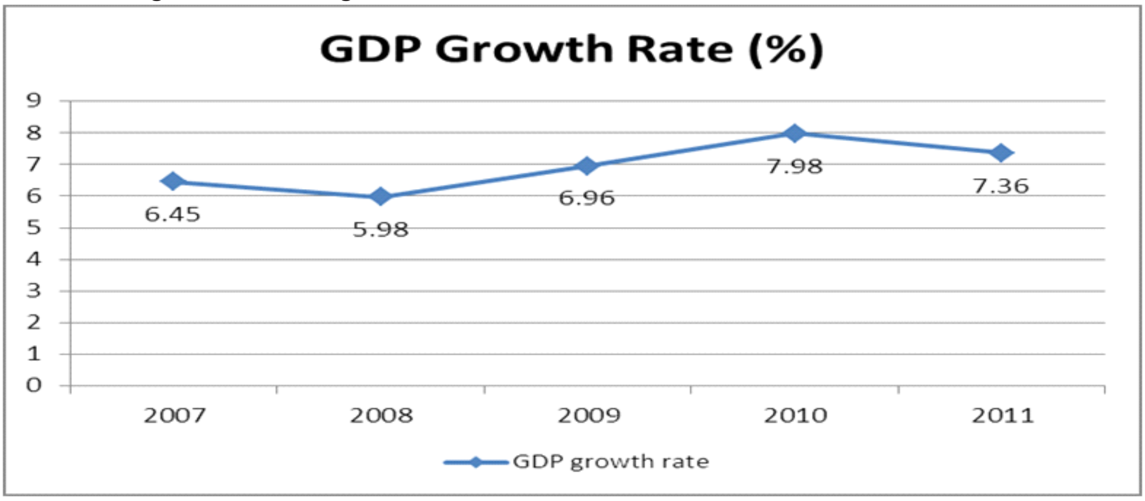
3.4.0 Introduction

In year 2011, the attainment of the Bank's primary objective of price and financial system stability remained the key thrust of monetary policy and monetary targeting remained the main framework for monetary management. During the period, there were some developments in the domestic and global economy which included among others, a huge fiscal expansion, implementation of the new national minimum wage policy, Asset Management Corporation of Nigeria (AMCON) recapitalization of intervened banks and a rise in global energy and food prices. Thus, the Monetary Policy Committee (MPC) held six regular and one extra ordinary meetings and adopted various restrictive monetary policy measures aimed at containing inflationary pressure, sustaining positive real interest rates and enhancing access to bank credit by the private sector.

3.4.1 Output

Data from the National Bureau of Statistics (NBS) indicated that real Gross Domestic Product (GDP) grew by 7.36 per cent in 2011, marginally lower than the 7.98 per cent recorded in 2010. The non-oil sector remained the major driver of growth recording 8.85 per cent increase compared to a 0.57 per cent decline in the oil sector. The growth drivers among the non-oil sector remained agriculture, services and wholesale and retail trade which contributed 2.33, 2.40 and 2.12 per cent respectively. Of these growth drivers, the contributions of agriculture to growth increased from 1.97 per cent in the first quarter to 2.51 per cent in the second quarter and thereafter declined to 2.48 and 2.31 per cent in the third and fourth quarters respectively. The contribution of the oil sector to growth reversed from a decline of .44 per cent in the first quarter to an increase of 0.16 per cent in the second quarter and thereafter declined by 0.06 per cent a piece in the third and fourth quarters.

Chart1. GDP growth rate in Nigeria



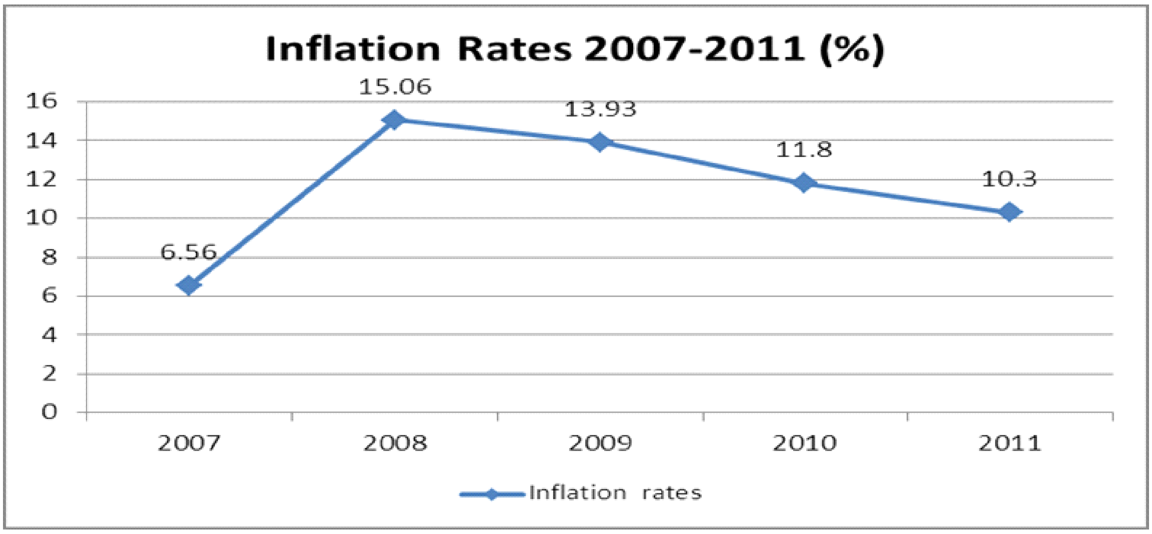
On a quarterly basis, the economy grew robustly by 6.68, 7.61, 7.30, and 7.68 percent in the first, second, third and fourth quarters of 2011 respectively. Key economic developments that contributed to the marginal decline in GDP in 2011 include lower agricultural output, lingering effects of the financial sector reforms (involving mainly the banking sector and the capital market), as well as some significant disruptions witnessed in the oil and gas sectors particularly towards the fourth quarter.

The prospects of growth in the medium term are bright, although there is the need to build on the robust non-oil growth with further investments in infrastructure; manufacturing and processing activities in order to mitigate any negative impacts from external shocks during the year 2012.

3.4.2 Inflation

In 2011, the inflation rate fluctuated within the lower double-digits range during the early part of the year, but moderated thereafter. The year-on-year headline inflation rate, which was 12.1 per cent in January 2011 rose to 12.8 per cent in March, before moderating to 10.2, 10.3, and 10.3 per cent in June, September, and December, 2011 respectively. The moderation of inflationary pressures towards the end of 2011 indicates the efficacy of the series of monetary tightening measures adopted by the CBN during the year as well as the effects of favorable agricultural production and harvests.

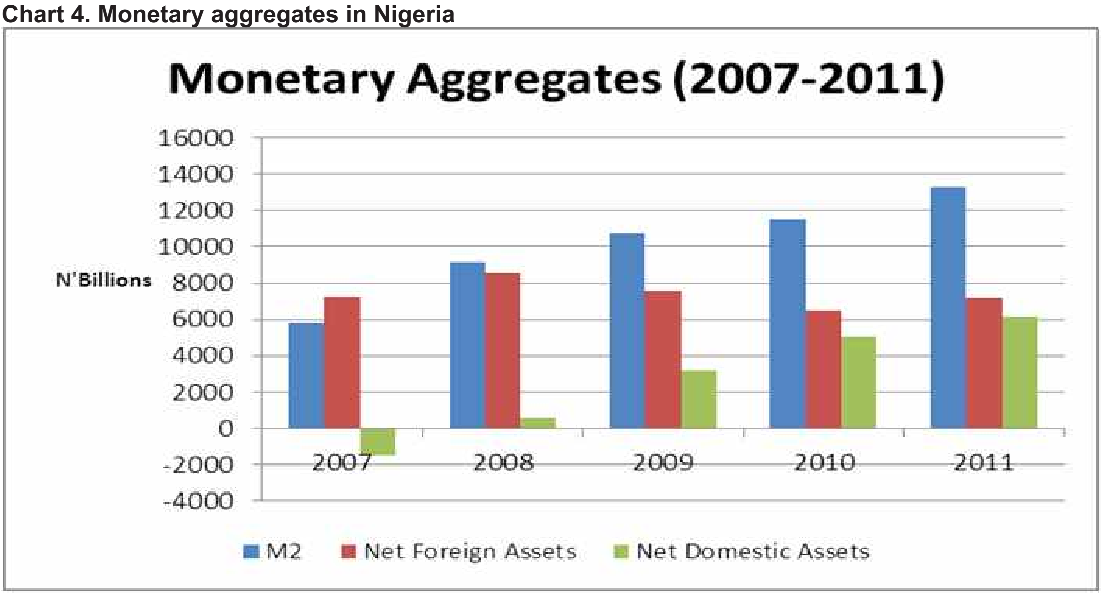
Chart3. Inflation rates in Nigeria



3.4.3 Monetary, Credit and Financial Market Developments

Broad money supply (M2) growth was sluggish from January to May 2011 but accelerated to 5.61, 9.48 and 15.43 per cent in June, September and December 2011, respectively. The end-December growth rate which hovered around the indicative growth benchmark of 13.75 per cent for 2011 was significantly higher than the 6.9 per cent recorded at end-December 2010. The second half of 2011 witnessed improved money supply to the economy, which was expected to increase the level of aggregate demand. The growth rate of aggregate domestic credit (net) at end-December of 57.16 per cent was considerably higher than the growth rate of 10.00 per cent recorded in December, 2010 and the benchmark of 34.53 per cent for 2011. The huge growth in aggregate credit (net) in 2011 was due to increases in credit to the Federal, States and Local governments as well as credit to the private sector. Credit to the Federal Government grew by 55.71 per cent which was above the indicative benchmark of 29.29 for 2011. Similarly credit to state and local governments grew by 38.78 per cent. Credit to the private sector grew by 44.28 per cent compared with the indicative benchmark of 29.09 per cent for 2011. Money market rates moved upwards in 2011, which was partly traceable to the tight monetary policy stance of the Bank in 2011 through upward review of the monetary policy rate (MPR) from 6.25 to 12.00 per cent, and the sharp increase in the cash reserve ratio (CRR) from 4 per cent in September to 8 per cent in October 2011. Since the growth in monetary aggregates was bound to exert upward pressure on aggregate demand and prices during the period, the CBN embarked on monetary policy tightening so as to restore stability not only in the foreign exchange market but also in the entire economy.

Chart 4. Monetary aggregates in Nigeria



3.4.3.1 Monetary Policy Rates (MPR)

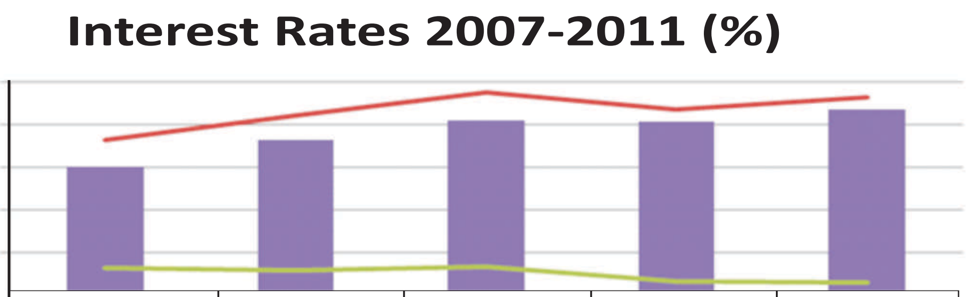
In a bid to ensure price and financial stability, the MPC, held six (6) regular meetings and one (1) extra-ordinary meeting in 2011, during which it raised the Monetary Policy Rate (MPR) six (6) times, from 6.25 to 12.0 per cent; raised the Cash Reserve Requirement (CRR) three (3) times from 1.0 to 8.0 per cent; and the liquidity ratio (LR) once from 25.0 to 30.0 per cent. Further, the foreign exchange net open position of DMBs was reduced from 5.0 to 1.0 per cent and raised to 3.0 per cent, and the mid-point of the exchange rate band adjusted from N150/US$1 to N155/US$1. These decisions were meant to signal the Banks commitment to its mandate of price stability. Another development during the period was the termination at the end December 2011of the guarantee on interbank money market transactions aimed at sustaining confidence in the market since July 13, 2009.

3.4.3.2 Interest Rate Movements

Rates oscillated at all segments of the money market in 2011 in line with the prevailing market realities. As the MPR was reviewed upwards, DMBs also moved up rates at the interbank market. The average OBB rate increased to 14.06 per cent in December from 5.84 per cent in January. Similarly, the average call rate rose to 15.50 per cent in December from 6.13, per cent in January. The Prime and Maximum lending rates rose from 15.74 and 21.86 per cent in 2010 to 16.75 and 23.21 per cent in 2011 respectively. Interest rates on Demand deposits however declined from 0.53 per cent in 2010 to 0.49 per cent in 2011. Seven-(7) day, 1 month and 3 month savings rates increased from 1.77, 3.66 and 4.63 per cent in 2010 to 3.39, 6.58 and 6.80 per cent in 2011 respectively. Furthermore, rates for time deposits of 6-month, 12-month and over 12 months increased from 3.50, 3.53 and 5.49 per cent in 2010 to 5.63, 7.12 and 6.13 in 2011 respectively.

Another major development was that the Bank in March, 2011 extended its guarantee on interbank transactions and foreign credit line till September 2011 to increase confidence in the market and encourage interbank transactions among DMBs as well as reduce the risk premium paid by banks perceived to be of high risk. The guarantee was later extended to December 2011 for some of the intervened banks.

Chart 5. Interest rates in Nigeria



	2007	2008	2009	2010	2011
Spread	15.02	18.23	20.44	20.35	21.8
Maximum	18.21	21.15	23.77	21.86	23.21
Deposit	3.19	2.92	3.33	1.51	1.41

3.4.4 Fiscal Developments:

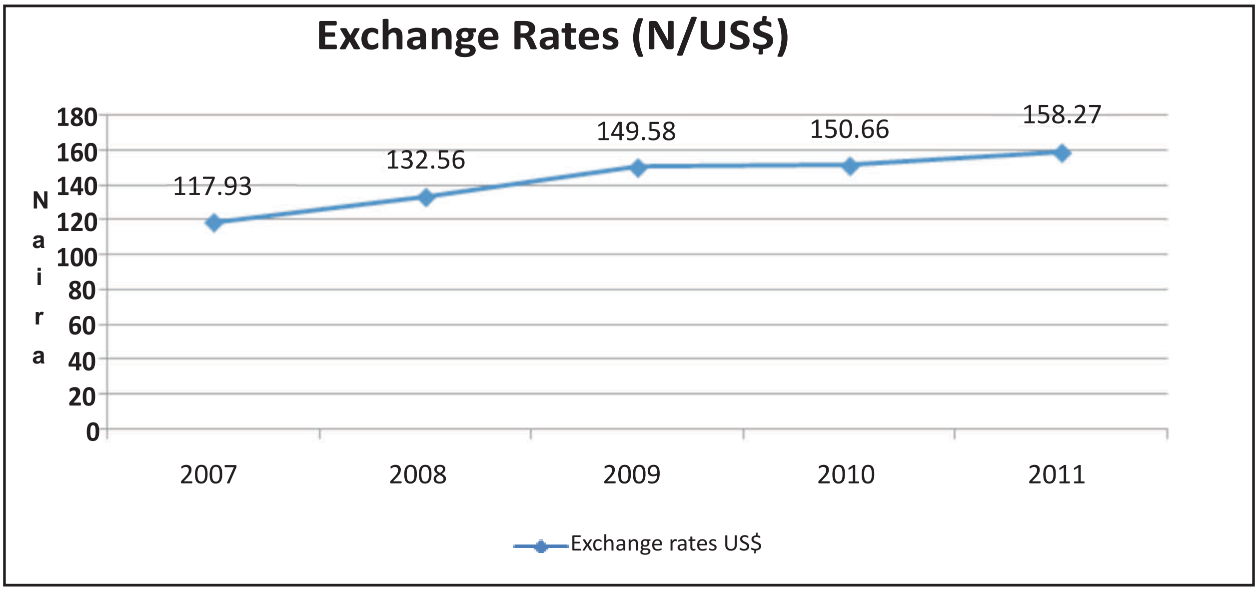
The Fiscal Responsibility Act which has been in operation promoted a modest fiscal consolidation in 2011, as the non-oil primary deficit of the government narrowed slightly from about 34.6 percent of non-oil GDP in 2010 to 32.9 per cent in 2011, mainly due to expenditure restraint at the federal government level. Higher oil prices helped shrink the overall fiscal deficit from 3.25 per cent of GDP in 2010 to about 3.11 per cent of GDP in 2011.

Another major development was the domestic debt stock which increased from N4,551.82 billion in December, 2010 to N5,622.84 billion in December, 2011, representing an increase of N1071.02 billion (23.53 per cent). The ratio of domestic debt stock to GDP stood at 14.74 per cent as at end-December, 2011. Similarly, the total external debt stock at end December, 2011 was US$5,666.58 million, up from

US$4,578.76 million at end-December 2010, representing an increase of 23.76 per cent.

3.4.5 Exchange Rate and External Sector Developments

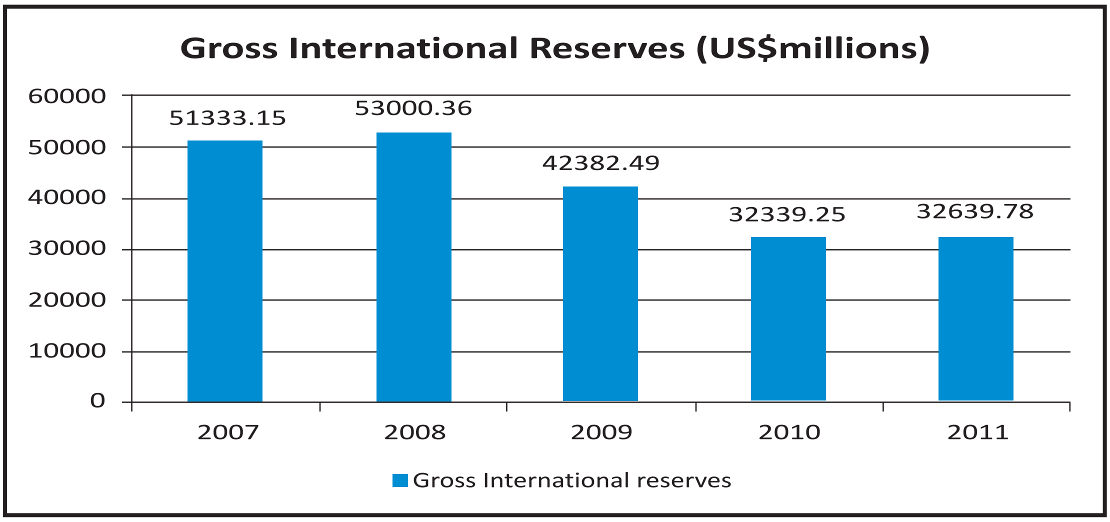
The official exchange rate of the naira during the review period closed at N158.27/US$, down from N150.66/US$ in December 2010, resulting in an average exchange rate of N153.90/US$, and a depreciation of N7.61 or 4.81 per cent. The depreciation of the naira reached 3.90 and 4.0 per cent at the interbank and BDC segments of the market in October 2011, prompting the MPC to adjust the Mid-point of the target official exchange rate band to N155.00/US$ +/- 3.0 per cent from N150.00/US$ +/- 3.0 per cent, at its meeting of November 21, 2011. The official Wholesale Dutch Auction System (WDAS) rate (inclusive of 1 per cent commission) moved up from N151.62 per US$1 in January 2011 to close at N158.27/US$1 in December 2011.



Foreign Reserves trend in Nigeria

Foreign exchange reserves amounted to US$ 32.64 billion as at end-December 2011, relative to the US$32.34 billion as at end December 2010. The limited accretion to external reserves was due to the high demand for foreign exchange during the review period, reflecting the import-dependent nature of the economy. The reduction in the arbitrage opportunities in the oil marketing sectors combined with stronger foreign exchange practices led to a noticeable moderation in foreign exchange net demand.

Chart 7. Gross International reserves historical



3.4.6 Economic Outlook for 2012

Growth is expected to remain robust in 2012 although inflation is projected to increase temporarily as a result of the partial removal of subsidy in gasoline prices. The main downside risks to the short-term outlook are a further deterioration in the global environment and security challenges in some parts of the country. The medium-term growth outlook remains favourable, although subject to external downside risks.

A well-focused monetary framework on the price stability objective should help anchor inflation expectations and support disinflation while, greater exchange rate flexibility will also facilitate the pursuit of price stability. The initiatives to improve the business climate and reform sectors with high employment potential, particularly agriculture should be pursued as well as the planned reforms in the energy sector.

Finally, there is the need to strengthen modalities of operation of the Asset Management Corporation of Nigeria (AMCON) to minimize fiscal risks and moral hazard. In the same vein, efforts towards strengthening the supervision and the regulatory framework of the financial institutions should be pursued with vigor, to engender growth in the Nigerian economy.

3.5 Sierra Leone

3.5.1 Real Sector Developments

In spite of the disruptions caused by the global food and fuel price hikes during the period real sector performance in 2011 continued to show signs of steady progress. Real Gross Domestic Product (GDP) is projected to grow by 5.3 percent during the year, up from 5.0 percent in 2010. The growth in real GDP is driven mainly by government investments in infrastructure as well as the positive contributions derived from agricultural, mining and services.

The Government continued to emphasize the agriculture sector as a vehicle, consistent with its agenda for food security and poverty reduction. During the year, the agriculture sector benefited from increased support for the farming programs in Sierra Leone. The World Bank approved the sum of US$42 million as grant to boost agricultural production in the country. Addax Bioenergy, a wholly-owned subsidiary of the Geneva-based Addax and Oryx Group Limited (AOG), embarked on a 10,000-hectare sugar-cane plantation project in Makeni, Northern Sierra Leone which is expected to commence production of ethanol by 2013. In another development during the year, independent cooperatives of cocoa producers were established in three eastern districts in Sierra Leone with a view to pool together cocoa beans for export. The cooperative network is expected to increase price sensitivity among indigenous cocoa farmers and generate competition with bigger companies, leading to higher prices and increased incomes.

The mining sub-sector, currently dominated by diamond mining activity, remained the main driver to economic growth in Sierra Leone and a major source of Government revenue. During the year under review, the World Bank and the United Kingdom Department for International Development (UK/DFID) jointly contributed the sum of US$8 million in assistance towards the enhancement of needed capacity of Sierra Leoneans to formulate and negotiate mining contract agreements, as well as to augment revenue collection, particularly in areas that had not originally been recognized under a previous project because of resource constraints. The blasting at the site of the iron ore mines in Ferengbeya village, Tonkolili District took place on the 27th January 2011, symbolising the official commencement of iron-ore mining by the African Minerals Mining Company. The year also witnessed the commissioning of the Tonkolili Phase I project, which commenced the export of iron ore from Sierra Leone in November 2011. The first shipment of iron ore in more than 30 years amounting to 40,000 tonnes was successfully made to China on 22nd November 2011 by the African Minerals Mining Company. In June 2011 a joint-venture agreement was signed between the Sierra Leone Exploration and Mining Company Ltd. (SLEMCO) and an Indian-based company (ABG Shipyard), to mine bauxite in the Port Loko District in Northern Sierra Leone. The reserves deposit of bauxite in Port Loko and parts of the Kambia District is estimated at 321 metric tons.

In the energy sector, government's emphasis, as outlined in the 2011 budget, is on improving the distribution and transmission network in Freetown as well as restoring electricity in all District Headquarter Towns, including the use of solar technology to provide electricity supply to remote rural areas. In pursuit of this, a Memorandum of Understanding was signed between the Government and a US energy company, Joule Africa, to expand the capacity at the Bumbuna hydropower plant from 50Êmw to 400Êmw over the next six years. The project is expected to deliver on full power generation by 2017. Progress was also recorded in the area of renewable energy, with the commencement in November 2011, of construction work on the first ethanol refinery and biomass fuel powered plant in Makeni, in Northern Sierra Leone, by Addax Bioenergy, a local subsidiary of the Geneva-based Addax and Oryx Group Limited (AOG). The African Development Bank (AfDB) in April 2011 approved a €25 million private sector loan to finance the Addax Bioenergy Sierra Leone (ABSL) project. In a related development during the year, the African Minerals Limited signed a Memorandum of Understanding with China Communication Construction Company (CCCC), for the construction of major hydroelectric power generation facilities at the Tonkolili iron ore project, to complement the government's efforts at expanding the Bumbuna hydro-electric power generation facilities.

During the year, the communication sector benefited from further boost, as the country secured its first fibre optic connection to the outside world in October 2011 with the landing of the Africa Coast to Europe (ACE) submarine cable in Freetown. The World Bank is expected to provide $30 million towards funding Sierra Leone's connection to the cable offshore.

The transport sector was significantly enhanced in June 2011, with the commissioning of fourteen (14) brand new buses, procured by the Melian Tours Company, a private business concern, to complement government's efforts at improving public transportation. The Government of Sierra Leone, through the Ministry of Trade and Industry, in collaboration with the Ministry of Transport and Aviation, the National Commission for Privatization, and the Sierra Leone Road Transport Co-operation (SLRTC), procured forty (40) buses from the Republic of India to ease the problem of transportation countrywide. The first batch of ten of these buses landed at the Queen Elizabeth II Quay during the fourth quarter of 2011, while the remaining are expected early in 2012.

Infrastructure development, particularly road construction, remains high on the Government's agenda in 2011. In this regard, a number of major road projects were completed during the review period linking the capital to the provincial towns. Construction of major highways and suburban roads in the main urban centres of Freetown, Bo, Kenema and Makeni, as well as feeder roads linking the productive areas in the provinces, were significantly rehabilitated during the reporting year. Simultaneously, reconstruction and rehabilitation work at the Lungi International Airport, especially on the terminals and tarmac continued to progress throughout 2011.

3.5.1.1 Agriculture

Agricultural Production

Estimates from the Ministry of Agriculture, Forestry and Food Security (MAFFS) indicated an overall increase in agricultural production during the reporting period over 2010, propelled largely by the implementation of various agricultural policies and programmes.

Crop Production

Production of rice was estimated at 1,078,005 metric tons in 2011, compared to 1,026,671 metric tons in 2010, reflecting a 5 percent increase. This development was largely attributable to the increase in the acreage under cultivation and the intensity of cultivation, in response to expanding domestic demand.

Cassava crop production also increased to 3,412,545 metric tons in 2011 from 3,250,044 metric tons in 2010, while output of maize increased from 51,388 metric tons in 2010 to 53,957 metric tons. Total harvest of sweet potatoes rose from 206,189 metric tons in 2010 to 216,499 metric tons in the year under review, ground nut production recorded 85,530 metric tons in 2011, from 81,457 metric tons in 2010, indicating a growth of 5.00 percent over the year.

The annual production of the country's two major traditional export crops, namely cocoa and coffee, showed mixed performance in 2011. The total volume of coffee produced in the review period was 3.79 thousand metric tons, representing a 26.87 percent increase over the preceding year's total of 2.99 thousand metric tons. On the other hand, cocoa production totalled 18 thousand metric tons in 2011, representing a 8.65 percent decline, compared to the 19.70 thousand metric tons in the preceding year. The fall in cocoa output was attributable to lower producer prices offered to farmers. Half yearly performance showed that both crops recorded higher output during the first half of the reporting period compared to the second half. Coffee output was 3.6 thousand metric tons in the first half and only 0.19 thousand metric tons in the second half; while cocoa production recorded 11.59 thousand metric tons in the first half and 6.41 thousand metric tons in the second half. The increase in coffee output was in response to the increase in world market price in 2011, which created incentives for increased production and export. The increase in output was also partly explained by the growing demand for coffee in the emerging markets, coupled with the resilience of coffee consumption during the current economic crisis. As a result of the first half being an on-season for harvesting of the beans, production of both crops were higher in the first half relative to the second half of 2011.

3.5.1.2 Manufacturing

Performance in the manufacturing sub-sector in 2011 was also varied. While increases were observed in the output levels of some industries, others recorded lower output levels relative to the 2010 output levels. The yearly production levels for flour and Maltina drink registered the highest production growth rates at 46.62 percent and 44.69 percent respectively, explained by increased demand against the backdrop of increased availability of raw materials. The volume of beer and stout produced in 2011 reflected an increase of 17.28 percent to 932.93 thousand cartons, compared to 795.48 thousand cartons in 2010. This was due to a reduction in importation of foreign brands. Output of confectionery grew by 17.7 percent to 3,469.52 thousand pounds, moving from 2,947.87 thousand pounds in 2010. Total volume of common soap produced during the period also grew by 15.23 percent to 480.4 thousand metric tons. Cement production also recorded a marginal increase of 1.2 percent to 310.9 thousand metric tons. The increases in output of these items were generally attributed to a general increase in domestic demand, among other things, coupled with the availability of material inputs and increased electricity supply. In contrast however, declines were recorded in the output levels of other products during the year, due mainly to increased competition from imported products and increased cost of inputs. Output of soft drinks fell by 4.12 percent to 1,881.15 thousand crates in the year, due largely to a shift in taste. Production of acetylene and oxygen gas dropped marginally by 1.54 percent and 2.3 percent to 198.57 thousand cubic feet and 267.36 thousand cubic feet respectively over the year, as a result of intermittent scarcity of raw materials during the period. Paint production also contracted by 9.49 percent to 203.86 thousand gallons, notwithstanding the expansion in construction activities. This was due to the importation of a large volume of various brands of paint product during the period, in anticipation of the festive season in December. On the whole, movements in output levels were indicative of a generally improved performance in the manufacturing sub-sector during 2011.

On a half-yearly basis, with the exception of beer and stout, common soap and flour which output increased throughout the year, output levels of most manufactured items were lower in the second half of the year due to competition with imported brands.

3.5.1.3 Mining

Output in the mining sub-sector contracted in 2011, in-spite of the commencement of iron-ore mining operations during the year. Output levels for almost all the minerals recorded decreases in the review period compared to their levels in 2010, with the exception of bauxite, which recorded an increase of 34.06 percent.

Output of diamonds during the year, as recorded valued for shipment by the Gold and Diamond Department (GDD), totalled 355.28 thousand carats, showing a decline by18.8 percent compared to last year. Of the total volume valued, industrial diamonds accounted for 134.24 thousand carats, while gem diamonds accounted for 215.97 thousand carats. Production of diamonds increased to 210.21 thousand carats in the first half of 2011 but dropped to 145.07 thousand carats in the second half. This development was consistent with the trend in world market prices, following the European economic crisis. Production of bauxite expanded by 34.06 percent over the year to 1,457.51 thousand metric tons in 2011. Total output of rutile and ilmenite (a bye-product of rutile) dropped slightly by 0.33 percent to 67.97 thousand metric tons and 19.94 percent to 14.58 thousand metric tons respectively over the period, on account of the transfer of the dredging plant to a new area of the current ore body (the Lanti deposits). Output of rutile was higher in the second half of the year relative to the first, as a result of the movement of dredging operations to a higher grade area. Similarly, output of gold slumped by 39.19 percent to 5.28 thousand ounces in the reporting period, in-spite of the increases in the average world market price of gold from US$1,224.57/oz in 2010 to US$1,568.23/oz in 2011. The substantial drop in gold production was attributed to a reduction in the number of players engaged in the mining of the mineral. Production of Zircon commenced during year, recording a total of 8.35 thousand metric tons, while production of iron ore, which also commenced during the period after more than thirty years of cessation, totaled 137.91 thousand metric tons. Although the sector's overall production performance in 2011 was low, growth prospects remain high, against the backdrop of reactivation of full scale iron ore mining and the anticipated increase in investment.

3.5.1.4 Services

Construction

A vital indicator in assessing performance in the construction sub-sector is the level of production and consumption of cement. In 2011 cement output increased to 310.9 thousand metric tons from 307.21 thousand metric in 2010, which is indicative of an increase in public works, such as road maintenance and construction. However, the number of building permits issued in 2011 fell from 1,768 in 2010 to 1,662, reflecting a decrease in building construction activities during the review period.

Permits for all categories of structures in 2011, with the exception of residential buildings, exceeded their levels in 2011. The total number of permits issued by the Ministry of Lands, Country Planning and the Environment for 2011 comprised 1,100 residential buildings, 344 commercial buildings, 168 wall fencing, 19 school buildings, 10 churches, 7 mosques, 5 hospitals and 9 hoardings.

Electricity Generation

During the year the government embarked on the development of phase II of the Bumbuna hydropower project. The first phase of the project was completed in 2009, which resulted in additional 50 megawatt (MW) of electrical power to the country's power grid. The objective of Phase II of the project, (which is being developed by Joule Africa, part of Joule Investment Group), is to extend the existing installed capacity to 400MW, with completion date by 2017. Currently, total installed capacity is 76.5 MW, following the commissioning of two thermal plants installed in the east and west of Freetown. The Bumbuna hydro power currently accounts for 50MW, while the thermal power plants contribute a total of 26.5MW (with 16.5MW from the east end and 10MW from the west end. The overall power generation in the energy sub-sector showed stronger performance in 2011 than in the previous year. Total units of electricity generated in 2011 amounted to 175.67 million kilowatt hours (kwh), representing a growth rate of 3.07 percent over 2010 partly as a result of increased consumption in the mining and manufacturing sub-sectors.

Monthly movements showed aggregate electricity generation at 15.57 million kilowatt hours in January 2011 which fell gradually to a low of 11.96 million kilowatt hours in May 2011 due largely to low water levels at the hydropower plant. Aggregate generation rose thereafter, following the coming on stream of the thermal power plants around the second quarter of the year to reach a record high of 20.73 million kilowatt hours (kwh) in November 2011 before taking a downturn again to close at 16.67 million kilowatt hours in December 2011. Of the total power generated in 2011, Bumbuna hydroelectric power accounted for 87.38 percent, while the rest was contributed by the thermal plants- Niigata Nos. 7 & 8 installed in the west end contributed 8.11 percent and Wartsila Nos. 1 & 2 installed in the east end contributed 4.5 percent.

Transport Sub-Sector

Performance in the transport subsector in 2011 varied, with the number of licensed vehicles registering a significant increase, while the number of registered vehicles recorded a decline. The number of vehicles licensed by the Sierra Leone Road Transport Authority (SLRTA) grew by 183.48 percent, from 17,794 in 2010 to 50,443 in the year under review. Total licensed vehicles included private cars (5,156), taxis (15,102), motor cycles (11,563), utility vans and non- commercial station wagons (3,759), vans/buses carrying up to 25 passengers (12,127), buses carrying above 25 passengers (5,397), trucks with six tyres (364), trucks with more than six tyres (1,837), and tractors and trailer units (1,436). The increase in the number of licensed vehicles was reflected in almost all categories of vehicles.

In contrast, the number of registered vehicles in 2011 declined by 42.99 percent to 26,498. Registered vehicles were categorized as follows: private cars (2,111), taxis (10.319), motor cycles (2,981), Utility vans & station wagons (1,411), vans/buses up to 25 passengers (4,274), buses with more than 25 passengers (2,800), trucks with six tyres (249), trucks with more than six tyres (1,529) and tractors & trailer units (824). The drop in total registration was mainly reflected in the registration of private cars, motor cycle, utility vans & station wagons, and vans & buses up to 25 passengers.

Communications

The communications sub-sector expanded further, with mobile telecommunication experiencing increased competition within the Global System for Mobile (GSM) networks. Of the six (6) GSM operators licensed to do business in the country (Airtel, Africell, Comium, Intergroup Telecoms, Ambitel and Rawabi Dubai), only three (Africell, Airtel and Comium) were operational in 2011. The number of licensed major internet service providers as of 2011 stood at 18 (eighteen), of which 3 (three) are yet to commence service delivery to the public. The number of Frequency Modulation (FM) broadcasting radio stations totalled 66, including international media houses, the national broadcaster and commercial, community and religious radio stations. The number of SIM card registration surged from 1,752,607 in 2010 to 3,039,522 in 2011, with the wire line (fixed phone) showing a decline from 24,000 in 2010 to 10,000 in 2011.

Following the landing of the first ever fibre optic cable in the country in 2011, further boost is anticipated for the sector. This is expected to reduce general public expenditures on communication, as the country currently depends entirely on satellite networks for international telephone connections with broadband services, which have remained extremely expensive.

Tourism

The tourism sub-sector experienced a gradual upturn in 2011, evidenced by the increased investment in the sub-sector especially by indigenous Sierra Leoneans, in the area of newly constructed and refurbished hotels and guesthouses throughout the country. Official statistics from the Ministry of Tourism indicate that during 2011, over 600 hotel rooms were added to the existing 3,700 stock of various classes, and about 400 seats of restaurant facilities were provided country wide. Tourist/visitor arrivals via the Lungi International Airport for 2011 numbered 52,442 accounting for 53 percent of the total passenger arrival of 99,181 through the airport during the year. The total also represents a 68 percent increase in tourist/visit arrival over 2010, partly influenced by the stability and increased confidence in Sierra Leone as a tourist destination by the international community. The classification of tourist arrivals by country of origin for the period January-December 2011, indicated that 29.85 percent came from Africa, 10.22 percent from Asia, 19.97 percent from America, 26.33 percent from Europe, 6.65 percent from the Middle East and 6.99 percent from Australia & Oceania.

Analyzed by purpose of visit, tourist arrivals on holidays accounted for 21.25 percent, those on visit to friends and relatives accounted for18.08 percent, while those on businesses comprised 35.24 percent, on conferences 10.18 percent and “others” 15.25 percent.

3.5.2 Inflation Developments

Headline consumer price inflation remained in double digits throughout the year, driven partly by domestic factors and largely by the spikes in international prices of fuel and food. From 13.52 percent in January 2011, the headline inflation rate rose to 14.92 percent in March 2011, increasing further to15.42 percent in April 2011 and reached a high of 17.82 percent in May 2011. The trend was reflective of the upward revision of fuel prices and its accompanying effects on food prices and transport costs.

The year also witnessed the country's migration (on 1st May 2011) from the imperial system of measurement to the metric system, in line with international standards. At the same time, the pump price of petroleum products was increased to Le5,000 a litre to reflect the full pass-through of increases in the world prices for the products during the year. This development immediately prompted a general increase in prices of goods and services. As a result, the pump price was later revised to Le4,500 a litre, in order to mitigate the effect on general prices of the increase in the cost of fuel, while the 10 percent subsidy on rice imports was temporarily suspended to cushion the effect of rising world market prices of rice on the poor. Inflation pressures subsequently eased, though marginally, with the year on year inflation rate reaching 15.7 percent in September 2011. It however increased thereafter to 17.24 percent in November, due to global pressures from rising commodity prices, before settling at 16.64 percent in December 2011. This represented moderation in general price increase by 1.2 percentage points. The annual average inflation rate also declined from 16.77 percent in 2010 to 16.06 percent in 2011.

3.5.3 Fiscal Operations

The budget outturn for the year 2011 was an overall deficit of Le581.19bn, translating to 6.44 percent of Gross Domestic Product (GDP), compared to the budgeted deficit of Le375.27bn (3.92% of GDP) for the year and the preceding year's deficit of Le523.52bn (6.89% of GDP). The higher than programmed outturn in the fiscal deficit was attributed to a shortfall in revenue mobilisation and the lower than budgeted foreign inflows to finance aggregate spending for the year.

Total revenue and grants in 2011 amounted to Le2,170.76bn (24.06% of GDP), marginally lower (0.57%) than the budgeted figure of Le2,183.18bn but 40.03 percent higher than the preceding year's total of Le1,550.24bn. The increase in revenue receipts over the year was explained by the strong performance in domestic revenue mobilisation and the disbursement of foreign grants during the period, compared to the preceding year. The shortfall in the budget estimate for the year was entirely in relation to external receipts as domestic revenue was well above its target.

Against the budget target of Le1,425.71bn, actual domestic revenue in 2011 at Le1,462.10bn (16.2% of GDP) was 2.55 percent higher as well as 45.10 percent above the preceding year's receipts. This performance was a reflection of improved revenue mobilization effort, coupled with strengthened internal controls in revenue collection by the Sierra Leone National Revenue Authority. Consequently, the annual contribution of domestic revenue to total revenue and grants improved to 67.35 percent in 2011 from 65.0 percent in 2010.

Collections from customs and excise duties amounted to Le343.74bn (3.81% of GDP) for the period under review representing 23.51 percent of domestic revenue. It was also 4.18 percent above the 2010 level of Le329.93bn. The total was however 5.05 percent short of its budgeted target of Le362.01bn. The shortfall in revenue from customs and excise vis-a-vis its target was on account of the lower than budgeted receipts from petroleum and freight levy under the Marine Administration category, coupled with the granting of tax concessions and duty waivers. The three categories of exemptions which may be considered major sources of revenue leakages are (i) institutional exemptions for pre-defined institutions and categories of people such as diplomatic missions, members of parliament and religious institutions; (ii) exemptions granted to investors and (iii) discretionary exemptions granted by the Ministry of Finance. Excise on petroleum products shrank by 24.38 percent to Le55.31bn and was 14.47 percent below the target of Le64.67bn, partly due to delays by oil companies in the payment of excise duties and road user charges. Receipts of Le6.01bn on freight levies from Maritime Administration also fell short of its budgeted target.

Income tax receipts grew by 56.14 percent to Le473.15bn (5.24% of GDP) over the year and also exceeded the budget estimate of Le419.89bn by 12.68 percent. The growth in income tax receipts was mainly explained by the exceptional performance in personal income tax receipts, which amounted to Le393.46bn, thereby outpacing the budgeted amount of Le305.05bn by 28.98 percent and showing a 153.46 percent increase relative to the total of Le155.24bn in 2010. In contrast, collections from company tax dropped by a significant 46.21 percent to Le73.43bn and were also 30.63 percent below the budget estimate of Le105.86bn. The contribution of income tax receipts to domestic revenue increased from 30.07 percent in 2010 to 32.36 percent in 2011.

Total collections of Le351.45bn (3.89% of GDP) from Goods and Services Tax (GST) in the period under review indicated a rise by 42.66 percent over the 2010 position and exceeded the budget target of Le335.34bn by 4.8 percent. The contribution of GST to domestic revenue was 24.04 percent, falling slightly by 0.41 percentage point compared to 2010. Of the total receipts from GST, Import GST (Import sales Tax) accounted for Le129.55bn (36.86%), while Domestic GST contributed Le221.9bn (63.14%). Receipts from domestic GST were however higher than receipts from import sales tax, a reflection of more imports than exports during the year. The strong performance in overall revenue generation for the year was the result of increased efficiency in the monitoring and implementation of a number of reforms by the NRA under its modernization plan, such as the roll-out of the ASYCUDA++ in customs operations and the establishment of a Domestic Tax Department and a micro tax payer regime.

Total tax revenue in 2011 amounted to Le1,168.34bn (12.95% of GDP), exceeding the total of Le879.32bn in 2010. The improved performance in tax revenue generation was attributed to increased economic activities, improved tax administration and stricter enforcement of tax legislations to enhance compliance. Notwithstanding the impressive performance, the tax revenue ratio of 12.95 percent of GDP was significantly below the criterion of at least 20 percent stipulated by the West African Monetary Zone.

Collections from “miscellaneous sources” amounting Le270.86bn (3.00 % of GDP) more than doubled the amount collected in 2010, and was also 4.40 percent above the budgeted amount of Le259.44bn. The improved performance in miscellaneous revenue relative to the budget estimate was in part driven by the receipt of signature bonuses from petroleum exploration activities and payroll taxes by mining companies. Of the total amount, collections from Mining royalties and Licenses amounted to Le202.34bn (2.24 % of GDP), which was 9.07 percent in excess of the projected amount of Le185.52bn. Collections by other Government departments totalled Le68.52bn was below the budgeted amount of Le73.92bn by 7.30 percent. On the other hand, road user charges and vehicle licenses dropped by 55.94 percent over the year to Le22.90bn in 2011 and were also 53.29 percent short of the budget estimate of Le49.02bn.

External grants of Le708.66bn (8.85 percent of GDP) disbursed during the year represented a growth of 30.60 percent compared to corresponding receipts in 2010 but was however 6.44 percent short of the anticipated total disbursement of Le757.48bn for the year. This was largely due to non-receipt of programmed inflows for the year. External grants received during the year comprised budgetary support of Le280.22bn and project grants of Le428.44bn for developmental activities. The amount for budgetary support reflected a 5.20 percent increase over the year but was 27.53 percent short of the budget target of Le386.67bn; while developmental project grants rose by 55.09 percent over the year and also exceeded the budget target of Le370.8bn by 15.54 percent. Grants for budgetary support were in respect of HIPC Debt Relief Assistance (Le21.94bn), support from Global Fund (Le13.85), UK DFID (Le105.28bn), the

European Union (Le61.42bn), the African Development Bank (Le40.47bn), the World Bank (Le10.73bn) and Peace Building Fund (Le24.86bn). The overall performance in external grants for the year was boosted mainly by increased grants for development projects.

Total expenditure and net lending targeted at Le2,558.45bn for 2011 amounted to Le2,751.95bn (30.50% of GDP), thereby breaching the ceiling by 7.56 percent and exceeding the 2010 outlays by 32.70 percent. Recurrent expenditure of Le1,602.82bn (17.76 % of GDP) reflected a 24.59 percent growth rate, while exceeding the Le1,563.56 budget ceiling by 2.51 percent. Development expenditure and net lending grew by 45.96 percent to Le1,149.13bn and also exceeded the ceiling of Le994.89bn by 15.50 percent. The higher than budgeted recurrent expenditure was attributed to overruns on the wage bill, amortisation on domestic debts, fuel subsidies and expenses on goods and services. Of the total increase on recurrent spending for the period, the wage bill reflected an increase by 27.20 percent to Le681.35bn, 4.77 percent above the targeted ceiling of Le650.32bn. The higher wage bill was partly a reflection of the commencement of the new multi-year pay reform for teachers as well as other public servants, including the military, police, health sector workers and civil servants.

Total interest payments on public debts increased by 57.19 percent to Le250.22bn, of which domestic interest payments recorded at Le226.14bn, represented an increase by 59.33 percent relative to the preceding year and also 4.68 percent above the budget ceiling of Le216.03bn. The increase in domestic interest was in part explained by increases in interest rates on short and medium term treasury bills, and partly by the payment of interest on the accumulated Ways and Means Advances at the end of the year. Foreign interest payments of Le24.08bn was up on the 2010 position by 39.61 percent and slightly exceeded the ceiling by 13.81 percent, due to the depreciation of the local currency against major foreign currencies.

Non-salary, non-interest recurrent expenditures aggregated to Le671.26bn in 2011, thereby exceeding the preceding year's total of Le591.63bn by 13.46 percent but however below the budget estimate of Le676.05bn by 0.71 percent. Of the non-salary & wages category, non-interest bearing recurrent expenditure of Le76.06bn was in respect of transfers to Local Councils, while Le396.25bn was for expenses on goods and services. Government's contribution to the Election and Democratisation process amounted to Le42.81bn, while fuel subsidies paid to oil marketers intended to alleviate the effects of the full pass through of higher international oil prices on the domestic pump prices amounted to Le95.44 and grants to educational institutions was recorded at Le48.41bn.

Capital expenditure rose by 47.15 percent from Le787.29bn in 2010 to Le1,149.13bn (12.73% of GDP) in 2011 but breached the budget ceiling of Le994.89bn by 15.50 percent. As a share of aggregate expenditure and net lending for the year, capital expenditure accounted for 41.76 percent compared to 37.96 percent in 2010. The increase in capital expenditure was entirely on account of the 82.10 percent increase to Le786.98bn in expenditure funded by foreign loans and grants. Expenditure funded by foreign loans totalled Le358.54bn, while that funded by foreign grants totalled Le428.44bn. Domestic Development Expenditure experienced a significant over-spending of Le125.91bn or 53.3 percent over the budgeted estimate of Le236.24bn, on account of greater than anticipated spending on road projects, rehabilitation of the Lungi Airport and strengthening of the district health care services. Expenditure on projects funded by foreign loans was 7.56 percent below the budget of Le387.85bn and those funded by foreign grants were 15.54 percent above the budget of Le370.80bn. Out of the Le786.98bn disbursed, Le170.14bn was disbursed on unbudgeted projects and the remaining amount was disbursed on projects that were included in the budget. Out of the Le170.14bn disbursed on unbudgeted projects, 80 percent were grants and 20 percent were loans. Major donors in respect of foreign development loans and grants that were unbudgeted were International Fund for Agricultural Development (Le41.30bn), the World Bank (Le35.54bn), UK/DFID (Le33.00bn), Kuwait Fund for Arab Development (Le12.90bn), European Commission (Le12.03bn), African Development Bank (Le10.38bn), Arab Bank for Economic Development in Africa (Le8.87bn), Islamic Development Bank (Le7.03bn), OPEC Fund for International Development (Le4.03bn), Saudi Fund (Le3.36bn) and ECOWAS Bank for International Development (Le1.71bn).

The overall fiscal balance resulted in a deficit of Le581.19bn (6.44 % of GDP), compared to a deficit of Le523.52bn (6.1% of GDP) in 2010, and a budget deficit of Le375.27bn.

Financing of the budget deficit was from both external and domestic sources, but largely from external sources. Financing from net external sources amounted to Le304.63bn (3.38 percent of GDP), 8.8 percent lower than the budget estimate of Le334.02bn but 88.36 percent higher than the preceding year's external financing. Domestic financing of the deficit was Le154.86bn (1.72 percent of GDP), 2.54 percent higher than the budget estimate of Le151.03bn but 65.29 percent below that of 2010. Domestic financing included bank financing of Le66.6bn, of which Bank of Sierra Leone's contribution was Le9.92bn and commercial banks' was Le56.68bn. The non-bank sector contributed Le54.12bn, and financing through privatisation receipts (i.e. proceeds from the privatisation of the Ports Authority Container Terminal) totalled Le34.14bn.

3.5.4 Monetary Developments

The focus of monetary policy in 2011 was to achieve price stability consistent with general macroeconomic growth while maintaining monetary and financial stability. In line with these objectives, the Bank of Sierra Leone continued to conduct monetary policy management within the framework of monetary targeting, with Reserve Money (RM) being the Bank's operating target and Broad Money its intermediate target.

To enhance monetary policy management, BSL introduced the monetary policy rate (MPR) in February 2012, to signal the BSL monetary policy stance and anchor other money market rates around the MPR. The MPR guides open market operations, with active repurchase operations complemented by weekly foreign exchange auction. These complementary instruments enable the Bank to smooth out volatility of liquidity in the inter-bank market. Informed by the liquidity conditions in the interbank market and other macroeconomic and financial indicators, the MPR was periodically reviewed to signal the Bank's monetary policy stance to the market.

Monetary policy management was however challenged by fiscal outcomes arising from growth in expenditure on development projects namely, energy supply, health and road construction projects, financed by domestic and foreign borrowing as well as donor support. As a result of this fiscal injection and BSL purchases of foreign exchange from the banks, liquidity surged in the financial system during the period under review. In addition, demand for money to meet current transaction needs of the public during the festive season in the latter part of the year, led to an increase in currency in circulation. BSL on its part was unable to adequately sterilize the excess liquidity and bring monetary aggregates within target, which culminated in the growth of key monetary aggregates above their indicative program benchmarks.

Despite the expansionary movement in key monetary aggregates above their 2011 targets, their growths rates were lower compared to those recorded in 2010. This was due to the introduction of the MPR and tighter monetary policy stance of the central bank, coupled with continuous macroeconomic policy management coordination.

During 2011, Broad Money (M2) recorded a growth rate of 21.61 percent and was in breach of the 2011 target of 13.75 percent. However, the growth in M2 was lower compared to the corresponding growth rate of 32.73 percent for 2010.

The expansion in M2 was due to the increase in both Net Foreign Assets (NFA) and Net Domestic Assets (NDA). NFA grew by 24.84 percent compared to the projected drop of 7.92 percent. The increase in NFA stemmed from a range of inflows including budgetary support inflows, expatriate tax payments by mining companies and increases in commercial banks' claims on overseas banks. NDA rose by 17.66% as against a growth target of 23.97% for end December 2011. The growth in NDA was a result of an increase in credit to the private sector by commercial banks to pre-finance developmental projects.

RM registered an annual growth rate of 12.97 percent, significantly above the 2011 projection of 3.94 percent but lower when compared to the corresponding growth rate of 34.61 percent in 2010. The expansion in RM was reflected in all its components, with Currency Issued, Bankers' Deposits and Private Sector Deposits increasing by 12.03 percent, 20.76 percent and 10.08 percent respectively, to end-December 2011.

Net Claims on Government by the banking system grew over the period, albeit by a marginal 0.80 percent compared to the corresponding growth rate of 96.26 percent reported for the same period in 2010. The slowdown in the growth rate was due to tighter monetary policy stance and the enforcement of government borrowing limit from the Central Bank, (BSL) coupled with prudent policy measures adopted by the fiscal authorities.

The marginal increase in net claims on government by the banking system was driven by the increase of 1.99 percent in net claims on government by BSL, (compared to a growth rate of 106.40% as at end December 2010) which was however moderated by the 1.50 percent decrease in net claims on government by the commercial banks. The increase in net claims on government by BSL was mainly on account of the drawdown in government deposits in the amount of Le114.52 during 2011, which was more than the decrease of Le103.09bn in treasury security holdings by BSL.

Net Claims on Government by commercial banks declined on account of a significant build-up of government deposits amounting to Le61.81bn, which outweighed the increase in the total holdings of Government securities and loans and advances (Le57.33bn) to public entities.

Credit to the private sector by commercial banks grew by Le172.37bn (22.0%) from Le783.52bn recorded as at end- December 2010 to Le955.90bn as at end-December 2011, lower than the 31.89 percent recorded in 2010. This development was in part, due to the establishment and operationalisation of a credit reference bureau during the period and the aggressive loan recovery measures adopted by banks to reduce the Non-Performing Loan (NPL) and ensure financial stability. The main beneficiaries were the Construction sub-sector, accounting for 31.47 percent of the change in total credit, followed by Commerce and Finance (30.00%) and Agriculture, Forestry and Fisheries (8.86 %).

The interest rate on treasury securities exhibited mixed trends. The average annual yield on the 3 months and 12 months Treasury Bills declined by 112 and 35 basis points from 24.54 percent and 28.98 percent in 2010 to 23.42 percent and 28.63 percent in 2011, respectively. The interest rate on the 12 month Treasury Bond decreased by 250 basis points to 20.00 percent in December 2011 from 22.50 percent in December 2010. However, the annual yield on the 6 month treasury bills increased by 120 basis points from 28.35 percent in December 2010 to 29.55 percent in December 2011. The period also witnessed an increase in the commercial bank's average interest rates. Thus the interest rate on savings deposits and the 1 month, 3 months, 6 months, 9 months and 12 months deposits increased by 23, 76, 85, 106, 100 and 136 basis points to 6,42 percent, 9.16 percent, 9.75 percent 10.39 percent, 10.25 percent and 11.91 percent, respectively over the year. The overdraft lending rate at the Deposit Money Banks slightly increased from a range of 21-28 percent in December 2010 to a range of 21-29 percent in December 2011.

3.5.5 International Trade

Total merchandise exports in 2011 amounted to US$349.71mn, indicating a marginal increase when compared to the US$341.23mn recorded in 2010. Sierra Leone's exports remain dominated by the mineral sector, which accounted for 68.84 percent of total export earnings. Initiatives by the Government to diversify exports are yet to come to fruition as the contributions of these sectors, especially the agricultural sector, to overall exports remain very low. In 2011, the dominance of the mineral sector was further reinforced by the shipment of a total volume of 137,883 metric tons of iron ore worth US$15.36mn. Earnings from mineral exports amounted to US$240.73mn, 19.98 percent higher than the US$200.65mn recorded in 2010. Diamonds continue to dominate mineral exports, accounting for 53.90 percent of receipts from mineral exports and 37.11 percent of total export earnings. Earnings from diamond exports recorded at US$129.77mn for the review period reflected a 14.32 percent increase compared to US$113.51mn in the preceding year. The composition of diamond exports during the review period comprised 215.97 thousand carats of gems stones valued at US$117.38mn and 134.24 thousand carats of industrial diamonds worth US$12.39mn. The observed buoyancy in the diamond sub-sector could be attributed to price effects as volumes declined during the reporting period. During the year, an aggregate of 1,421.77 thousand metric tons of bauxite worth US$39.00mn and a maiden consignment of 13,025.47 metric tons of Zircon worth US$10.45mn were exported. Export receipts from ilmenite amounted to US$4.44mn in 2011, reflecting an increase of 67.41 percent compared to US$2.65mn recorded in the preceding period. This was due principally to price effects as the volume exported declined from 21.19 thousand metric tons to 19.09 thousand metric tons in 2011. Exports earnings from gold and rutile showed a similar pattern, registering a decline of 43.52 percent and 36.38 percent in their volumes, respectively

The outlook to the agricultural sub-sector remains promising, as earnings from this sub-sector during the period expanded by 20.26 percent, contributing 13.38 percent to total export earnings in 2011, compared to 11.40 percent in 2011. The increase was reflected in all the sub categories of agricultural exports. Exports of coffee increased to 3.79 thousand metric tons valued at US$2.00mn, from 2.70 thousand metric tons valued at US$1.70mn in 2010, while cocoa exports increased to 18.00 thousand metric tons valued at US$44.02mn, from

16.07 thousand metric tons valued at US$37.05mn in the preceding year. The export value of 'fish and shrimps' also increased significantly to US$0.75mn during the review period, from US$0.15mn in 2010. Export of piassava was resumed during the year following a long period of stagnation, at a value of US$10 thousand. Earnings from “other exports” a composite category comprising ginger root, sawn timber, assorted plastic wares, audio cassettes and compact discs, declined by 62.93 percent to US$29.00mn, from US$78.23mn in 2010, while the total value of re-exports increased by a significant 41.60 percent to record US$33.20mn. The significant drop in the total value of 'other exports' over the year was explained by the huge reduction in the volume and hence value of assorted plastic water tanks exported in the reporting period

The total import bill for the year 2011 aggregated at US$1,716.56mn, more than doubled (123%) relative to US$771.17mn recorded in 2010. The increase in import payments was reflected in all import categories, with notable growth in "Machinery and Transport equipment" to support the growing mining sector. Import payments for “Machinery and Transport Equipment” which accounted for 44.06 percent of the total import bill, increased from US$248.70mn in 2010 to US$756.26mn in 2011. The bill for import of consumer goods, which accounted for 16.82 per cent of total imports increased to US$288.65mn as compared with the corresponding value of US$133.82mn for 2010. The increase was reflected in all consumer goods sub categories, with the import bills for “food” recording the highest growth (134.41%). The import bills for the "beverages and tobacco" and "animal and vegetable oils" categories increased by 70.06 percent and 2.06 percent respectively, over the period. There was also an increase of 18.23 percent in payments for imported rice. The increase could be attributed to rice importers taking advantage of government's incentive of zero rate duty on rice imports, aimed at mitigating the pass-through effect of international rice price. This was reflected in the increase in the volume of rice imports during the review to 155,407.41 metric tons in 2011, from 136,103.06 metric tons in 2010. The increase in the import value of petroleum products was on account of the 67.05 percent expansion in the import bill for fuel from US$145.89mn in 2010 to US$243.70mn in the reporting period, accounting for about 88.38 percent of the total import bill for petroleum products. The higher import bill for fuel was partly due to a hike in the price of petroleum products associated with the socio-political unrest in some Northern African states during the year (Arab spring) as well as the increased demand for fuel by emerging economies. During the year, the price of crude oil reached US$116.24 per barrel. Notable increases were also recorded in the total volume of fuel imports from 186,958.91 metric tons in 2010 to 242,102.97 in the review year, driven by increased domestic economic activities in the mining and construction sectors. Import payments for intermediary goods increased to US$85.51mn, about 49.74 percent higher than the level recorded in 2010. This development was prompted by the increases of 52.92 percent and 39.21 percent in the import bills for both “chemicals and crude materials, respectively. Payments for the import of “manufactured goods”, increased significantly to US$310.37mn during the year from US$159.00mn in 2010.

3.5.6 Exchange Rate Movement

The stability of the exchange rate in 2011 was challenged by the growth in reserve money. The increase in domestic credit to government from the Central Bank and the subsequent increase in high-powered money exerted considerable pressure on the exchange rate during the review period. That notwithstanding, the exchange rate was relatively stable over the last two months. Consequently, the yearly average exchange rates in all the market segments depreciated in 2011, compared to 2010. The BSL average mid-rate of the Leone against the United States dollar, as well as the commercial banks, bureaux and the parallel market rates depreciated by 9.23 percent, 9.30 percent, 8.11 percent and 8.57 percent from Le3,984.36/US$1, Le3,982.28/US$1, Le4,021.83/US$1 and Le4,078.49/US$1 in 2010 to Le4,352.12/US$1, Le4,352.37/US$1, Le4,347.78/US$1 and Le4,427.94/US$1 in 2011. The yearly average auction rate depreciated by 10.18 percent from Le3,977.55/US$1 to Le4,382.12/US$1, in the period under review.

3.5.7 International Reserves

The gross external reserves of the Bank of Sierra Leone stood at US$376.90mn as at end December 2011, indicating an increase of US$32.10 (9.31%) when compared with US$344.80mn at the end of December 2010. Notwithstanding the growth in reserves in the reporting period, the available reserve level could cover about 3 months of merchandise import at the current level of utilization compared to 5.1 months of import cover recorded in the previous year, on account of higher imports to support domestic growth especially in the mining sector. Total foreign exchange inflows was US$159.96mn, representing an increase of US$17.85mn over the US$142.11mn recorded as at end December 2010. Total outflow for the same period amounted to US$126.26mn, indicating a marginal increase of US$2.14mn over the US$124.12mn recorded in the preceding year. Thus, there was a net inflow of US$33.70mn during the review periods. Significant inflows constituted US$33.58mn, being receipt of funds in favor of petroleum resources in respect of signature bonuses from oil block sales, purchase of foreign currency from some commercial banks to the tune of US$14.80mn, US$16.36 being payment made by various miningcompanies (African Minerals and London Mining) in respect of income tax obligations, US$8.00mn being privatization receipts, Diamond license fees and exporters' income tax amounting to US$8.85mn, and other government earnings of US$6.21mn.Other major inflows included Aid Disbursement/BOP Support of US$67.25mn, comprising mainly US23.59 UK/DFID Poverty Reduction Budget Support, US$14.09mn being disbursement by European commission under the FAC third fixed and variable tranche, IMF Loan disbursement under the Extended Credit Facility (ECF) to the tune of US$13.65mn, US$9.33mn being loan disbursement by order of African Development Bank, and US$3.71mn in respect of Leone purchased by IDA/World Bank. Significant outflows during the review period included US$41.18mn, being amount utilized under the weekly foreign exchange auction, US$30.58mn being payments in respect of Government's ongoing Roads and Energy Projects, US$12.04mn in respect of Embassies and Mission payments, Government travel and other Government expenditure worth US$11.76mn, and Debt Service payments amounting to US$22.77mn, comprising IMF (US$5.12mn), World Bank (US$1.25mn), African Development Bank (US$0.78mn), other multilaterals and bilateral creditors (US$6.63mn), OPEC/OFID (US$1.97mn), and other commercial Debt (US$7.00mn)

3.5.8 External Debt Management

Sierra Leone's total disbursed and outstanding official long-term debt, including principal arrears as at end December 2011 stood at US$836.5 million (appendix2) as compared to US$778.1 million as at end December 2010. The marginal increase of 7.51 percent was mainly as a result of disbursements received from the International Development Association (IDA), International Monetary Fund, Exim Bank of India and the African Development Bank, which more than outweighed the principal repayments made during the period. Multilateral creditors accounted for 62.40 percent of the total disbursed outstanding debt, followed by commercial creditors, which account for 27.6 percent. Bilateral creditors account for only 10 percent of the total external debt.

Consistent with the HIPC Initiative, the Government continued to promptly service its external debts as fell due. Total disbursements received from external creditors during the period amounted to US$73.0mn. Of this amount, US$31.88mn was from the IDA; US$20.71mn from India Exim Bank; US$7.54mn from ADF, and the residual of US$12.87mn was from BADEA, Kuwait Fund, IFAD, IDB, Saudi Fund and OPEC under various projects.

4.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN WEST AFRICA

4.0.1 Introduction

The growth rate of the West African economy eased to about 5.0 per cent in 2011 from 6.7 percent in 2010. This growth can be attributable to the continued resilience most West African economies during the aftermath of the global economic crisis as the general inflationary pressure in the sub-region moderated from 10.4 percent in 2010 to around 7 percent in 2011,(Table 4.2).

4.1 CFA Countries

Countries among the CFA zone recorded an average low growth. The highest growth of 5.6 percent was recorded by Burkina Faso, closely followed by Guinea Bissau at 5.3 percent. Togo, Benin, Mali, Senegal and Niger recorded growth rates of 4.1 percent, 3.1 percent, 2.7 percent, 2.6 percent and 2.3 percent respectively. Cote d'Ivoire recorded a negative growth of 4.7 percent and growth rate failed to improve significantly as a result of the aftermath of the political upheaval in the country.

At the same time the CFA countries continue to enjoy low inflationary pressure in 2011 with consumer prices ranging from 2.7 percent to 5.0 percent. Unlike 2010, all the countries of the CFA zone recorded increase in inflation with no deflation this time around. The highest inflationary pressure was recorded in Guinea Bissau and Cote d'Ivoire where inflation increased by 3.9 and 3.5 percentage points respectively. Togo and Benin had the most stable of prices where inflation increased by 0.6 and 0.4 percentage points respectively between 2010 and 2011.

4.2 Non-CFA Countries

Among the non-CFA countries, Ghana recorded the highest growth rate of 13.6 percent, followed by Nigeria with 7.2 percent. Liberia, Sierra Leone and Cape Verde recorded impressive growth rates of 6.4, 5.3 and 5.0 percent respectively. The lowest growth rates in the Non-CFA Zone were recorded by The Gambia and Guinea at 3.3 and 3.6 percent respectively. However, that of Guinea was an improvement over the 2010 rate of 2.4, while Gambia's growth rate declined by 2.8 percentage points in real terms.

In contrast to the inflationary situation in the CFA zone, the non-CFA West African countries continue to face strong inflationary pressures in 2011. Like in 2010, Guinea, Sierra Leone and Nigeria recorded double-digit inflation in 2011 at 21.5, 18.5 and 10.8 percent respectively. Nigeria and The Gambia recorded decline in inflation in real terms by 2.9 and 0.2 percent. All the other countries recording single digit inflation had inflation rising except for The Gambia and Ghana. Nigeria recorded the strongest reduction in inflation among the countries. Cape Verde deteriorated as it moved up by 2.4 percentage points while Liberia and Sierra Leone rose marginally by 1.2 and 0.7 percentage points. Overall, inflation remains very high in Guinea, Sierra Leone and Nigeria.

Table 4.2 West Africa: Output and Prices (Percentage Changes)														
Countries	**Output**							**Consumer Prices**						
CFA Countries	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Benin	2.9	3.6	4.6	5.0	2.7	3.8	3.1	5.4	3.8	1.3	8.0	2.2	2.1	2.7
Burkina Faso	7.1	5.5	3.6	5.0	3.2	5.2	5.6	6.4	2.4	(0.2)	10.7	2.6	(0.6)	2.7
Cote d'ivoire	1.9	0.7	1.6	2.3	3.7	2.4	(4.7)	3.9	2.5	1.9	6.3	1.0	1.4	1.9
Guinea-Bissau	3.5	0.6	2.7	3.3	3.0	2.6	5.3	5.6	(0.1)	4.6	10.4	(1.7)	1.1	5.0
Mali	6.1	5.3	4.3	5.0	4.5	5.0	2.7	6.4	1.5	9.1	11.3	2.2	1.3	3.1
Niger	8.4	5.8	3.3	9.5	(0.9)	4.9	2.3	7.8	0.1	0.1	11.3	4.3	0.9	2.9
Senegal	5.6	2.4	4.7	2.5	1.5	3.6	2.6	1.7	2.1	5.9	5.8	(1.1)	1.2	3.4
Togo	1.2	3.9	1.9	1.0	2.5	2.5	4.1	6.8	2.2	1.0	8.7	2.0	3.2	3.6
Non-CFA Countries														
Cape Verde	6.5	10.8	7.8	5.9	4.1	7.1	5.0	0.4	4.8	4.4	6.8	1.2	2.1	4.5
The Gambia	5.1	6.5	6.3	5.9	4.6	6.1	3.3	5.0	2.1	5.4	4.5	4.6	5.0	4.8
Ghana	5.9	6.4	6.1	7.2	3.5	6.4	13.6	15.1	10.2	10.7	16.5	19.3	10.7	8.7
Guinea	3.0	2.5	1.8	4.0	(0.3)	2.4	3.6	31.4	34.7	22.9	18.4	4.7	15.5	21.5
Liberia	5.3	7.8	9.5	7.1	4.6	6.8	6.4	6.9	7.2	13.7	17.5	7.4	7.3	8.5
Nigeria	5.4	6.1	6.4	5.3	5.6	6.4	72	17.9	8.2	5.4	11.6	12.4	13.7	10.8
Sierra Leone	7.3	7.4	6.4	5.5	4.0	6.0	5.3	12.0	9.5	11.8	14.8	9.2	17.8	18.5

Source: MF World Economic Outlook, April 2012

5.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN AFRICA

5.0 Introduction

Africa's economic performance continues to remain resilient to the aftermath effects of the global economic meltdown which started in 2008. In spite of the numerous political crises across the continent in 2011, macroeconomic performance remained robust at least compared to growth in OECD and other developed countries. Prudent fiscal management is required from the economic managers on the continent if the share goal of economic growth, poverty reduction and improvement in the livelihood of the citizens are to be achieved. Compared to the previous year 2010, GDP growth fell from 5.0 per cent to 3.4 percent in 2011. The continent's performance was even more noteworthy when the “Arab Spring” is factored in as it brought about complete disorder in the North African countries of Tunisia, Libya and Egypt as well as the political instability in Cote d'Ivoire with its ripple effects on neighboring countries.

As a consequence of the aforementioned, growth performance in North Africa was dismal but Sub-Saharan Africa performed satisfactorily reaching 5.1 per cent while North Africa recorded 0.7 per cent. The recovery process is ongoing in many of the countries affected by the Arab Spring, while Cote d'Ivoire has now stabilized with expected strong rebound in 2012. Growth rate has been projected at 4.5 percent in 2012 for the continent.

5.1 Macroeconomic Outcomes in 2011

During the year under consideration, rising commodity prices may initially have benefited several major African exporting nations, but the continuous increase in food and energy prices strengthened inflationary pressures overall. Inflation rose from 7.4 percent in 2010 to 8.5 percent in 2011, and is expected to remain at around that level in 2012. Many of the countries on the continent showed signs of economic recovery and prudent fiscal policies but the sociopolitical unrest in North and West Africa had a toll. This resulted in the worsening of the fiscal deficit from 3.5 percent in 2010 to 3.6 percent in 2011, but with an improving forecast of 2.9 percent for 2012. Africa’s current account deficit remained at 0.6 percent of GDP in both 2010 and 2011. The expectation is that it will decline marginally to 0.4 percent in 2012. While Africa is expected to continue on an upward growth trajectory, there are a number of risks and challenges which may impact its performance.

While Africa is expected to continue on its path of recovery in 2012, there are a number of internal and external factors which could adversely affect its performance. Prominent among the internal factors is the risk of disruption arising from social unrest, as seen in North Africa and in other parts of the continent. External challenges include the global financial crisis and its associated economic downturn, which could affect the continent through trade and FDI channels. Furthermore, many of Africa’s traditional trading partners, particularly in the Eurozone, have resorted to fiscal consolidation and austerity measures as a result of the crisis, which is likely to result in a decline in aid flows. Moreover, high fuel and food prices could damage the external accounts of most African countries, in particular nonresource rich ones. This situation is further compounded by the high social demands, which if not met, could exacerbate the social tensions, slow down the implementation of the needed reforms to achieve sustainable growth, and reduce investors' confidence as well as private sector investments.

The continent recorded significant growth up to 2009 but has experienced volatility since then, as a result of the various crises. Prospects remain favorable and in most parts of Africa, growth is expected to accelerate further in 2012 to around 4.5 percent, moving closer to the growth path attained prior to the global financial crisis of 2008/9.

Trade and current accounts have improved in resource-rich countries owing to high commodity prices and rising export volumes. At the same time, high oil and food import bills are contributing to a worsening of external balances in resource-poor countries and threatening food security. On average, while oil-exporting countries are expected to run current account surpluses to the tune of 3.6 percent of GDP in 2011, oil-importing countries are expected to run into a deficit of 5.7 percent of GDP. In addition, the soaring gold price benefits Africa’s main gold producers such as South Africa, Ghana, Zimbabwe, Tanzania, Guinea, and Mali. Africa accounts for around 30 percent of global gold production. On a year-to-year basis, the price of gold increased significantly in 2011 compared to 2010. The price of gold continued its steep rise during 2011, partly driven by global demand to hedge against financial market and exchange rate risks (see Figure 1.3).

5.2 Prospects for 2012

The African continent recorded high growth rates up to the point when the financial crisis began having tolls on economic performance through the second round effect of the crisis. Growth has been volatile but prospects remain encouraging and in most parts of Africa growth rates are expected to increase to about 4.5 percent in 2012 depending on the stabilization of the situation in North Africa and Coted'Ivoire. This would mean a steady return to the growth path that the continent enjoyed before the outbreak of the global financial crisis.

The economic and political instability resulting from the Arab Spring and the volatile political situation in Cote d'Ivoire have had its own share of the diminishing growth rate on the continent. However, economic recovery is expected in Cote d'Ivoire with real GDP growth rate of around 8%.

In terms of external position, the continent's trade and current accounts have improved due to high commodity prices and high volumes that benefitted resource rich countries. However, worsening the external balances are the huge import bills from food and energy. This trend is expected to continue in 2012.

With respect to fiscal deficit, African countries are expected to further register improvement in 2012 from 3.6 percent in 2011 to below 3 per cent. The upward trend in food and energy prices is expected to continue to pile pressure on the inflationary outlook in 2012.

6.0 DEVELOPMENTS IN THE INTERNATIONAL ECONOMY

6.1 Global Economic Developments

Growth of world output, which had been strong at 5.1 percent in 2010, decelerated to 4.0 percent in 2011. The slowdown reflected the much slower recovery in advanced economies than in the emerging and developing economies and a large increase in fiscal and financial uncertainty: the brakes on the recovery have been transmitted through fiscal consolidation, global supply-chain disruptions following the shocks to Japan and the oil supply resulting from the Great East Japan earthquake and tsunami, and tight bank lending, the legacy of the housing boom. Other inhibitive factors have included the sluggish spurt in private demand in the United States, the sovereign debt and banking sector problems in the euro area, and the unrest in the Middle East and North Africa (MENA) region.

6.2 Developments in Advanced Economies

At 1.6 percent, in 2011 real growth rate of advanced economies represented significant slowdown in recovery compared with 3.1 percent posted a year earlier. All the advanced countries, - the United States, euro area and Japan contributed to the deceleration in output growth, especially Japan which recorded negative growth rate, at -0.5 percent.

The negative growth recorded in Japan came in the wake of loss in momentum in global trade and industrial production partly because the earthquake and tsunami in that country disrupted global supply chains and partly because high oil prices slowed consumption and growth mainly in advanced economies. However, while growth rates are projected to edge up marginally in all advanced economies, growth in Japan is expected to sprout to 2.3 percent, in 2012 as the effects of temporary disturbances abate and the fundamental drivers of expansion slowly reassert themselves, notably industrial production, oil prices, investment in machinery and equipment and corporate profitability.

6.3 Developments in Emerging and Developing Economies

In emerging and developing economies growth rate slowed to 6.4 percent compared with 7.3 percent in 2010. The deceleration in growth reflected largely the slowdown in growth rates in Latin America and the Caribbean (Western Hemisphere), Developing Asia, Middle East and Central and Eastern Europe, in that order. In those economies, capacity constraints, policy tightening, and slowing foreign demand dampened growth to varying extents. For these reasons, growth in emerging and developing economies, reflecting downside risks, is projected to decline to about 6 percent in 2012.

Developing Asia grew by 8.2 percent in 2011 and is forecast to continue to post strong growth of about 8 percent in 2012, propelled by China and India. In Latin America and the Caribbean, growth declined to 4.5 percent, down from 6.1 percent in 2010. However, growth is expected to moderate to 4 percent in 2012, down from about 6 percent in 2010, as external demand slows and tighter macroeconomic policies begin to rein in strong domestic demand. With the rebound in the Central and Eastern Europe (CEE) and Commonwealth of Independent States (CIS) losing some vigour in 2012, particularly in Turkey, real GDP growth in emerging and developing economies is expected to settle at about 6 percent.

At 5.5 percent in 2011, GDP growth rate in sub-Saharan Africa indicates modest improvement compared with the 4.7 percent recorded a year earlier and is projected to moderate to about 6 percent in 2012. The relatively slowing growth performance of the region is a reflection of the improved financial conditions: bank credit is still strong and search for yield spurs capital inflows, magnifying already ample domestic liquidity.

At about 6 percent in 2012, growth in sub-Saharan Africa follows the lead taken by Developing Asia, notably in China and India, which is expected to remain very elevated at 8 percent.

6.4 Inflation

Inflation pressure was still relatively elevated, especially in emerging and developing economies. In the major advanced economies, however, inflation appeared to be subdued.

At 1.9 percent, inflation, measured by the percentage change in GDP deflator, in advanced economies, edged upward compared with one percent in 2010. The same pressure was recorded by this group of economies when inflation was measured as percentage change in the consumer price indexes except that the CPI based inflation rate was marginally elevated, at 2.6 percent compared with 1.6 a year earlier.

The elevation of inflationary pressures in advanced economies as a group reflected largely the increase in inflation in the United States and Euro area. United States inflation averaged 2.5 percent compared with 1.4 percent in 2010, while the corresponding rates for euro area were 1.9 and 1.2 percent, respectively. Remarkably, in Japan, price dynamics turned appreciably from very low core inflation to negative inflation averaging 0.9 percent in 2011.

In the emerging and developing economies, underlying inflation pressure remains relatively elevated. At 7.5 percent in 2011, inflation in this group of countries rose compared with about 6 percent in 2010, and with CPI based rate of 2.6 percent in 2011 in the advanced economies where inflation appeared to lose some momentum.

The inflation pressure in the emerging and developing economies as a group in 2011 was informed largely by the pressures emanating from Commonwealth of Independent States (CIS) and sub-Saharan Africa, where the rates were relatively elevated to 10.3 and 8.4 percent, respectively.

6.5 World Trade

Trade has been an important driver of the global recovery. From its crisis-induced trough at the beginning of 2009, the volume of global trade has grown by 25 percent and recently surpassed pre-crisis peaks. Even so, the rate of growth of trade decelerated in all regions compared with 2010 and the prospects for a significant rebound are dim for 2012. At 7.5 percent in 2011, the growth rate of volume of world trade slowed compared with 12.8 percent in the previous year. The reduced growth was a syndrome shared in all the regions. Growth of imports to the advanced economies decelerated to 5.9 percent compared with 11.7 percent in 2010. The corresponding rates for their exports were 6.2 and 12.3 percent, respectively. At 11.1 percent, the rate of growth of imports to the emerging and developing economies represented a deceleration compared with 14.9 percent in 2010. The corresponding rates of growth of their exports volume were 9.4 and 13.6 percent, respectively.

6.6 World Economic Prospects in 2012

In its World Economic Outlook (WEO), the IMF proffered prospects of world economic recovery in 2012. Projections indicate that global growth will stagnate at about 4 percent through 2012, as in the preceding year.

In the advanced economies, real GDP is projected to expand marginally from 1.6 percent in 2011 to about 2 percent, reflecting the gradual unwinding of the temporary forces that have held back activity during 2011, including the problematics of striking a balance between support for the economy and medium-term fiscal consolidation, volatility in global financial markets, and sluggish pace of monetary accommodation.

The overall policy tightening syndrome has lowered projected growth rates in the emerging and developing economies to a still very solid pace of about 6 percent in 2012.

The above projections are not without downside risks including the following:

- first the risk of the crisis in the euro area running beyond the control of policymakers. An air of uncertainty prevails regarding ratification of the commitments made at the July 21, 2011 EU Summit, as well as the sustenance of strong intervention of the European of Central Bank (ECB) to maintain orderly conditions in the sovereign debt markets;
- the second is that growth in United States might be inhibited by possible political impasse over fiscal consolidation, a weak housing market, or deteriorating financial conditions. There is also a serious risk that hasty fiscal cutbacks in the United States will further weaken the outlook for sustainable debt levels. Again in the housing market there is the overhang of excess supply and declining prices which could prompt households to accelerate their pace of deleveraging by raising their savings rates further.

All these developments could have severe repercussions for global growth.

- However, risks in emerging and developing economies seem less severe. Risks related to commodity prices and social and political unrest in some parts of the world continue to loom large.

With regard to inflation, the IMF's Inflation Tracker confirms that inflation pressure is still relatively elevated, especially in emerging and developing economies. In those economies, inflation has been projected to decline from 7.5 percent in 2011 to about 6 percent. In the more advanced economies, however, inflation appears to be subdued. Three factors have been identified as determining the path of inflation in 2012:

Energy and Food prices:

Forecasts assume a stabilization of energy and food prices at 2011 levels, which are particularly important for inflation in emerging and developing economies. However, prospects are very uncertain as risks for prices are still tilted toward the upward.

Output Gaps

These are generally not large, except in Japan and United States. However, in the euro area wage growth may well remain subdued for some time because employment is lagging the expansion of output. The labour market tightness is evident for many emerging and developing economies.

Policy and the credibility of Policymakers

External price increases may elevate inflation pressure considering that central bank credibility is not well established in many emerging and developing economies. In anticipation of such pressures, many central banks have begun to raise policy interest rates towards less accommodative levels. Underlying inflation pressure may well rise further, mainly in emerging and developing economies. In advanced economies headline inflation is forecast to be about 2.6 percent in 2011 but then to recede to 1.4 percent in 2012.

In emerging and developing economies, inflation is expected to settle at about 6 percent in 2012, down from 7.5 percent in 2011, as energy and food prices stabilize but demand pressures raise inflation. Inflation is expected to stay high through 2011 2012 in the Commonwealth of Independent States (CIS), Middle East and North Africa (MENA) and Sub-Saharan Africa Regions, averaging 7 10 percent.

The growth rate of volume of world trade is projected to slow down in all economies, developed and emerging and developing, in 2012. To ensure that trade can continue to boost economic growth, it is vital that policymakers continue to keep protectionist pressures at bay, and conclude the long-running World Trade Organisation (WTO) Doha Round of trade talks.

Annex 1: SUB-SAHARAN AFRICA: SELECTED MACROECONOMIC INDICATORS (% of GDP)

Indicators	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Real GDP Growth rate (%)	5.1	7.2	6.2	6.4	6.8	5.4	1.5	3.8	5.5	5.9
GDP Per Capita (US$)	3.2	5.0	4.1	4.2	4.6	3.1	-0.6	2.7	3.3	3.6
Consumer Price Inflation (% charge)	10.9	7.6	8.8	7.3	7.2	11.6	10.5	7.1	8.1	6.7
Central Govt. Fiscal Balance (% of GDP)	-2.4	0.1	1.9	4.9	1.0	2.1	-4.8	-3.1	-1.8	-0.9
Gross Domestic Investment (billions of US$)	19.3	19.9	19.9	21.3	22.2	22.4	23.7	23.3	22.2	22.2
National Savings (% of GDP)	19.0	21.3	22.8	24.7	23.6	24.5	17.6	18.7	21.8	21.9
Export of Goods and Services (%of GDP)	32.9	34.3	36.5	37.9	38.9	40.8	32.1	33.1	38.5	38.1
Imports of goods & Services (% of GDP)	33.2	32.7	33.6	34.4	37.3	38.5	38.0	37.6	36.1	35.5
Trade Balance (%GDP)	3.4	5.1	6.7	6.8	6.1	7.0	-1.3	0.3	7.6	7.9
External Current A/C (% of GDP)	-3.1	-1.3	-0.3	1.4	1.6	-1.3	-7.5	-5.5	0.5	0.5
GDP Per Capita (US$)	98.8	101.8	111.9	122.7	128.9	144.6	122.4	130.8	146	144
Reserves (Months of Imports)	3.4	4.3	4.7	5.6	5.8	5.4	5.5	5.2	5	5.5
Total External Debt (% of GDP)	36.9	31.0	22.2	12.5	11.1	9.7	10.1	10.0	n.a	n.a
Official Grants (% of GDP)	1.0	0.8	0.7	0.8	0.8	0.8	1.0	0.9	0.8	0.7

Source: IMF Regional Economic Outlook, April 2010, September 2011

(1) including grants n.a = not available

(2) IMF projections

Annex 2: REGIONAL OUTPUT GROWTH RATE (%)

Regions	2007	2008	2009	2010	2011	2012 (p)
Sub-Saharan Africa...	6.9	5.5	2.8	5.4	5.2	5.8
Commonwealth of Independent states (CIS)	8.6	5.5	-6.4	4.6	4.6	4.4
Developing Asia	10.6	7.9	7.2	9.5	8.2	8.0
Middle East and North Africa	5.6	5.1	2.6	4.4	4.0	3.6
Latin America & the Carribean	5.8	4.3	-1.8	4.0	4.5	4.0
ÍMF 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						
p; Projections						
Source: IMF RegionalWorld Economic Outlook, September 2011						

Annex 3: REAL GDP & CONSUMER PRICES (ANNUAL PERCENT CHANGE)

	Real GDP						Consumer Prices					
	2007	2008	2009	2010	2011	2012	2007	2008	2009	2010	2011	2012
Advanced Economies	2.8	0.5	-3.2	3.1	1.6	1.9	22	3.4	0.1	1.6	2.6	1.4
United States	2.1	0.4	-2.4	3.1	1.5	1.8	29	3.8	-0.3	1.6	3.0	12
Euro Area	2.8	0.6	-4.3	1.8	1.6	1.1	2.1	3.3	0.3	1.6	2.5	1.5
Japan	2.4	-1.2	-6.3	4.0	-0.5	2.3	0.0	1.4	-1.4	-0.7	0.4	-0.5
Major advanced Economies	1.7	-0.3	-3.3	2.9	1.2	1.2	22	32	-0.1	1.4	2.4	1.1
Source: IMF World Economic Outlook, Spetember 2011												

Annex 4: SUMMARY OF WORLD OUTPUT (ANNUAL PERCENTAGE CHANGES)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
World Output	2.0	3.6	4.9	4.4	5.0	4.9	3.0	-0.7	5.1	4.0	4.0
Advanced Economies	**1.6**	1.9	3.2	2.6	3.0	2.7	0.5	-3.7	3.1	1.6	1.9
United States	1.6	2.5	3.6	3.1	2.9	2.7	0.4	-3.5	3.0	1.5	1.8
Euro Area	0.9	0.8	2.1	1.6	2.8	2.6	0.6	-4.3	1.8	1.6	1.1
Japan	0.3	1.4	2.7	1.9	2.4	2.1	-12	-6.3	4.0	-0.5	2.3
Other Advanced economies	3.2	2.5	4.1	3.2	3.8	3.9	1.7	-2.3	4.3	2.8	3
Emerging and Developing Economies	4.7	6.2	7.5	7.1	7.8	7.9	6.1	2.8	7.3	6.4	6.1
Regional Groups											
Africa	6.1	5.3	6.5	5.7	5.9	6.2	5.5	2.1	4.7	5.5	5.9
Central and Eastern Europe	4.2	4.8	6.9	6.1	6.6	58	3.0	-3.7	4.5	4.3	2.74.2
Commonwealth ofInd. States	5.2	7.8	8.2	6.5	8.2	8.5	5.5	-6.4	4.6	4.6	4.4
Excluding Russia	6.6	9.0	10.8	6.7	10.1	9.6	5.3	-3.5	3.9	5.5	na
Russia	4.7	7.3	7.2	6.4	7.4	8.1	5.6	-7.9	4.0	4.8	na
Developing Asia	6.9	8.1	8.6	9.0	9.6	9.7	7.9	7.2	9.5	8.2	8
Middle East	3.9	6.9	5.9	5.7	5.8	5.8	5.1	2.6	4	4.0	3.6
Latin America and the Caribean	0.4	2.1	6.2	4.6	5.5	5.6	4.3	-1.8	6.1	4.5	4.0
memorandum											
Output Per Capita											
Advanced Economies	1.1	1.3	2.5	1.9	2.3	2.0	-0.2	-4.3	2.5	1.1	1.3
Emerging and Development Economies	3.9	4.8	5.5	5.6	6.1	6.2	5.0	1.6	6.2	5.4	5.1
Advanced Economies	0.9	1.2	2.5	1.9	2.4	2.1	1.2	-3.0	1.3	na	na
Emerging and Development Economies	3.4	4.9	6.2	5.8	6.5	6.6	5.0	1.5	3.7	na	na
Africa	1.4	2.5	3.6	3.4	3.3	na	na	na	na	na	na
Central and Eastern Europe	4.1	4.4	6.1	5.1	5.6	na	na	na	na	na	na
C.I.S.	5.6	8.2	8.7	6.8	7.9	na	na	na	na	na	na
Developing Asia	5.7	7.2	7.6	8.0	8.2	na	na	na	na	na	na
Middlle Eastern	2.0	4.5	3.7	3.5	3.8	na	na	na	na	na	na
Latin America and the Carribean	-12	0.9	4.6	3.2	4.1	na	na	na	na	na	na

1 IMF projections 2 Sub- Saharan Africa 3 Middle East and North Africa

Source: IMF World Economic Outlook, September 2011 n.a = not available

Annex 5: Inflation (percent)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GDP Deflators											
Advanced Economies	1.6	1.7	2.0	2.1	2.1	2.1	2.0	0.8	1.0	1.9	1.3
United States	1.7	2.1	2.9	3.2	3.2	2.7	2.1	1.1	1.2	2.1	1.1
Euro Area	2.6	2.2	1.9	1.9	1.9	2.2	2.3	0.9	0.8	1.4	1.4
Japan	-1.5	-1.6	-1.1	-1.2	-1.0	-0.8	-0.8	--0.4	-2.1	-1.5	-0.5
Other Advanced Economies	1.7	2.1	2.2	2.0	1.9	2.3	3.1	1.5	2.4	3.5	2.6
Consumer Prices											
Advanced Economies	1.5	1.8	2.0	2.3	2.4	2.2	3.4	0.1	1.6	2.6	1.4
United States	1.6	2.3	2.7	3.4	3.2	2.9	3.8	-0.3	1.6	3.0	1.2
Euro Area	2.3	2.1	2.1	2.2	2.1	3.3	3.3	0.3	16.0	2.5	1.5
Japan	-0.9	-0.3	-	-0.3	-0.3	-	1.4	-1.4	-0.7	-0.4	-0.5
Other Advanced Economies	1.7	1.8	1.7	2.1	2.1	2.1	3.8	1.5	2.4	3.5	2.6
Emerging and Developing Economies	6.7	5.9	5.7	5.7	5.4	6.4	9.2	5.2	6.1	7.5	5.9
Regional Groups											
Africa	9.1	8.6	6.3	7.1	6.4	6.3	11.6	10.6	7.5	8.4	8.3
Central and Eastern Europe	16.4	10.1	6.3	5.1	5.4	5.6	8.1	4.7	5.3	5.2	4.5
Commonwealth of Independent States (CIS) 3	14.0	12.3	9.5	12.1	9.5	9.7	15.6	11.2	7.2	10.3	8.7
Excluding Russia	9.2	8.6	9.1	10.6	8.8	11.6	na	na	na	na	na
Russia	15.8	13.7	10.9	12.7	9.7	9.0	na	na	na	na	na
Developing Asia	2.0	2.5	4.1	3.8	4.1	5.3	7.4	3.1	5.7	7	5.1
Middlle East	5.3	6.1	7.0	6.2	7.0	10.4	13.5	6.6	6.6	6.8	9.9
Latin America and the Carribean	8.7	10.5	6.6	6.3	6.3	5.4	7.9	6.6	6.0	6.7	6.0

Source: IMF World Economic Outlook, April 2008, Sept 2011

Annex 6: World Trade Volume (Goods & Services)

	Averages			Projections[1]	
	2001 - 08	**2009**	**2010**	**2011**	**2012**
		(Annual Percent Change)			
World Trade, Volume	6.1	-10.7	12.8	7.5	5.8
Imports					
Advanced Economies	4.6	-12.4	11.7	5.9	4
Emerging & Developing Economies	10.1	-8.0	14.9	11.1	8.1
Exports					
Advanced Economies	4.9	-11.9	12.3	6.2	5.2
Emerging & Developing Economies	9.2	-7.7	13.6	9.4	7.8

Source: IMF World Economic Outlook, September 2011
[1]IMF projections\

Financial Statements

ERNST & YOUNG

Ernst & Young
2A, Bayo Kuku Road, Ikoyi
P O Box 2442, Marina
Lagos, Nigeria

Tel: +234 (01) 463 0479-80
Fax: +234 (01) 463 0481
E-mail: services@ng.ey.com
Website: www.ey.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

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 2011, 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 2011, 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.

Ernst & Young

Lagos, Nigeria

12 July 2012

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
A 390680

3

A Member Firm of Ernst & Young Global Limited

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Note	2011 US $	2010 US $
ASSETS			
Fixed assets	10	260,567	338,027
Library books	11	26,125	24,694
Intangible assets	12	838	10
Deferred charges	13	10,971	16,022
		298,501	378,753
Currents assets			
Stocks	14	17,946	25,456
Debtors and prepayments	15	260,836	5,998
Short-term deposit (Staff Provident Fund)		98,000	98,000
Cash and bank	16	105,158	583,752
		481,940	713,206
Current liabilities			
Creditors and accruals	17	(190,503)	(37,164)
Net current assets		291,437	676,042
Total assets less current liabilities		589,938	1,054,795
Staff Provident Fund	18	(582,339)	(476,781)
NET ASSETS		7,599	578,014
FINANCED BY			
Accumulated funds	19	7,599	578,014

Chairman

Director General

See notes to the financial statements

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMICMANAGEMENT
Lagos, Nigeria

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

CONTENTS	PAGE
Independent Auditors' Report	3
Statement of Significant Accounting Policies	4
Income and Expenditure Account	7
Balance Sheet	8
Statement of Cash flows	9
Notes to the Financial Statements	10
Statement of Value Added	21
Five-Year Financial Summary	22

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

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 2011, 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 2011, 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.

Lagos, Nigeria

2012

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31DECEMBER 2011

The followings 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 appliedand valuesare expressed in United States Dollars. (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 equipments	20
Household furniture	20
Household equipments	25

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - Continued

FOR THE YEAR ENDED 31 DECEMBER 2011

INTANGIBLE ASSETS

Intangible assets consist of computer software and cost associated with the developments 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%. Cost 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 ruing at the balance sheet date.

Gains and loss arising there from are included in the income and expenditure account.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES - Continued

FOR THE YEAR ENDED 31 DECEMBER 2011

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 cost was incurred.

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

INCOME	Note	2011 US $	2010 US $
Subscriptions	2	2,313,145	2,171,121
Grants	3	382,774	320,087
Interest on current account		856	5,631
Other Income	4	233,633	192,609
		------------	-------------
		2,930,408	2,689,448
		------------	-------------
EXPENDITURE			
Staff cost	5	1,374,284	1,042,084
Official mission and travels		71,581	61,707
Training expenses	6	1,290,625	1,042,460
Board expenses		129,361	41,730
Motor vehicle running expenses	7	19,250	12,080
Postages and telecommunications	8	46,321	33,403
Cleaning materials and staff uniforms		18,347	10,121
Entertainment		6,878	7,154
Financial charges		34,983	28,714
Audit fee		20,000	20,000
Repairs and maintenance	9	50,000	34,269
Staff training and recruitment		69,535	5,561
Printing and stationery		56,332	77,313
Upkeep of grounds and building		11,399	7,093
Journals, periodicals and newspapers		8,882	7,738
Depreciation and amortization of asset		140,896	119,714
Medical expenses		24,788	17,180
Social programs		2,737	24,528
Electricity, lighting and rates		42,900	15,076
General insurance		20,883	8,704
Website maintenance		16,022	16,972
Management expenses		39,774	9,449
Amortization of deferred charge		5,051	5,051
		------------	-------------
		3,500,823	2,648,101
		------------	-------------
(DEFICIT)/SURPLUS FOR THE YEAR		(570,415)	41,347
		======	======

See notes to the financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Note	2011 US $	2010 US $
ASSETS			
Fixed assets	10	260,567	338,027
Library books	11	26,125	24,694
Intangible assets	12	838	10
Deferred charges	13	10,971	16,022
		298,501	378,753
Currents assets			
Stocks	14	17,946	25,456
Debtors and prepayments	15	260,836	5,998
Short-term deposit (Staff Provident Fund)		98,000	98,000
Cash and bank	16	105,158	583,752
		481,940	713,206
Current liabilities			
Creditors and accruals	17	(190,503)	(37,164)
Netcurrent assets		291,437	676,042
Total assets less current liabilities		589,938	1,054,795
Staff Provident Fund	18	(582,339)	(476,781)
NET ASSETS		7,599	578,014
FINANCED BY			
Accumulated funds		197,599	578,014

---------------------------   ---------------------------

Chairman   Director General

See notes to the financial statements

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 US $	2010 US $
Cash flows from operating activities			
Subscriptions and other receipts.		2,546,778	2,363,730
Payment to suppliers and employees		(3,343,306)	(2,757,694)
Net cash used in operating activities	20	(796,528)	(393,964)
Cash flows from investing activities			
Interest received		856	5,631
Purchase of fixed assets	10	(63,161)	(251,649)
Purchase of intangible assets		(1,104)	-
Purchase of library books		(1,431)	(3,868)
Net cash used in investing activities		(64,840)	(249,886)
Cash flows from financing activities			
Grants	3	382,774	320,087
Net decrease in cash and cash equivalents		(478,594)	(323,763)
Cash and cash equivalents at the beginning ofthe financial year		583,752	907,515
Cash and cash equivalents at the end of the financial year		105,158	583,752

See notes to the financial statements.

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, Gambia, Sierra Leone, Ghana and Liberia. The Institute commenced operation 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 Africa 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.

NOTES TO THE FINANCIAL STATEMENTS - Continued

		2011 US $	2010 US $
2	**SUBSCRIPTIONS**		
	Bank of Ghana	578,330	542,800
	Bank of Sierra Leone	308,443	289,493
	Central Bank of Gambia	308,268	289,415
	Central Bank of Liberia	308,443	289,493
	Central Bank of Nigeria	809,661	759,920
		2,313,145	2,171,121
3	**GRANTS**		
	African Capacity Building Foundation	135,000	123,973
	UNECA	36,770	-
	Debt Relief International	8,156	-
	World Bank	122,848	61,314
	International Monetary Fund Institute	80,000	131,680
	Commonwealth Secretariat	-	3,120
		382,774	320,087
4	**OTHER INCOME**		
	Sundry Income	227,426	185,747
	Exchange Gain	6,207	6,862
		233,633	192,609

NOTES TO THE FINANCIAL STATEMENTS - Continued

		2011 US $	2010 US $
5	**STAFF COST**		
	Salaries and wages	976,120	771,685
	Overtime allowance	1,040	1,037
	Provident fund expenses	277,678	150,045
	Leave Allowance and Ex-gratia Allowance	91,446	66,280
	Resettlement Cost	5,500	30,537
	Utility Allowance	22,500	22,500
		1,374,284	1,042,084
6	**TRAINING EXPENSES**		
	Program fees	917,595	790,445
	Training materials and course administration	373,030	252,015
		1,290,625	1,042,460
7	**MOTOR VEHICLE RUNNING COST**		
	Fuel	10,041	7,943
	Repairs and maintenance	9,209	4,137
		19,250	12,080
8	**POSTAGE AND TELECOMMUNICATION**		
	Telephone and fax	29,088	23,202
	Postages and freight	17,233	10,201
		46,321	33,403

NOTES TO THE FINANCIAL STATEMENTS - Continued

		2011 US $	2010 US $
9	**REPAIRS AND MAINTENANCE**		
	Household equipment	21,522	15,973
	Office equipment	28,478	18,296
		---------	----------
		50,000	34,269
		=====	=====

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 2011	212,354	141,031	347,974	85,283	45,276	831,918	
Additions	-	4,302	32,692	387	25,780	63,161	
Disposal	-	-	(17,520)	-	-	(17,520)	
At 31 December 2011	212,354	145,333	363,146	85,670	71,056	877,559	
DEPRECIATION							
At01 January2011	104,476	101,850	244,617	33,987	8,961	493,891	
Charge for the year	48,155	16,122	47,829	12,341	16,174	140,621	
Disposal	-	-	(17,520)	-	-	(17,520)	
At 31 December 2011	152,631	117,972	274,926	46,328	25,135	616,992	
NET BOOK VALUE							
At 31 December 2011	59,723	27,361	88,220	39,342	45,921	260,567	
At 31 December 2010	107,878	39,181	103,357	51,296	36,315	338,027	

NOTES TO THE FINANCIAL STATEMENTS - Continued

		2011	2010
11	**LIBRARY BOOKS**	**2011**	**2010**
		US $	US $
	At 01 January	24,694	20,826
	Additions during the year	1,431	3,868
	At 31 December	26,125	24,694
12	**INTANGIBLE ASSETS - COMPUTER SOFTWARE**		
	COST:		
	At 01 January	9,408	9,408
	Additions during the year	1,104	-
	At 31 December	10,512	9,408
	AMORTIZATION: At 01 January	9,398	9,398
	Charge for the year	276	-
	At 31 December	9,674	9,398
	NET BOOK VALUE:	838	10

NOTES TO THE FINANCIAL STATEMENTS Continued

13	**DEFERRED CHARGES**	2011 US $	2010 US $
	COST:		
	At 01 January	25,255	25,255
	Additions during the year	-	-
		---------	----------
	At 31 December	25,255	25,255
		---------	----------
	AMORTIZATION: At 01 January	9,233	4,182
	Charge for the year	5,051	5,051
		-------	----------
	At 31December	14,284	9,233
		-------	----------
	NET BOOK VALUE:	10,971	16,022
		=====	======

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**	2011 US $	2010 US $
	Stationery, training and cleaning materials	10,594	10,796
	Publications	6,886	12,793
	Souvenir	466	1,867
		---------	---------
		17,946	25,456
		=====	=====

15	**DEBTORS AND PREPAYMENTS**		
	Advance to Supplier	2,988	2,905
	Prepayments	-	3,093
	Receivable from donor agencies	257,848	-
	Sundry debtors	22,500	22,500
	Provision for doubtful balances	(22,500)	(22,500)
		----------	-----------
		260,836	5,998
		======	======

NOTES TO THE FINANCIAL STATEMENTS - Continued

16 **CASH AND BANK BALANCES**

	2011 US $	2010 US $
Central bank of Nigeria/UBA (SPFDom. account)-dollars (Note 16b)	40,986	385,428
First BankNaira account	3,657	11,972
First City Monument Bank Plc - (Naira account 2)	226	226
Central bank of Nigeria/UBA (New York) - dollars	17,458	32,828
CBN/UBA special project account	-	3,363
Fidelity Bank Plc - ACBF Naira account 1	130	150
Fidelity Bank Plc -ACBF domiciliary account	58	1,007
Fidelity Bank Plc - domiciliary account 2	1,653	1,653
Fidelity Bank Plc - DRI domiciliary account 3	3,208	3,208
Fidelity Bank Plc - domiciliary account 4	200	26,439
Fidelity Bank Plc - Naira account 2	1,312	1,312
First Bank Plc Dorm Account	15,263	98,096
First City Monument Bank Plc - (Naira account 1)	45	45
Cash at hand - dollars	20,962	18,025
	----------	-----------
	105,158	583,752
	======	======

16b. This amount represents the staff's provident fund with the Central Bank of Nigeria

17 **CREDITORS AND ACCRUALS**

	2011 US $	2010 US$
Accruals	70,025	34,252
Grant received in advance- COMSEC	173	1,288
Grant received in advance- ACBF	1,623	1,624
Unremitted SPF Contributions	118,682	-
	----------	-----------
	190,503	37,164
	======	======

NOTES TO THE FINANCIAL STATEMENTS - Continued

		2011 US $	2010 US $
18	**STAFF PROVIDENT FUND**		
	Balance at 01January	476,781	318,025
	Contributions by Staff	52,851	72,374
	Contributions by the Institute	106,144	150,045
	Interest on investments	180	199
		----------	----------
		635,956	540,643
	Withdrawals by staff	(53,617)	(63,862)
		----------	----------
	Balance at 31 December	582,339	476,781
		======	======

In accordance with the Financial Rules and Regulations of the Institute, Management is charged with the administration of the Staff Provident Fund.

		2011 US $	2010 US $
19	**ACCUMULATED FUNDS**		
	Balance at 01 January	578,014	536,667
	(Deficit)/Surplus/for the year	(570,415)	41,347
		----------	-----------
	Balance at 31 December	7,599	578,014
		======	======

NOTES TO THE FINANCIAL STATEMENTS - Continued

20 **RECONCILIATION OF (DEFICIT)/ SURPLUS FOR THE YEAR TO NET CASH USED IN OPERATING ACTIVITIES**

(Deficit)/surplus for the year	(570,415)	41,347
Adjustment for non cash items:		
Depreciation	140,896	119,714
Amortization of deferred expenditure	5,051	5,051
	-----------	-----------
	(424,468)	166,112
Grant	(382,774)	(320,088)
Interest on current account	(856)	(5,631)
Changes in assets and liabilities		
(Increase)/Decreasein debtors and prepayment	(254,837)	159,237
Decrease/(Increase) in stocks	7,510	(2,879)
Increase/ (Decrease)in creditors and accruals	153,339	(549,471)
Increasein staff provident fund	105,558	158,756
	-----------	--------------
Net cash used in operating activities	(796,528)	(393,964)
	======	=======

21. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities as at 31 December 2011 (2010- Nil)

STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 US $	%	2010 US $	%
Gross income	2,930,408		2,689,448	
Bought in goods and services	(1,891,321)		(1,463,827)	
Value added	1,039,087	100	1,225,621	100
Applied as follows:				
To pay employees:				
Salaries and other benefits	1,468,606	141	1,064,560	87
Retained for maintenance and expansion:				
- Depreciation	140,896	14	119,714	10
- Retained in business	(570,415)	(55)	41,347	3
	1,039,088	100	1,225,621	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.

FIVE-YEAR FINANCIAL SUMMARY

	31 December 2011 US $	2010 US $	2009 US $	2008 US $	2007 US $
ASSETS					
Fixed assets	260,567	338,027	206,091	240,533	211,770
Library books	26,125	24,694	20,826	19,483	17,382
Intangible assets	838	10	10	10	10
Deferred charges	10,971	16,022	21,073	-	-
	298,501	378,753	248,000	260,026	229,162
Current assets					
Stocks	17,946	25,456	22,577	58,407	26,040
Debtors and prepayments	260,836	5,998	165,235	72,583	174,082
Amount due from member banks	-	-	-	444,257	504,257
Short-term deposit (Staff Provident Fund)	98,000	98,000	98,000	98,000	98,000
Bank and cash	105,158	583,752	907,515	599,924	985,693
	481,940	713,206	1,193,327	1,273,171	1,788,072
Current liabilities					
Creditors and accruals	(190,503)	(37,164)	(586,635)	(358,232)	(438,323)
Net current assets	291,437	676,042	606,692	914,939	1,349,749
Total assets less current liabilities	589,938	1,054,795	854,692	1,174,965	1,578,911
Staff Provident Fund	(582,339)	(476,781)	(318,025)	(301,119)	(713,650)
NET ASSETS	7,599	578,014	536,667	873,846	865,261
FINANCED BY					
Accumulated fund	7,599	578,014	536,667	873,846	865,261
Total income	2,930,408	2,689,448	2,801,709	2,621,546	3,007,262
(Deficit)/Surplus for the year	(570,415)	41,347	(337,179)	8,585	15,443

Statistics of WAIFEM Activities

Table 1

PARTICIPATION AT WAIFEM CAPACITY BUILDING ACTIVITIES (1997 - 2011)																
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Total
Number of Programmes Executed	6	9	11	12	22	24	29	29	36	37	51	31	31	31	34	393
Number of Participants	168	241	328	327	518	633	754	1,052	847	961	1,583	819	801	857	982	10,871

Table 2: **Distribution by User Institutions**

Institution	1997		1998		1999		2000		2001		2002		2003		2004	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Central Banks	117	69.6	144	59.8	162	49.4	165	50.5	206	39.8	242		38.2	37.4	369	35.1
Ministries of Finance & Economic Planning	17	10.1	32	13.3	43	13.1	39	11.9	99	19.1	115		175	23.2	143	13.6
Others (Public & Private Sector)	34	20.2	65	27.0	123	37.5	123	37.3	213	41.1	276		297	39.4	540	51.3
Total	168	100	241	100	328	100	327	100	518	100	633		754	100	1,052	100

Institution	2005		2006		2007		2008		2009		2010		2011		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Central Banks	297	35.1	285	29.7	777	49.1	308	37.6	312	39.0	261		367	37.4	4,294	39.5
Ministries of Finance & Economic Planning	161	19.0	247	25.7	278	17.6	198	24.2	208	26.0	381		379	38.6	2,515	23.1
Others (Public & Private Sector)	389	45.9	429	44.6	528	33.4	313	38.2	281	35.1	215		236	24.0	4,062	37.4
Total	847	100	961	100	1,583	100	819	100	801	100	857		982	100	10,871	100

Table 7: Participation in WAIFEM Programme Activities by Country (1997-2011)

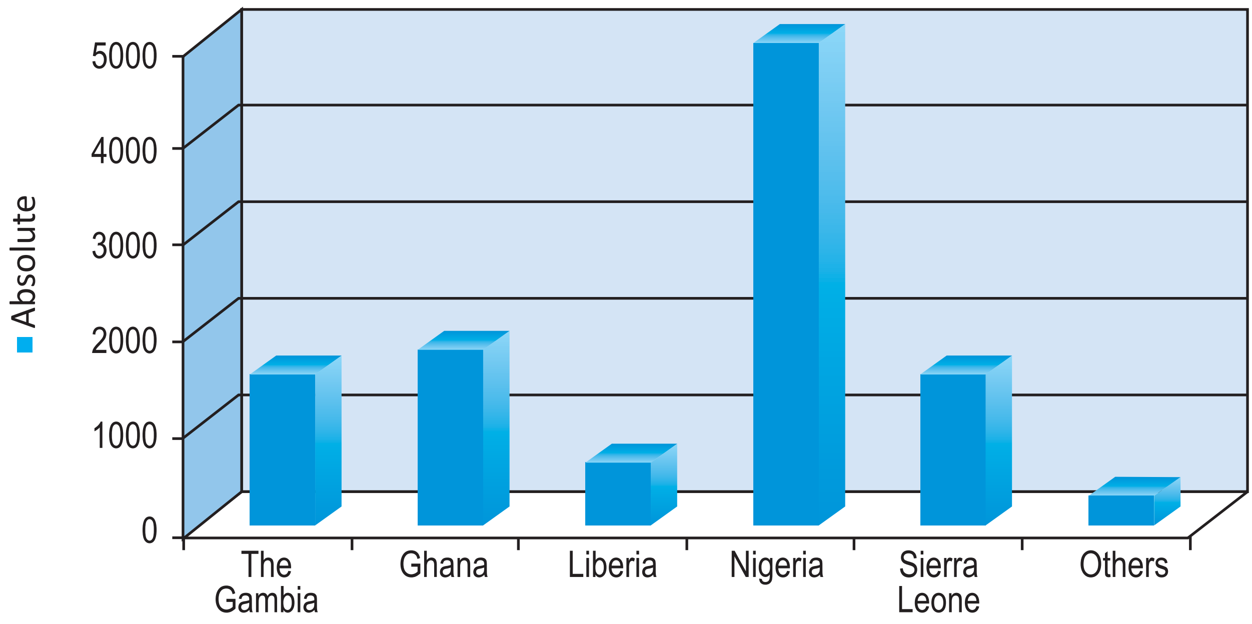
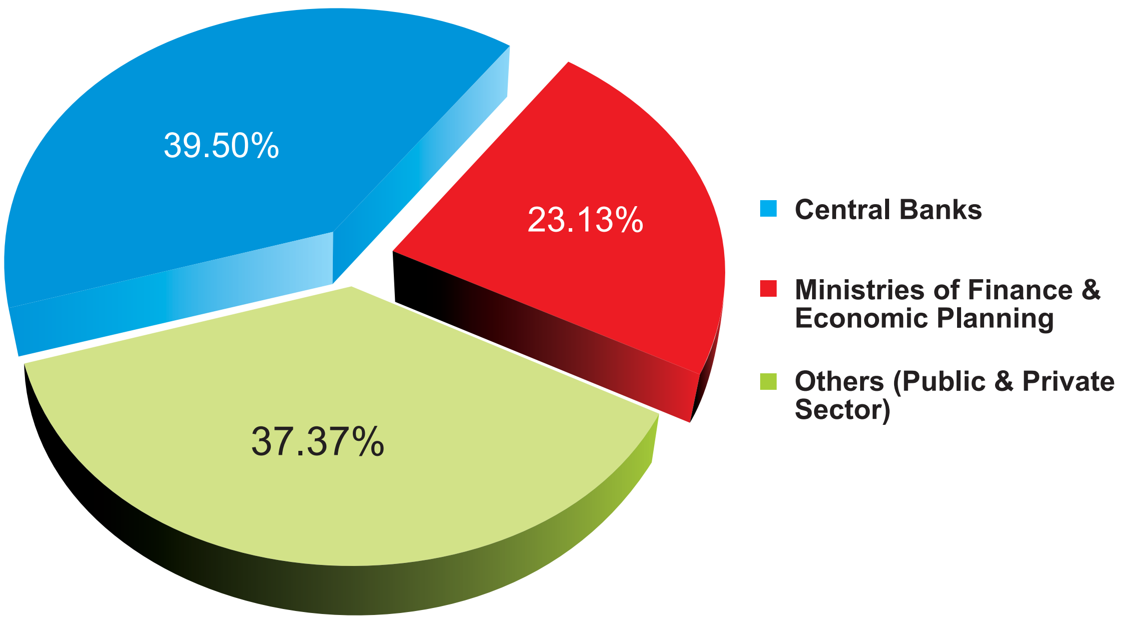


Chart 1b: Participation in WAIFEM Programme Activities by Institution (1997-2011)



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
of wich: Communication	*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
Memorundum 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
of wich: Communication	*1,208,677*	*1,359,215*	1,463,208	1,682,689	1,918,097
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	3,828.03	3,309.97	3,902.36	4,020.99	4,549.35
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**
NET DOMESTIC ASSETS	**4,445.87**	**6,486.40**	**7,792.64**	**9,271.24**	**10,204.05**
Domestic Credit	4,200.46	6,436.34	7,503.18	10,098.42	11,346.89
Claims on Government, net	1,188.62	2,660.79	3,033.02	4,978.06	5,911.87
Advance to Govt. in foreign currency	-	-	-	-	-
Claims on Public Entities	228.57	428.34	764.60	870.37	811.28
Claims on Private Sector	2,599.98	3,163.92	3,693.56	4,240.32	4,612.07
Claims on forex bureaux	183.29	183.29	-	-	-
Claims on Other Financial Institutions			12.00	9.67	11.67
Other items, net	*245.41*	*50.06*	*289.46*	*(827.18)*	*(1,142.84)*
o/w: Revaluation account	*457.69*	*(377.75)*	*50.81*	*40.96*	-
SDR allocation	(214.26)	(166.33)	-	-	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					
Lending rates					
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
Deposit rates					
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	Trans porta-tion 4.4	Newspaper Books & Stationery 7.1	Alcoh Beverages Naco & Tobacco 0.7	Health 1.2	Recreation & Culture 1.5	Edu-cation 1.5	Hotels, cafes & Restaur 0.4	Comm-unica tion 2.9	Miscel-laneous 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	113.43	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	113.43	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	113.49	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	113.53	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	113.53	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	113.55	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	113.74	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	114.03	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	114.07	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	114.10	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	114.13	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	114.17	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	114.18	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	114.21	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	114.21	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	114.21	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	114.66	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	114.66	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	114.66	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	114.66	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	114.69	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	114.72	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	114.72	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	114.72	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	114.72	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	114.72	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	114.72	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	114.76	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	114.76	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	114.76	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	114.76	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	114.76	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	114.79	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	115.23	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	115.44	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	115.87	108.70	101.93	109.28	106.13	138.19	102.66	145.00	*136.03*	4.38

Source: GBOS

Table 11: INTERBANK EXCHANGE RATES

A : END OF PERIOD MID-MARKET RATES 1/

(Dalasi per unit of foreign currency) 2/

Period		GBP	USD	CHF	SEK (100)	CFA (5,000) 3/	FRF(100)/ Euro
2009	**January**	37.2507	26.0712	20.8490	325.1203	262.8126	33.5169
	February	37.3756	26.1102	22.0380	305.2946	257.7528	33.5998
	March	38.1772	26.3756	23.3052	309.6164	259.3018	35.2213
	April	39.0503	26.7982	23.0048	321.4876	262.1749	35.3236
	May	41.4011	26.7363	22.4047	325.9656	265.9794	37.0040
	June	43.1308	26.8660	21.9583	347.8859	272.8665	37.0392
	July	43.3067	26.7864	24.4184	346.4578	277.5346	38.0592
	August	43.8045	26.6347	24.3570	326.2490	281.4495	37.6844
	September	42.9911	26.9495	25.4652	325.3425	283.5774	38.6068
	October	43.4818	26.9068	26.0728	377.7022	297.1317	39.6139
	November	43.0415	26.9267	26.6451	348.8827	295.5267	40.1492
	Deecember	43.0415	26.9406	25.8137	348.0058	288.2601	39.8741
2010	January	43.0063	26.9356	25.2948	362.6242	289.3198	39.0279
	February	42.3196	26.9374	25.2676	372.9071	284.2595	39.0198
	March	40.7861	27.0141	25.0908	364.0784	273.2206	37.1094
	April	40.9958	27.2548	25.0283	368.6851	281.4086	36.0522
	May	39.1068	28.7265	25.6719	353.1221	280.8491	36.7243
	June	41.7727	27.8575	24.0834	345.7079	286.2577	36.1318
	July	43.1998	28.0319	25.0380	362.1897	281.8072	36.9748
	August	45.1849	28.6465	24.5639	351.4664	285.7832	38.1788
	September	44.9290	29.3374	24.8272	388.5274	293.0666	38.9867
	October	46.3312	29.0976	24.8847	373.1360	306.7453	39.7779
	November	42.9563	27.9117	25.9850	381.9294	288.4189	37.5366
	Deecember	42.8647	28.3894	26.3800	376.2366	285.0210	37.4562
2011	January	45.0061	28.6936	27.7800	390.1567	284.0372	37.9109
	February	45.6455	28.9515	28.9710	403.2394	297.2184	38.7074
	March	45.5846	28.4233	29.7802	405.3199	307.1944	38.9652
	April	45.8161	28.4768	29.6709	415.1669	298.0065	40.2825
	May	46.2830	28.5025	29.3414	424.6014	302.7849	39.9066
	June	46.1350	29.1684	31.9860	409.6661	303.9692	41.4157
	July	46.8845	29.4661	34.3148	425.9955	310.2926	42.0622
	August	47.2797	29.4863	35.6025	419.5335	307.8875	41.3244
	September	46.8950	29.9934	30.8141	426.0406	305.9223	41.5447
	October	47.1976	30.5530	32.5499	428.0362	306.1911	42.1883
	November	46.7343	29.8018	30.1074	437.2355	300.9938	40.2341
	Deecember	46.3795	30.2896	31.4380	428.8566	297.7157	40.7287

Source : Central Bank of The Gambia
1. The mid-market exchange rate is the mid point between the weighted average of buying and selling
2. Unless otherwise stated
3. Since January 1994, participants in the interbank market have stopped trading in CFA franc
4. Commencing January 2002, the EURO replaces the DEM and FRF

B : PERIOD AVERAGE MID-MARKET RATES 1/

(Dalasi per unit of foreign currency) 2/

Period		GBP	USD	CHF	SEK (100)	CFA (5,000) 3/	FRF(100)/ Euro
2009	**January**	39.7009	26.2136	22.2192	331.2572	267.7995	34.4241
	February	37.1818	26.0139	21.5185	304.9024	256.7793	33.5422
	March	37.7420	26.1759	22.7334	304.4389	257.6955	34.4558
	April	38.6540	26.5768	22.7936	322.1785	259.6770	35.2564
	May	40.2150	26.6656	22.9282	325.6295	261.8317	36.1931
	June	42.5005	26.8552	22.5297	322.7380	275.8710	37.4368
	July	42.8925	26.8139	23.6331	344.2679	278.2499	37.6710
	August	43.6697	26.7824	24.6083	344.1340	280.2233	37.6550
	September	43.3496	26.9035	24.9042	335.6056	282.3377	38.1771
	October	42.9510	26.9261	25.0479	371.1583	282.9769	39.0187
	November	43.7977	26.9127	24.4666	352.1156	292.8270	39.7242
	Deecember	43.3855	26.8927	25.1037	363.2193	371.3446	40.0224
2010	January	42.7502	26.8806	25.4089	368.5517	287.4850	39.1271
	February	42.3821	26.9331	25.4993	369.0580	281.5921	38.7730
	March	41.0758	26.9681	24.8252	358.1210	275.5341	37.9005
	April	41.3920	27.1676	25.1524	375.3709	281.2261	37.1407
	May	40.8188	28.1184	25.2194	362.8580	280.9959	36.9238
	June	41.8024	29.0724	25.0251	373.6641	282.5072	36.6244
	July	42.7913	27.7682	24.8468	352.2287	282.1568	36.7685
	August	44.9427	28.7044	25.6681	354.4509	282.4400	38.2986
	September	45.1402	29.1351	25.0264	352.2318	288.5464	38.7334
	October	46.3192	29.1284	24.9689	369.3099	303.3041	39.8529
	November	44.8185	28.2755	26.8886	375.4150	297.0433	38.9348
	Deecember	43.3637	27.9916	26.6565	381.6407	285.5042	37.5157
2011	January	44.2029	31.4575	27.1917	388.2356	288.1660	37.8176
	February	46.9554	28.8884	27.1338	415.1157	295.1958	38.2478
	March	45.5238	28.6250	28.8782	419.7460	303.7448	38.6327
	April	45.6275	28.5048	29.9736	408.7112	294.2818	39.4222
	May	45.9515	28.3935	29.7633	436.7416	303.6524	40.6445
	June	46.0906	28.7808	30.2590	422.9652	305.6269	40.8464
	July	46.4897	29.3209	33.4840	418.9104	310.4793	41.7845
	August	47.2219	29.4520	34.5320	430.3938	311.7873	42.1575
	September	46.9403	29.6804	33.5179	425.0448	308.6615	41.7371
	October	46.8667	30.4952	32.2294	428.5852	305.6208	41.4638
	November	46.9895	29.7975	31.6058	433.02	305.5017	40.8228
	Deecember	46.7191	30.1423	31.616	426.491	299.8525	40.685

Source : Central Bank of The Gambia
1. The mid-market exchange rate is the mid point between the weighted average of buying and selling
2. Unless otherwise stated
3. Since January 1994, participants in the interbank market have stopped trading in CFA franc
4. Commencing January 2002, the EURO replaces the DEM and FRF

C: VOLUME OF INTERBANK FOREX TRANSACTIONS 1/ BREAKDOWN BY CURRENCY

(Figures represent Dalasi equivalents; in D' millions)

Period		GBP	USD	CHF	SEK	CFA 2/	FRF/Euro	Others	TOTAL
2009	**January**	337.33	1638.21	13.29	17.62	42.16	415.49	28.22	2,492.32
	February	419.86	1494.08	6.78	7.77	40.79	355.05	21.58	2,345.91
	March	407.32	1966.08	11.39	16.75	34.13	481.88	31.6	2,949.15
	April	261.96	1968.68	5.05	18.06	49.58	367.36	10.83	2,681.52
	May	322.01	2364.48	4.08	3.75	74.44	473.97	6.34	3,249.07
	June	372.60	2691.91	11.75	8.68	85.52	800.25	13.5	3,984.21
	July	268.11	1647.99	9.27	4.53	45.12	532.33	9.57	2,516.92
	August	316.25	1755.32	12.9	1.53	30.1	689.88	7.46	2,813.44
	September	433.30	3143.42	13.09	8.61	27.61	903.87	10.78	4,540.68
	October	313.72	2411.63	9.27	6.99	51.95	979.4	8.07	3,781.03
	November	424.55	2732.74	13.23	10.88	20.99	878.54	18.26	4,099.19
	Deecember	422.88	2677.97	23.73	12.32	27.42	1070.26	20.01	4,254.59
2010	January	409.97	2389.83	30.63	8.32	28.80	1087.77	12.29	3,967.61
	February	460.01	2204.67	14.00	16.37	33.30	923.28	15.78	3,667.41
	March	568.71	3047.21	15.08	8.34	27.52	1121.12	13.75	4,801.74
	April	393.38	2120.90	13.81	4.84	43.16	751.62	9.90	3,337.61
	May	351.38	1912.55	21.90	8.29	47.11	765.72	7.36	3,114.31
	June	418.63	2490.14	13.34	7.83	74.31	1080.73	11.10	4,096.08
	July	325.93	1490.97	5.44	2.70	33.45	1071.67	11.59	2,941.75
	August	343.20	2482.68	6.87	1.94	26.34	1062.84	7.11	3,930.98
	September	387.88	2747.33	15.26	11.79	22.51	1384.91	5.35	4,575.03
	October	302.91	2686.87	17.65	1.30	21.00	1620.66	5.93	4,656.32
	November	502.28	2530.97	2.90	7.38	25.16	1110.68	8.74	4,188.12
	Deecember	439.10	2254.43	4.37	6.48	21.10	1075.59	7.75	3,808.83
2011	January	427.75	2176.12	10.28	9.36	36.87	816.20	11.13	3,487.71
	February	313.26	1998.63	20.93	14.36	31.95	787.70	14.47	3,181.30
	March	417.03	2749.58	11.66	9.71	53.09	902.96	17.25	4,161.28
	April	306.98	2218.68	4.44	8.17	18.06	665.31	5.02	3,226.65
	May	383.46	2222.03	4.42	6.50	19.20	708.24	5.88	3,349.73
	June	404.35	3074.95	6.57	2.08	34.31	683.86	5.12	4,211.24
	July	314.40	2010.83	3.39	2.56	43.29	703.08	3.87	3,081.41
	August	381.90	2669.47	4.40	3.24	95.28	854.82	6.34	4,015.45
	September	347.77	2039.70	3.03	8.47	34.45	798.62	4.99	3,237.05
	October	333.46	1884.41	3.57	5.19	21.69	442.74	4.97	2,696.03
	November	441.86	2374.45	4.13	4.57	29.45	629.78	5.70	3,489.94
	Deecember	363.58	1714.47	6.70	6.54	19.70	1197.67	7.46	3,316.12

Source : Central Bank of The Gambia
1/ Volume of transactions is defined here as the aggregate of purchases and sales.
2/ Actaul transactions in CFA franc are very insignificant.

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
of which: public enterprises	*971.33*	*752.65*	*750.63*	*378.60*	*101.63*
Gambia Govt. Development stocks	**-**	**-**	**-**	**-**	**-**
Central Bank	-	-	-	-	-
Commercial banks	-	-	-	-	-
Non-banks	-	-	-	-	-
of which: public enterprises	-	-	-	-	-
Gambia Govt. Discount Note Series	**-**	**-**	**-**	**-**	**-**
Central Bank	-	-	-	-	-
Commercial banks	-	-	-	-	-
Non-banks	-	-	-	-	-
of which: public enterprises	-	-	-	-	-
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*
of which: public enterprises	*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					-
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					-
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.

GHANA DATA

Table 1. Monetary Survey (Millions of Ghana Cedis)

	2008	2009	2010	2011									
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Net Foreign Assets													
BOG	1,926.20	3,270.97	5,240.92	5,649.23	5,686.81	5,237.01	5,605.36	5,504.32	5,485.16	5,299.35	5,110.55	5,311.03	5,931.01
DMBs	254.80	664.07	513.05	479.48	876.79	986.17	889.22	922.47	1,306.74	1,259.44	1,305.05	1,240.06	1,245.81
Net Domestic Assets													
Claims on Gov't	4,795.20	5,338.72	6,443.41	6,404.47	6,514.51	6,423.69	6,494.57	6,716.55	7,435.06	7,296.91	7,340.00	7,545.29	7,643.84
Govt. Deposits	2,397.47	1,663.23	2,194.74	2,545.58	3,137.47	2,580.97	2,327.01	2,425.96	3,345.41	2,983.19	3,131.06	3,151.27	2,864.63
Claims on private sector	6,007.90	7,194.30	8,764.51	8,996.49	8,446.67	8,738.04	8,488.05	8,718.02	9,382.03	9,464.26	9,407.49	9,603.74	9,866.53
Other Items (net)	-2,525.45	-4,593.42	-5,104.15	-5,339.21	-4,667.39	-4,469.57	-4,443.63	-4,707.52	-5,061.47	-4,982.96	-4,643.30	-4,697.61	-4,893.41
Total Assets	8,061.20	10,211.40	13,663.00	13,644.88	13,719.92	14,334.48	14,728.90	14,727.88	15,202.10	15,353.82	15,388.72	15,851.24	16,929.14
Money Supply M2+													
Currency outside banks	1,663.80	2,082.44	2,927.20	2,745.00	2,582.37	2,606.12	2,762.49	2,767.72	2,786.30	2,720.82	2,769.63	2,877.31	3,273.12
Demand deposits	2,137.80	2,065.29	3,474.62	3,454.70	3,472.73	3,833.49	3,900.64	3,770.21	3,874.66	3,973.71	4,021.81	4,286.98	4,800.20
Savings & Time deposits	2,442.70	3,402.33	4,533.28	4,467.07	4,503.95	4,625.90	4,687.53	4,802.41	4,871.50	4,905.05	4,884.49	4,895.56	5,044.54
Foreign currency deposits	1,816.80	2,661.34	2,727.91	2,978.11	3,160.86	3,268.96	3,378.23	3,387.53	3,669.64	3,754.24	3,712.79	3,791.39	3,811.27
Total Liabilities	8,061.20	10,211.40	13,663.00	13,644.88	13,719.92	14,334.48	14,728.90	14,727.88	15,202.10	15,353.82	15,388.72	15,851.24	16,929.14
Memorandum Items													
Reserve Money	2,226.80	3,007.30	4,298.19	3,969.01	4,055.72	4,106.31	4,125.54	4,365.61	4,171.35	4,502.36	4,366.02	4,315.32	5,105.71
Currency / Deposit Ratio	0.26	0.26	0.27	0.25	0.23	0.22	0.23	0.23	0.22	0.22	0.22	0.22	0.24
Currency / M2+ Ratio	0.21	0.20	0.21	0.20	0.19	0.18	0.19	0.19	0.18	0.18	0.18	0.18	0.19

Source: Bank of Ghana

Table 2. Assets of Bank of Ghana (Millions of Ghana Cedis)

	2008	2009	2010	2011								
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Foreign Assets												
Gold	294.07	339.13	447.17	456.22	415.96	417.73	415.39	417.59	418.06	419.19	419.69	423.94
SDR Holding	1.73	654.35	659.55	676.94	684.14	683.16	693.17	688.48	691.14	688.49	694.01	681.18
Foreign Cur.& Bal. with Bks	241.36	243.05	861.98	1,248.18	675.96	257.67	588.49	411.29	2,209.59	415.03	714.92	645.76
Foreign Securities	1,898.18	3,284.56	4,832.32	4,763.88	5,418.52	5,353.80	5,542.69	5,493.59	3,790.78	5,401.88	4,912.83	5,200.31
Others	11.38	12.89	10.62	10.90	8.38	39.09	39.16	39.15	39.21	39.27	39.29	39.16
Total	2,446.72	4,533.98	6,811.65	7,156.12	7,202.95	6,751.45	7,278.90	7,050.10	7,148.78	6,963.86	6,780.74	6,990.35
Claims on Government												
Ghana Government Stocks	859.39	1,287.88	1,132.27	1,132.36	1,147.38	2,100.76	2,100.81	2,068.87	2,043.89	2,043.97	2,101.34	2,288.03
Treasury Bills	247.92	38.07	39.11	47.87	57.60	48.45	38.57	38.61	62.33	62.43	63.10	62.77
Loans & Advances	1,900.02	898.09	1,289.41	1,289.33	1,446.52	839.82	860.07	907.97	996.27	996.09	1,032.86	1,068.29
Revaluation Stock	488.60	346.58	309.27	346.58	346.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	3,495.93	2,570.63	2,770.06	2,816.15	2,998.08	2,989.02	2,999.45	3,015.45	3,102.49	3,102.49	3,197.30	3,419.08
Claims on Public Corporations	19.03	249.53	497.54	709.04	1,045.58	964.01	880.22	907.48	877.32	1,070.82	1,025.70	1,089.99
Claims on DMBs	- 48.49	395.23	113.40	117.96	133.08	117.97	123.68	113.92	120.88	163.59	135.08	136.76
Other Assets	299.36	398.18	630.65	477.19	551.38	620.31	690.83	602.72	861.84	672.62	725.13	843.68
Total Assets	**6,212.56**	**8,147.54**	**10,823.29**	**11,276.46**	**11,930.93**	**11,442.75**	**11,973.07**	**11,689.66**	**12,111.32**	**11,973.39**	**11,863.94**	**12,479.86**

Source: Bank of Ghana

Table 3. Liabilities of Bank of Ghana (Millions of Ghana Cedis)

	2008 Dec	2009 Dec	2010 Dec	2011								
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Currency In Circulation	**1,939.19**	**2,343.80**	**3,262.72**	**3,056.35**	**2,877.04**	**2,899.40**	**3,068.45**	**3,096.22**	**3,073.89**	**3,005.59**	**3,079.61**	**3,194.95**
Deposits												
Government	2,048.06	1,181.11	1,398.80	1,734.76	2,387.17	1,775.16	1,498.95	1,565.42	2,513.55	2,111.03	2,273.21	2,258.31
Commercial Banks	386.25	611.38	984.59	848.79	1,104.44	1,141.42	1,004.86	1,215.25	1,039.32	1,424.27	1,214.20	1,045.56
Public Institutions	79.15	43.20	114.72	15.78	53.53	209.71	214.09	23.30	81.91	57.15	39.09	56.58
Total	**2,513.46**	**1,835.69**	**2,498.11**	**2,599.34**	**3,545.14**	**3,126.30**	**2,717.89**	**2,803.96**	**3,634.78**	**3,592.45**	**3,526.50**	**3,360.45**
Foreign Liabilities	515.83	1,263.01	1,570.73	1,506.90	1,516.01	1,514.33	1,673.55	1,514.78	1,663.62	1,664.51	1,670.19	1,679.32
Capital and Reserves	133.09	-17.37	90.04	137.49	-108.65	-109.30	-42.60	154.20	154.39	154.39	154.39	154.42
Other Liabilities	1,111.00	2,722.40	3,401.96	3,979.38	4,101.39	4,012.02	4,555.78	4,089.49	3,584.65	3,556.45	3,433.25	4,090.72
Total Liabilities	**6,212.56**	**8,147.54**	**10,823.29**	**11,276.46**	**11,930.93**	**11,442.75**	**11,973.07**	**11,689.66**	**12,111.32**	**11,973.39**	**11,863.94**	**12,479.86**

Source: Bank of Ghana

Table 4. Assets of Deposit Money Banks - (Millions of Ghana Cedis)

	2008	2010	2011	2011								
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Cash Reserves												
Cash in Till	208.45	261.36	335.52	311.35	294.66	293.28	305.96	328.50	287.58	284.77	309.98	317.64
Balance at Bank of Ghana	862.59	1,151.94	1,583.88	1,620.22	1,687.86	1,906.40	1,854.55	1,909.46	1,569.82	1,925.74	1,762.52	1,988.19
Total	**1,071.04**	**1,413.30**	**1,919.40**	**1,931.57**	**1,982.53**	**2,199.67**	**2,160.50**	**2,237.96**	**1,857.40**	**2,210.51**	**2,072.50**	**2,305.84**
Foreign Assets	**978.81**	**1,541.24**	**1,327.64**	**1,401.35**	**1,617.40**	**1,753.38**	**1,885.85**	**1,706.22**	**2,093.68**	**1,969.00**	**2,047.87**	**1,956.96**
Claims on Government												
Government Stocks	528.07	916.87	2,417.36	2,361.83	2,279.00	2,217.21	2,171.44	2,348.78	3,107.52	3,123.10	2,702.20	2,782.16
Treasury Bills	577.86	1,658.05	1,062.82	1,033.33	1,044.26	1,024.29	1,152.85	1,159.14	1,031.87	878.14	758.50	662.04
GGILBS	-	-	-	-	-	-	-	-	-	-	-	-
TOR Bonds	193.16	193.16	193.18	193.18	193.18	193.18	193.18	193.18	193.18	193.18	682.00	682.00
Total	**1,299.09**	**2,768.09**	**3,673.36**	**3,588.32**	**3,516.43**	**3,434.66**	**3,517.46**	**3,701.10**	**4,332.57**	**4,194.42**	**4,142.70**	**4,126.20**
Claims on Public Corporation												
Other Bills	24.46	21.63	60.78	60.82	55.13	265.91	273.43	407.81	407.81	218.07	284.75	281.14
Loans & Advances	1,082.46	1,162.47	1,218.07	1,192.27	1,123.50	1,100.07	516.79	475.44	532.53	537.74	551.31	624.59
Total	**1,106.92**	**1,184.10**	**1,253.09**	**1,253.09**	**1,178.63**	**1,365.98**	**790.22**	**883.24**	**940.34**	**755.81**	**836.07**	**905.72**
Claims on Private Sector	**4,884.34**	**5,766.18**	**6,697.82**	**6,697.82**	**6,304.03**	**6,491.84**	**6,790.35**	**6,957.46**	**7,416.00**	**7,618.46**	**7,715.31**	**7,943.45**
Other Assets	1,075.55	1,385.44	2,267.85	2,767.74	3,147.13	2,989.29	3,788.72	3,571.15	2,779.30	2,862.03	2,829.95	2,799.39
Total Assets	**10,415.76**	**14,058.34**	**17,243.71**	**17,639.90**	**17,746.14**	**18,234.84**	**18,933.11**	**19,057.13**	**19,419.29**	**19,610.24**	**19,644.40**	**20,037.57**

Source: Bank of Ghana

Table 5. Liabilities of Deposit Money Banks (Millions of Ghana Cedis)

	2008 Dec	2009 Dec	2010 Dec	2011							
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
PRIVATE SECTOR DEPOSITS											
Demand Deposits	1,686.60	1,648.36	2,963.74	2,994.25	2,942.07	3,133.98	3,159.42	3,197.01	3,274.10	3,378.16	3,544.45
Foreign Currency Deposits	1,816.81	2,661.34	2,727.91	2,978.11	3,160.86	3,268.96	3,378.23	3,387.53	3,669.64	3,754.24	3,712.79
Savings Deposits	964.09	1,256.52	1,875.24	1,893.66	1,924.82	1,969.77	2,040.88	2,085.88	2,134.88	2,222.98	2,209.60
Time Deposits	1,246.11	1,825.91	2,284.19	2,207.53	2,224.03	2,278.58	2,230.57	2,331.99	2,343.55	2,279.87	2,303.24
Total	**5,713.61**	**7,392.13**	**9,851.08**	**10,073.55**	**10,251.78**	**10,651.29**	**10,809.10**	**11,002.42**	**11,422.17**	**11,635.25**	**11,770.08**
PUBLIC SECTOR DEPOSITS											
Demand Deposits	406.23	331.23	348.57	383.15	428.65	426.91	477.41	502.21	470.35	501.75	395.86
Savings Deposits	1.27	1.14	2.33	3.33	2.22	2.38	0.74	1.21	1.87	0.77	1.26
Time Deposits	231.25	318.76	371.51	362.55	352.88	375.18	415.34	383.33	391.21	401.42	370.38
Total	**638.75**	**651.13**	**722.42**	**749.03**	**783.76**	**804.47**	**893.50**	**886.74**	**863.43**	**903.95**	**767.50**
GOVERNMENT DEPOSITS	349.45	482.13	795.94	810.82	750.30	805.81	828.05	860.55	831.86	872.16	857.86
FOREIGN LIABILITIES	723.97	877.17	814.59	921.87	740.61	767.21	996.63	783.75	786.94	709.56	742.83
CREDIT FROM BANK OF GHANA	12.48	443.85	134.80	138.54	137.54	137.92	140.98	160.50	133.96	134.00	106.72
PAID-UP CAPITAL & RESERVES	1,195.82	1,789.65	2,336.26	2,474.16	2,528.79	2,561.80	2,562.89	2,580.12	2,637.36	2,659.74	2,694.74
OTHER LIABILITIES	1,781.67	2,422.29	2,588.61	2,471.94	2,553.37	2,506.33	2,701.96	2,783.06	2,743.56	2,695.58	2,704.68
TOTAL LIABILITIES	**10,415.76**	**14,058.34**	**17,243.71**	**17,639.90**	**17,746.14**	**18,234.84**	**18,933.11**	**19,057.13**	**19,419.29**	**19,610.24**	**19,644.40**

Source: Bank of Ghana

Table 6. Sectoral Distribution of Outstanding Credit by Deposit Money Banks (Millions of Ghana Cedis)

Sectors	2008 Dec	2009 Dec	2010 Dec	2011 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Agriculture Forestry & Fishing	255.19	328.25	489.76	504.61	415.92	472.91	516.85	632.20	510.98	455.43	501.33	481.75
Mining & Quarrying	172.67	190.38	216.81	236.13	190.48	218.24	231.83	257.62	263.29	305.91	315.88	350.26
Manufacturing	709.30	805.81	1,060.29	1,054.21	882.58	882.10	910.25	826.12	927.85	1,013.68	843.18	900.16
Construction	404.69	543.06	601.82	619.78	618.97	565.39	578.79	599.24	638.03	645.71	692.30	698.93
Electricity, Gas & Water	237.90	437.30	520.99	547.41	490.51	435.48	419.58	361.65	418.42	568.19	505.18	550.69
Import Trade	308.88	368.70	461.76	451.98	466.18	483.68	500.28	559.37	577.11	553.19	543.25	697.74
Export Trade	82.44	117.45	155.13	131.59	85.83	80.79	87.93	129.80	129.86	126.84	123.87	134.66
Domestic Trade	1,560.77	1,669.69	1,859.13	1,747.92	1,683.86	1,781.45	1,253.30	1,257.19	1,336.06	1,291.66	1,496.40	1,392.34
Transport, Storage & Communication	175.98	276.45	321.32	313.10	304.28	304.96	312.31	312.35	302.75	305.39	307.90	317.36
Services	1,425.19	1,452.59	1,650.02	1,650.86	1,673.91	1,694.50	1,816.50	1,879.22	2,010.64	1,994.48	1,993.19	2,117.47
Others	574.08	691.89	618.58	592.48	574.62	633.85	643.07	584.03	606.32	673.34	730.48	709.77
Total (excluding cocoa marketing)	**5,907.08**	**6,881.58**	**7,955.61**	**7,850.07**	**7,387.14**	**7,553.33**	**7,270.69**	**7,398.78**	**7,721.30**	**7,933.82**	**8,052.97**	**8,351.13**
Cocoa Marketing	59.73	47.06	39.08	40.02	40.39	38.58	36.45	34.11	31.80	29.53	21.28	25.86
Total	**5,966.80**	**6,928.64**	**7,994.69**	**7,890.09**	**7,427.53**	**7,591.91**	**7,307.15**	**7,432.90**	**7,753.09**	**7,963.35**	**8,074.25**	**8,376.99**

Source: Bank of Ghana

Table 7. Reserve Requirements of Deposit Money Banks (Millions of Ghana Cedis)

	2008 Dec	2009 Dec	2010 Dec	2011 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Liquidity Reserves												
Primary Reserve												
Domestic	426.5	486.8	820.7	871.1	935.3	859.1	909.5	929.6	981.0	981.9	1,017.3	994.0
Foreign	337.3	486.2	366.0	370.9	399.1	412.5	397.2	419.5	423.4	426.8	466.8	472.9
Total	763.8	972.9	1,186.8	1,242.0	1,334.3	1,271.6	1,306.7	1,349.1	1,404.4	1,408.7	1,484.1	1,466.9
Deposits												
Domestic	4,551.9	6,017.0	8,401.8	8,854.5	8,973.6	8,751.5	9,253.1	9,364.5	9,710.0	9,619.5	9,556.0	9,744.8
Foreign	1,546.1	2,262.3	2,440.2	2,866.7	3,086.2	3,348.9	3,470.2	3,564.7	3,599.1	3,778.8	3,866.5	3,954.7
Total	6,098.0	8,279.4	10,842.0	11,721.1	12,059.9	12,100.5	12,723.3	12,929.2	13,309.1	13,398.3	13,422.5	13,699.5
Reserve Ratios (%)												
Requirements												
Primary Reserve Ratio (Domestic)	9.4	8.1	9.8	9.8	10.4	9.8	9.8	9.9	10.1	10.2	10.6	10.2
Primary Reserve Ratio (Foreign)	21.8	21.5	15.0	12.9	12.9	12.3	11.4	11.8	11.8	11.3	12.1	12.0

*Primary Reserve Minimum Ratio Requirement is 9 percent
For Domestic Deposits = 9 percent
For Foreign Deposits = 9 percent in their respective currencies
Source: Bank of Ghana

Table 8. Interest Rates - Ranges - (%)

	2008 Dec.	2009 Dec.	2010 Dec.	2011 Jan	2011 Feb	2011 Mar	2011 Apr	2011 May	2011 Jun	2011 Jul	2011 Aug
1.CENTRAL BANK (END PERIOD RATES)											
a. Rediscount Rate (Bank Rate)											
b. Prime Rate	17.00	18.00	13.50	13.50	13.50	13.50	13.50	13.00	13.00	12.50	12.50
BANK OF GHANA BILLS											
a. 14-Day Discount Rates	18.50	18.37	11.70	11.70	11.70	11.70	11.70	11.70	11.70	11.70	11.70
b. 14-Day Interest Rate Equivalent	18.63	18.50	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75
c. 28-Day Discount Rates	19.40	18.50	11.97	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75
d. 28-Day Interest Rate Equivalent	19.69	18.77	12.08	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86
e. 56-Day Discount Rates	15.25	15.25	12.00	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77
f. 56-Day Interest Rate Equivalent	15.62	15.62	12.23	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99
TREASURY BILLS, NOTES & BONDS											
a. 91-Day Discount Rate	23.24	22.38	11.91	11.80	11.77	11.75	11.73	10.87	10.31	10.13	9.19
b. 91-Day Interest Rate Equivalent	24.67	23.70	12.28	12.16	12.12	12.11	12.08	11.17	10.58	10.39	9.40
c. 2-year Fixed Rate Note	21.00	24.75	12.70	12.55	12.52	12.49	12.49	12.33	12.11	11.95	11.50
d. 3-year Fixed Rate Note	16.00	16.00	13.30	13.30	13.45	13.45	13.45	13.45	13.00	13.00	13.00
e. 5-year Fixed Rate Note	13.67	13.67	13.67	13.67	13.67	13.67	13.67	13.67	13.67	13.67	13.67
INTER-BANK MARKET											
a. Inter-bank weighted average	19.03	16.51	11.65	11.65	11.65	11.59	11.57	11.67	11.63	11.38	10.51
2. COMMERCIAL BANKS											
A. Borrowing Rates. (%)											
i. Demand Deposits	0.25-7.50	0.25-7.00	0.25-7.00	0.25-6.75	0.25-6.75	0.25-6.75	0.25-6.75	0.25-6.50	0.25-6.50	0.25-6.50	0.25-6.50
ii. Savings Deposits	2.00-16.00	2.00-18.00	2.00-18.00	1.00-11.00	1.00-12.50	1.00-12.00	1.00-12.00	0.75-12.00	0.75-8.00	0.75-8.00	0.75-8.00
iii. Time Deposits											
1 month	4.50-23.50	5.25-30.50	5.25-23.00	5.00-13.50	5.00-13.50	5.00-13.20	5.00-12.50	5.00-12.00	3.00-12.50	3.00-12.50	3.00-11.50
3 months	6.25-26.50	10.00-28.00	10.00-25.75	4.00-17.50	4.00-17.50	4.00-15.00	4.00-13.95	4.00-13.75	4.00-13.80	4.00-13.80	4.00-12.50
6 months	6.25-27.50	11.00-30.00	10.00-27.00	4.00-18.80	4.00-15.25	4.00-15.25	4.00-15.00	4.00-15.00	4.00-14.00	4.00-14.00	4.00-13.50
12 months	3.50-24.50	9.50-27.50	9.50-26.00	4.50-18.50	4.50-15.50	4.50-15.50	4.50-14.75	5.00-14.75	5.00-14.50	5.00-14.50	4.00-14.50
24 months	10.00-21.50	10.00-22.00	10.00-22.00	3.50-13.00	3.50-13.00	3.50-13.15	3.50-13.15	2.50-14.25	2.50-14.50	2.50-14.50	2.50-14.25
36 months	11.00-22.00	11.00-18.00	14.00-18.00	3.50-13.00	3.50-13.00	3.50-12.00	3.50-12.00	3.00-12.50	3.00-14.50	3.00-14.50	3.00-12.00
iv. Certificates of Deposit	12.00-16.00	15.00-26.00	13.00-26.00	5.75-12.50	5.75-12.50	5.75-12.50	5.75-12.50	5.75-12.50	5.75-12.50	5.75-12.50	3.00-10.00
v. Call Money	1.00-16.00	4.50-23.00	4.50-19.00	2.00-13.00	2.00-13.00	2.00-13.00	2.00-12.00	2.00-12.00	3.00-12.00	3.00-12.00	3.00-12.00
vi. Any other	2.50-22.59	8.00-23.84	10.00-15.42	4.00-12.50	4.00-12.50	4.00-12.50	4.00-12.50	3.75-12.50	3.75-12.50	3.75-12.50	3.75-12.50
B: Lending Rates.(%)											
i. Agriculture, Forestry & Fishing	19.50-44.00	25.75-40.00	24.75-40.00	19.00-36.25	19.00-34.90	19.00-34.64	19.00-34.90	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
ii. Export Trade	19.50-44.00	25.75-40.00	25.00-40.00	19.00-36.25	19.00-35.15	19.00-35.15	19.00-35.15	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
iii. Manufacturing	19.50-44.00	25.75-40.00	25.00-40.00	19.00-36.25	19.00-35.53	19.00-35.53	19.00-35.53	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
iv. Mining & Quarrying	19.50-44.00	25.75-40.00	25.00-40.00	19.00-36.25	19.00-36.25	19.00-36.02	19.00-36.02	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
v. Construction	19.50-44.00	25.75-40.00	25.00-40.00	19.00-36.25	19.00-36.25	19.00-36.02	19.00-34.70	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
vi. Others	19.50-44.00	25.75-40.00	25.00-40.00	19.00-36.25	19.00-36.25	19.00-36.02	19.00-36.02	19.00-36.02	19.00-34.90	19.00-34.90	19.00-34.90
C: Base Rates (%)	24.00-27.75	26.95-32.00	24.74-32.00	21.50-27.00	21.50-27.00	21.50-27.00	20.50-27.00	20.00-27.00	20.00-27.00	18.00-27.50	18.00-27.00

Source: Bank of Ghana

Table 9: Money Market & DMBs Rates (%)

	2008 Dec	2009 Dec	2010 Dec	2011 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Government of Ghana/ Bank of Ghana instruments															
28-day Discount Rate	18.40	18.50	11.97	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75	11.75
28-day Interest Rate Equivalent	18.66	18.77	12.08	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86	11.86
56-day Discount Rate	15.25	15.25	12.00	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77	11.77
56-day Interest Rate Equivalent	15.62	15.62	12.23	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99	11.99
91-day Discount Rate	23.22	21.33	11.89	11.79	11.76	11.75	11.70	10.22	10.30	9.95	9.16	9.19	8.93	9.40	10.40
91-day Interest Rate Equivalent	24.65	22.53	12.25	12.15	12.12	12.11	12.05	10.49	10.57	10.20	9.37	9.41	9.13	9.63	10.67
182-day Discount Rate	23.15	22.46	11.91	11.79	11.77	11.78	11.72	10.91	10.71	10.49	9.61	9.52	9.39	10.27	10.66
182-day Interest Rate Equivalent	26.18	25.30	12.66	12.53	12.51	12.52	12.45	11.45	11.32	11.07	10.10	10.00	9.85	10.83	11.25
1-year Interest Rate	20.00	20.00	12.65	12.60	12.50	12.50	12.48	12.15	11.95	11.80	11.00	11.10	11.00	11.25	11.30
2-year Fixed Interest Rate	21.00	23.50	12.70	12.55	12.50	12.50	12.50	12.20	12.10	11.95	11.50	11.70	11.00	12.10	12.40
3-year fixed Interest Rate	0.00	0.00	13.30	13.30	13.45	13.45	12.39	12.39	13.00	13.00	13.00	13.00	14.00	14.00	14.00
5-year GOG Bond Interest Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.25	14.25	14.25	14.25	0.00
Bank of Ghana Prime Rate	17.00	18.00	13.50	13.50	13.50	13.50	13.50	13.00	13.00	12.50	12.50	12.50	12.50	12.50	12.50
Inter-Bank Weighted Average	19.03	16.51	11.65	11.65	11.65	11.59	11.57	11.67	11.63	11.38	10.51	10.59	10.51	9.18	6.55
Deposit Money Banks															
(a) Deposit Rates															
Demand Deposits	3.88	3.63	3.38	3.50	3.50	3.50	3.50	3.38	3.38	3.38	3.38	3.38	3.38	3.38	3.38
Savings Deposits	9.00	10.00	5.88	6.00	6.75	6.50	6.50	6.38	4.38	4.38	4.38	4.38	4.38	4.05	4.05
Time Deposits															
3-month	16.38	19.00	10.50	10.75	10.75	9.50	8.98	8.88	8.90	8.90	8.25	8.25	8.25	7.75	7.75
6-month	16.88	20.50	11.40	11.40	9.63	9.63	9.50	9.50	9.00	9.00	8.75	8.50	8.50	8.00	8.00
12-month	15.50	18.50	11.50	11.50	10.00	10.00	9.63	9.88	9.75	9.75	9.25	9.13	9.13	9.13	9.13
24-month	15.75	16.00	8.25	8.25	8.25	8.50	8.33	8.38	8.50	8.50	8.50	8.38	8.38	8.38	8.38
Certificates Of Deposit	14.00	20.50	9.00	9.13	9.13	9.13	9.13	9.13	9.13	9.13	6.50	6.50	6.50	6.50	6.50
Call Money	8.50	13.75	7.50	7.50	7.50	7.50	7.00	7.00	7.50	7.50	7.50	7.50	7.50	6.00	6.00
Any other	12.55	15.92	8.75	8.25	8.25	8.25	8.25	8.13	8.13	8.13	8.13	8.13	8.13	7.25	7.25
(b) Lending Rates															
Agriculture, Forestry & Fishing	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Export Trade	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Manufacturing	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Mining and Quarrying	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Construction	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Other Sectors	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
Average Lending Rates	27.25	32.75	27.63	27.63	27.63	27.51	27.51	27.51	26.95	26.95	26.95	26.95	26.95	25.93	25.93
(c) Base Rates	27.22	31.40	25.79	24.69	24.63	24.54	24.43	24.16	23.95	23.58	23.46	23.26	22.98	22.82	22.47

Source: Bank of Ghana

Table 10. Central Government Budget (Revenue) [Broad Budget Coverage] (Millions of Ghana Cedis)

	2008	2009	2010					2011				
			Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
A. TAX REVENUE	**4,368.50**	**4,803.65**	**1,296.13**	**1,566.40**	**1,688.97**	**1,953.01**	**6,504.51**	**1,851.06**	**2,436.27**	**2,573.38**	**2,896.28**	**9,776.09**
1.Income and Property	1,253.21	1,716.91	463.06	622.17	569.37	799.36	2,453.95	544.53	960.10	1,283.64	1,398.99	4,187.25
Personal (PAYE)	526.52	773.47	218.79	249.80	245.26	300.76	1,014.61	239.01	347.39	270.09	504.42	1,360.92
Self-Employed	68.41	72.79	21.84	23.83	24.40	30.10	100.17	22.30	38.06	27.90	44.16	132.42
Companies	539.08	661.89	163.83	264.51	209.47	349.91	987.72	209.02	428.78	373.02	557.15	1,567.96
Others	119.20	208.76	58.61	84.03	90.24	118.58	351.45	74.20	145.87	461.95	293.25	975.27
Other Direct Taxes	107.24	156.61	33.58	54.97	59.67	74.04	222.25	53.21	86.73	443.13	211.71	794.77
NRL- Financial Institutions	0.59	0.31	5.37	1.44	0.38	0.03	7.21	0.15	0.08	0.33	2.37	2.92
NFSL	0.00	29.85	13.74	15.14	21.63	34.76	85.26	13.98	48.23	6.91	59.42	128.53
Airport Tax	11.22	21.99	5.93	12.48	8.57	9.75	36.73	6.87	10.84	11.58	19.76	49.05
2. Domestic Goods & Services	444.91	330.18	78.94	100.72	95.16	99.55	374.36	137.90	149.18	152.02	167.15	606.24
Excise Duty	58.67	51.45	22.15	32.92	29.74	33.07	117.87	37.86	36.11	44.95	48.83	167.74
Petroleum Tax	386.24	278.73	56.79	67.80	65.42	66.48	256.49	100.05	113.07	107.06	118.32	438.50
o/w Debt Recovery Levy	81.23	80.19	12.06	12.38	11.03	0.10	35.56	12.06	12.38	7.52	0.00	31.95
3. International Trade	719.37	762.67	228.61	245.80	349.09	322.65	1,146.15	353.74	369.05	356.76	436.42	1,515.96
Imports	679.37	745.91	228.61	245.80	349.09	312.65	1,136.15	348.74	369.05	356.76	436.42	1,515.96
Import Duty	679.37	745.91	223.61	240.80	274.44	312.65	1,051.49	348.74	369.05	356.76	436.42	1,515.96
Export	40.00	16.76	0.00	0.00	0.00	10.00	10.00	5.00	0.00	0.00	0.00	5.00
Cocoa Duty	40.00	16.76	0.00	0.00	0.00	0.00	10.00	5.00	0.00	0.00	0.00	5.00
4. VAT	1,087.96	1,268.43	325.01	406.61	442.84	443.82	1,618.27	539.30	574.86	608.73	653.17	2,376.06
Domestic	417.20	472.50	122.51	180.08	186.56	159.44	648.59	195.26	232.67	273.83	285.66	987.41
External	670.77	795.92	202.50	226.53	256.28	284.38	969.68	344.04	342.20	334.90	367.52	1,388.65
5. Import Exceptions	475.68	318.46	96.81	77.31	90.63	121.68	386.42	120.37	213.97	199.44	100.79	634.57
6. National Health Insurance Levy (NHIL)	318.32	319.00	79.17	74.49	112.73	121.62	388.01	133.91	121.74	130.08	164.43	550.15
B. NON-TAX REVENUE	**433.93**	**870.33**	**139.26**	**244.04**	**226.66**	**616.15**	**1,226.12**	**539.15**	**233.53**	**659.69**	**389.63**	**1,822.00**
C. OTHER REVENUE MEASURES	**69.02**	**88.01**	**24.54**	**39.31**	**29.17**	**44.32**	**137.34**	**21.32**	**47.38**	**26.08**	**40.27**	**135.04**
D. GRANTS	817.29	1,101.18	510.74	215.89	219.27	134.34	1,080.23	291.39	134.38	276.53	385.28	1,174.96
Project Grants	398.02	543.91	237.71	133.42	101.14	119.12	591.38	152.22	13.10	91.04	329.96	688.14
Programme Grants	257.23	398.85	154.38	53.55	80.34	0.00	288.26	123.01	121.28	63.84	0.00	244.44
HIPC Assistance (Multilaterals)	95.18	96.23	78.81	18.71	29.39	6.53	122.61	16.16	0.00	60.05	30.70	131.54
Multilateral Debt Relief Initiative (MDRI)	66.87	62.19	39.83	10.21	19.24	8.69	77.98	0.00	0.00	61.61	24.63	110.84
TOTAL REVENUE & GRANTS	**5,619.70**	**6,775.17**	**1,946.13**	**2,026.33**	**2,134.90**	**2,703.50**	**8,810.86**	**2,681.60**	**2,804.19**	**3,542.28**	**3,736.11**	**12,851.56**

Source: Bank of Ghana

Table 11. Central Government Budget (Expenditure) [Broad Budget Coverage] (Millions of Ghana Cedis)

	2008	2009	2010					2011				
			Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
RECURRENT	**5,259.64**	**5,631.80**	**1,821.51**	**1,889.68**	**2,239.64**	**2,094.98**	**8,045.81**	**2,092.21**	**2,488.73**	**2,460.54**	**2,735.29**	**9,704.99**
Non-Interest Expenditure	4,580.47	4,599.48	1,484.53	1,505.36	1,899.34	1,714.22	6,606.45	1,774.96	2,076.60	2,032.14	2,279.41	8,093.81
Personal Emoluments	1,987.65	2,478.70	659.63	695.04	933.69	894.18	3,182.53	1,010.62	1,056.33	1,070.72	1,397.21	4,534.87
Goods & Services	647.93	621.18	185.39	251.10	326.05	199.23	961.76	114.55	273.08	169.74	235.84	723.91
Items 2-5 (1)	647.93	621.18	185.39	251.10	326.05	199.23	961.76	114.55	273.08	169.74	235.84	723.91
Transfers	1,477.27	1,331.33	485.43	414.35	508.52	583.07	1,991.37	538.33	667.50	725.29	573.45	2,504.57
Pensions	149.00	186.21	49.73	48.94	59.35	57.63	215.65	57.66	82.41	96.75	132.57	369.38
Gratuities	52.89	65.47	21.91	26.31	18.66	21.81	88.70	10.41	23.69	22.85	23.95	80.90
Social Security	159.64	156.86	55.75	56.42	20.93	0.00	133.10	28.45	64.92	147.09	80.00	320.46
National Health Fund	256.50	153.48	72.41	63.41	102.46	113.00	351.27	134.70	119.01	68.08	55.19	376.98
Other Transfers	839.38	769.31	214.61	201.36	264.94	390.62	1,071.52	307.11	377.47	390.53	281.75	1,356.85
Tax Expenditure (Exemptions)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	120.37	213.97	199.44	100.79	634.57
Subsidies to Utility Companies	19.85	0.00	71.02	17.92	42.19	0.00	131.13	0.00	0.00	0.00	0.00	0.00
Reserve Fund	467.63	168.27	154.08	144.88	131.09	40.75	470.80	111.47	79.70	66.39	72.90	330.46
Interest Payments	679.18	1,032.32	336.98	384.32	340.30	377.76	1,439.36	317.25	412.13	428.40	455.88	1,611.18
Interest Domestic	481.93	773.50	258.63	287.12	305.67	272.91	1,124.32	270.93	312.44	361.81	362.71	1,307.90
Interest External	197.25	258.82	78.35	97.20	34.64	104.85	315.04	46.31	99.69	66.58	93.17	303.29
CAPITAL	**2,471.31**	**2,425.73**	**849.48**	**852.05**	**921.73**	**545.37**	**3,168.63**	**470.66**	**590.66**	**978.42**	**1,506.67**	**3,674.99**
CAPITAL(Domestic Financed)	1,564.77	799.11	220.60	287.30	357.37	270.70	1,135.96	171.49	411.06	815.27	564.99	1,962.81
Development	1,564.77	799.11	220.60	287.30	357.37	270.70	1,135.96	171.49	411.06	815.27	564.99	1,962.81
Educational Trust Fund	204.09	139.02	73.03	57.62	113.15	0.00	243.80	28.29	96.30	135.46	60.58	320.63
Road Fund	102.92	119.06	30.79	35.26	34.46	23.10	123.60	25.41	54.32	25.27	36.09	141.08
Petroleum Related Fund	2.76	3.84	0.78	0.89	0.88	0.77	3.32	0.96	1.40	0.64	5.64	8.64
District Assembly Common Fund	252.08	153.50	75.35	96.40	84.03	154.50	410.28	47.98	209.10	203.49	161.38	621.95
Other Cash Expenditure	1,002.92	383.70	40.64	97.13	124.86	92.33	354.96	68.85	49.94	216.21	223.57	558.56
CAPITAL(Foreign Financed)	906.54	1,626.62	628.88	564.75	564.37	274.67	2,032.67	299.18	179.60	163.16	941.68	1,712.19
HIPC Financed Expenditure	185.24	205.00	86.41	94.81	30.96	31.12	243.30	0.00	0.00	0.00	0.00	0.00
MDRI Financed Expenditure	93.64	82.99	27.45	14.46	6.03	26.53	74.47	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURE & NET LENDING	**8,009.82**	**8,345.52**	**2,784.85**	**2,851.00**	**3,198.37**	**2,697.99**	**11,532.21**	**2,562.87**	**3,079.39**	**3,438.96**	**4,241.96**	**13,379.98**

NOTE: (1). Includes expenditure on Maintenance, Repairs, Transport and Travels

Source: Bank of Ghana

Table 12. Central Government Fiscal Position (Financing)(Millions of Ghana Cedis)

	2008	2009	2010					2011				
			Q1	Q2	Q3	Q4	Q1-Q4	Q1	Q2	Q3	Q4	Q1-Q4
REVENUE & GRANTS	5,619.70	6,775.17	1,946.13	2,026.33	2,134.90	2,703.50	8,810.86	2,681.60	2,804.19	3,542.28	3,736.11	12,851.56
EXPENDITURE & NET LENDING	8,009.82	8,248.25	2,784.85	2,851.00	3,198.37	2,697.99	11,532.21	2,562.87	3,079.39	3,438.96	4,241.96	13,379.98
OVERALL BALANCE (COMMITMENT BASIS)	**-2,390.13**	**-1,473.08**	**-838.73**	**-824.67**	**-1,063.47**	**5.50**	**-2,721.35**	**118.73**	**-275.21**	**103.32**	**-505.85**	**-528.42**
% of GDP	-13.89	-6.81	-1.89	-1.86	-2.40	0.01	-6.14	0.21	0.48	0.18	-0.90	-0.94
ROAD ARREARS	-46.91	-75.91	-144.45	-0.69	0.00	-42.37	-187.50	-213.21	0.00	-90.70	0.00	-312.11
NON-ROAD ARREARS	-95.36	-550.58	-56.36	-93.22	0.00	-304.54	-454.13	-801.89	-52.79	0.00	-620.71	-1,536.49
VAT REFUND	-26.13	-31.18	-10.11	-11.78	-10.67	-12.93	-45.49	-15.192	-22.68	-16.50	-34.79	-89.16
OVERALL BALANCE (CASH BASIS)	**-2,558.53**	**-2,130.75**	**-1,049.65**	**-930.36**	**-1,074.13**	**-354.33**	**-3,408.47**	**-911.56**	**-350.67**	**-3.88**	**-1,161.35**	**-2,466.18**
% of GDP	-14.87	-9.85	-2.37	-2.10	-2.42	-0.80	-7.69	-1.60	-0.62	-0.01	-2.06	-4.38
DIVESTITURE RECEIPTS	998.39	5.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DIVESTITURE LIABILTIES	-291.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DISCREPANCY	-125.35	69.04	93.85	310.93	38.57	-34.74	408.60	547.64	274.90	-571.94	-109.81	70.74
OVERALL BALANCE (INCL. DIVESTITURE)	**-1,976.49**	**-2,056.22**	**-955.80**	**-619.43**	**-1,035.57**	**-389.07**	**-2,999.87**	**-363.93**	**-75.77**	**-575.81**	**-1,271.16**	**-2,395.44**
% of GDP	-11.48	-9.51	-2.16	-1.40	-2.34	-0.88	-6.77	-0.64	-0.13	-1.02	-2.24	-4.26
FINANCING	1,976.49	2,056.22	955.80	619.43	1,035.57	389.07	2,999.87	363.93	75.77	575.81	1,271.16	2,395.44
DOMESTIC (NET)	1,152.68	1,042.06	1,074.41	80.52	646.61	339.20	2,142.55	540.37	60.10	589.00	798.68	1,988.14
BANKING SECTOR	673.21	766.69	418.09	-111.28	567.41	98.72	972.94	-316.552	-325.06	170.64	786.53	315.56
Bank of Ghana	572.34	-92.89	-149.91	-57.99	237.83	-212.54	-182.61	-67.99	-624.92	571.84	782.27	661.20
Transfer to Ghana Petroleum Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-103.81	0.00	-103.81
Commercial Banks	100.87	859.58	568.01	-53.29	329.58	311.26	1,155.55	-248.56	299.85	-297.38	4.26	-241.83
NON-BANK	245.23	275.37	656.32	191.80	81.01	240.48	1,169.61	856.92	385.16	418.35	12.15	1,672.58
OTHER DOMESTIC FINANCING	581.87	0.00	-445.00	0.00	0.00	0.00	-445.00	-572.00	0.00	0.00	0.00	-572.00
clawback from TOR	0.00	0.00	-445.00	0.00	0.00	0.00	-445.00	0.00	0.00	0.00	0.00	0.00
FOREIGN (NET)	241.94	1,014.16	326.39	538.90	387.15	49.87	1,302.32	395.56	15.68	-77.30	445.26	863.37
INFLOWS	661.81	1,413.17	435.52	634.52	463.23	177.87	1,711.14	473.95	166.51	107.19	611.72	1,447.65
Project Loans	508.52	1,082.71	391.17	431.33	463.23	155.56	1,441.29	146.96	166.51	72.12	611.72	1,024.05
Program Loans	153.30	330.46	44.35	203.19	0.00	22.31	269.86	326.99	0.00	35.00	0.00	423.60
AMORTIZATION	-497.41	-457.71	-141.31	-102.73	-86.92	-171.35	502.31	-78.39	-150.83	-184.49	166.47	-584.28
EXCEPTIONAL FINANCING	77.54	58.70	32.18	7.12	10.84	43.35	93.49	0.00	0.00	64.12	27.23	115.93
HIPC Relief (Cologne terms)	0.00	0.00	32.18	7.12	10.84	43.35	93.49	0.00	0.00	64.12	27.23	115.93
DOMESTIC REVENUE	4,802.41	5,673.98	1,435.39	1,810.45	1,959.63	2,569.16	7,730.62	2,390.21	2,669.81	3,265.75	3,350.84	11,676.60
DOMESTIC EXPENDITURE	6,575.59	5,551.45	1,735.26	1,602.78	2,265.80	2,093.23	7,697.07	1,414.00	2,235.44	3,435.84	2,989.00	10,075.03
PRIMARY BALANCE	**-1,773.18**	**122.53**	**-299.87**	**207.66**	**-350.17**	**475.93**	**33.55**	**976.21**	**434.37**	**-170.09**	**361.83**	**1,601.57**
PRIMARY BALANCE as % of GDP	-10.30	0.57	-0.68	0.47	-0.79	1.07	0.08	1.72	0.76	-0.30	0.64	2.85
GDP at Current Prices	**17,211.70**	**21,630.00**	**44,342.00**	**44,342.00**	**44,342.00**	**44,342.00**	**44,342.00**	**56,828.00**	**56,828.00**	**56,828.00**	**56,828.00**	**56,828.00**

NB: GDP at Current Prices (Include-Oil) from 2011

Source: Bank of Ghana

Table 13. Fiscal Position - Narrow Coverage (Millions of Ghana Cedis)

	2008 Dec	2009 Dec	2010 Dec	2011* Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
TOTAL RECEIPTS	**518.37**	**779.60**	**1,124.3**	**711.41**	**783.70**	**756.19**	**656.69**	**889.83**	**1,339.00**	**689.48**	**702.20**
CEPS	179.08	192.75	234.94	127.93	368.67	311.32	202.42	302.84	319.05	254.41	286.23
IRS	144.45	216.66	380.57	131.52	211.65	201.37	288.94	394.48	448.23	321.68	248.67
VAT	90.65	99.33	183.01	28.58	94.04	85.32	92.85	126.15	222.06	30.16	90.76
OIL REVENUE (ABFA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	112.22	0.00	0.00
COCOA	10.00	0.00	62.0	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS	16.76	71.00	0.00	83.61	0.00	39.40	29.42	10.63	81.23	0.00	56.44
HIPC ASSISTANCE	14.59	12.91	0.00	0.00	0.73	15.43	0.00	0.00	0.00	0.00	0.00
MDRI ASSISTANCE	3.59	2.26	8.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NON-TAX RECEIPTS	32.95	153.61	36.48	319.90	11.14	21.37	20.81	17.69	31.53	36.34	20.11
NHIL	26.08	22.71	25.59	0.00	9.65	26.48	0.00	5.54	5.57	6.60	0.00
OTHER RECEIPTS	0.22	8.38	193.01	14.88	87.82	55.51	22.25	32.49	231.32	40.30	0.00
TAX EXEMPTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL PAYMENTS	**803.16**	**916.11**	**965.17**	**603.70**	**1,090.40**	**1,355.15**	**965.45**	**1,178.27**	**695.33**	**1,118.77**	**841.39**
INTEREST (DOMESTIC)	93.63	122.42	142.19	97.17	61.39	112.37	99.14	96.63	116.67	134.92	96.63
INTEREST (EXTERNAL)	7.84	10.63	13.55	14.66	7.78	18.93	56.98	19.54	14.16	9.44	11.47
OTHERS	701.69	783.06	809.43	491.87	1,026.23	1,223.85	809.33	1,064.10	564.50	974.41	7633.30
SUMMARY											
RECEIPTS	518.37	779.60	1,124.30	711.41	783.70	756.19	656.69	889.83	1,339.00	689.48	702.20
PAYMENTS	803.16	916.11	965.17	603.70	1,090.40	1,355.15	965.45	1,178.27	695.33	1,118.77	841.39
SURPLUS/DEFICIT (-)	**-284.79**	**-136.50**	**159.12**	**107.72**	**-306.70**	**-598.96**	**-308.76**	**-288.44**	**643.67**	**-429.29**	**-139.20**
FINANCING	284.79	136.50	-159.12	-107.72	306.70	598.96	308.76	288.44	-643.67	429.29	139.20
DOMESTIC (NET)	249.70	90.01	-141.82	-91.59	2.52	629.44	348.28	322.47	-610.65	445.47	179.59
BANKING	245.20	94.28	-43.72	-300.37	-481.85	465.67	347.19	100.68	-772.94	224.08	-134.71
BANK OF GHANA	149.03	-176.33	-51.05	-200.46	-470.48	602.95	286.64	-50.46	-861.09	402.53	-67.37
DEPOSIT MONEY BANKS	96.18	270.61	7.33	-99.91	-11.37	-137.28	60.56	151.15	88.15	-178.45	-67.34
NON-BANK	4.49	-4.27	-98.10	208.78	484.37	163.77	1.08	221.79	162.29	221.40	314.30
NON-RESIDENTS	0.00	0.00	0.00	34.88	417.20	0.00	0.00	276.49	185.23	64.27	56.16
FOREIGN (NET)	35.09	46.50	-17.30	-16.12	304.18	-30.48	-39.51	-34.03	-33.01	-16.18	-40.39
INFLOWS	54.60	68.92	0.00	0.00	326.99	0.00	0.00	0.00	0.00	0.00	0.00
LOAN REPAYMENT	-19.51	-22.42	-17.30	-16.12	-22.81	-30.48	-39.51	-34.03	-33.01	-16.18	-40.39
Other Domestic Financing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MEMORANDUM ITEMS											
GDP AT CURRENT PRICES (NON-OIL)	16,295.84	21,630.00	25,934.00	53,411.00	53,411.00	53,411.00	53,411.00	53,411.00	53,411.00	53,411.00	53,411.00
GDP AT CURRENT PRICES				56,828.00	56,828.00	56,828.00	56,828.00	56,828.00	56,828.00	56,828.00	56,828.00
DOMESTIC PRIM. BALANCE	-218.26	-89.62	310.20	135.94	-240.19	-258.68	-178.98	-182.53	693.27	-284.81	-1.06
(In Percent of GDP)	-1.34	-0.41	1.20	0.20	-0.40	-0.40	-0.30	-0.30	1.20	-0.50	0.00
BUDGET BALANCE	-284.79	136.50	159.12	107.72	-306.70	-598.96	-308.76	-288.44	643.67	-429.29	-139.20
(In Percent of GDP)	-1.75	-0.62	0.60	0.20	-0.50	-1.10	-0.50	-0.50	1.10	-0.80	-0.20
Domestic Revenue	483.43	693.44	1,115.60	627.81	782.97	701.37	672.26	879.20	1,257.77	689.48	645.76
Domestic Expenditure	701.69	783.06	805.40	491.87	1,023.16	960.05	806.25	1,061.72	564.49	974.29	646.82
Net Domestic Financing	249.70	90.01	-141.82	-91.59	2.52	629.44	348.28	322.47	-610.65	445.47	179.59
Net Changes in Road Arrears	0.00	0.00	0.00	0.00	0.00	209.93	3.08	0.26	0.00	0.12	86.48
Net Changes in Non-Road Arrears	0.00	0.00	4.03	0.00	3.07	53.88	0.00	0.12	0.00	0.00	0.00

** Provisions* ***Source: Bank of Ghana***

Table 14. Outstanding Stock of Selected Financial Assets (Millions of Ghana Cedis)

	2008 Dec	2009 Dec	2010 Dec	2011 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Short-Term Assets	**685.09**	**624.26**	**630.03**	**786.42**	**790.70**	**875.98**	**909.77**	**708.15**	**640.36**	**640.81**	**825.83**	**804.00**
Treasury bills (91-Days)	685.09	624.26	630.03	786.42	790.70	875.98	909.77	708.15	640.36	640.81	825.83	804.00
Deposit Money Banks	230.70	23.44	179.51	189.52	136.83	76.79	96.82	90.76	81.74	33.70	36.66	5.87
Non-Bank Sector	454.39	600.83	450.52	596.89	653.87	799.19	812.95	617.39	558.62	607.11	789.17	798.13
Medium-Term Assets	**1,699.34**	**3,116.90**	**4,446.61**	**4,411.61**	**4,366.21**	**4,385.93**	**5,014.09**	**5,341.88**	**5,424.70**	**5,434.69**	**5,423.61**	**5,368.47**
Treasury Bills (182-days)	542.98	1,746.45	1,288.73	1,266.67	1,341.70	1,441.25	1,535.39	1,604.91	1,508.44	1,398.92	1,319.02	1,220.76
Deposit Money Banks	407.10	1,420.15	946.36	903.72	967.82	1,009.00	1,124.57	1,136.62	1,009.67	895.93	764.73	693.72
Non-Bank Sector	135.88	326.30	342.37	362.95	373.89	432.25	410.82	468.29	498.77	502.99	554.29	527.04
Treasury Notes (1-year)	228.49	68.92	1,057.20	1,028.28	972.54	931.22	899.70	1,092.14	1,164.54	1,295.61	1,260.36	1,368.93
Deposit Money Banks	124.34	33.38	925.79	882.69	834.68	799.24	760.28	858.64	910.25	961.70	919.06	962.72
Non-Bank Sector	104.15	35.55	131.41	145.59	137.86	131.98	139.42	233.49	254.29	333.91	341.30	406.21
2-Year Fixed Rate Treasury Note	444.83	934.29	1,618.76	1,618.89	1,617.36	1,627.95	1,621.14	1,707.67	1,794.41	1,795.68	1,745.32	1,629.82
Deposit Money Banks	251.60	745.65	1,281.43	1,281.43	1,279.93	1,289.93	1,282.93	1,366.43	1,451.48	1,452.64	1,400.64	1,393.64
Non-Bank Sector	193.23	188.64	337.33	337.47	337.43	338.02	338.21	341.24	342.93	343.04	344.68	236.18
3-Year Fixed Rate Treasury Note	295.32	186.53	290.37	275.39	244.39	194.94	194.94	173.88	205.03	191.82	218.85	268.62
Deposit Money Banks	158.40	60.39	230.01	215.03	184.03	149.03	149.03	156.22	203.34	166.10	186.74	229.31
Non-Bank Sector	136.92	126.14	60.36	60.36	60.36	45.91	45.91	17.66	1.69	25.73	32.11	39.31
5-Year GOG Bond	70.71	70.71	53.70	84.17	51.70	51.70	51.70	51.70	40.35	40.35	167.37	167.37
Deposit Money Banks	69.96	69.96	47.05	49.38	46.88	45.32	45.32	45.32	36.16	36.16	147.93	148.49
Non-Bank Sector	0.75	0.75	6.65	34.79	4.82	6.38	6.38	6.38	4.19	4.19	19.45	18.88
5-Year Golden Jubilee Bond	0.00	18.73	27.85	28.20	28.52	28.87	29.22	29.58	29.94	30.31	30.69	30.97
Deposit Money Banks	0.00	10.95	16.23	16.43	16.62	16.82	17.03	17.24	17.45	17.66	17.88	18.05
Non-Bank Sector	0.00	7.78	11.62	11.77	11.90	12.05	12.19	12.34	12.49	12.65	12.81	12.92
TOR Bond	110.00	110.00	110.00	110.00	110.00	110.00	682.00	682.00	682.00	682.00	682.00	682.00
Deposit Money Banks	110.00	110.00	110.00	110.00	110.00	110.00	682.00	682.00	682.00	682.00	682.00	682.00
Government stocks	0.95	1.00	0.95	0.95	0.95	0.95	0.95	30.88	30.88	192.83	192.83	192.83
Deposit Money Banks	0.03	0.03	0.03	0.03	0.03	0.03	0.03	29.95	29.95	29.95	29.95	29.95
Non-Bank Sector	0.93	0.93	0.93	0.93	0.93	0.93	0.93	0.93	0.93	162.88	162.88	162.88
SUMMARY												
Govt of Ghana instruments	2,385.38	3,760.84	5,077.59	5,198.98	5,157.86	5,262.87	5,924.82	6,080.91	6,095.95	6,268.33	6,442.27	6,365.31
Deposit Money Banks	1,359.79	2,474.69	3,743.06	3,683.03	3,581.63	3,502.54	4,164.39	4,389.57	4,426.23	4,280.03	4,205.03	4,182.94
Non-Bank Sector	1,025.59	1,286.15	1,334.53	1,515.95	1,576.23	1,760.33	1,760.42	1,691.34	1,669.72	1,988.31	2,237.24	2,182.67

Source: Bank of Ghana

Table 15. Holders and Structure of Domestic Debt (Millions of Ghana Cedis)

	2008	2009	2010	2011									
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
HOLDERS													
A. Banking system	**3,250.45**	**4,247.59**	**5,289.07**	**5,210.47**	**5,154.61**	**5,670.93**	**6,322.87**	**6,537.53**	**6,589.04**	**6,443.08**	**6,448.87**	**6,613.38**	**6,626.87**
Bank of Ghana	1,872.07	1,754.31	1,533.33	1,542.89	1,558.46	2,155.43	2,145.52	2,135.01	2,147.67	2,147.91	2,243.95	2,430.29	2,636.62
Deposit Money Banks (DMBs)	1,378.38	2,493.27	3,755.74	3,667.58	3,596.15	3,515.50	4,177.35	4,402.52	4,441.37	4,295.17	4,204.92	4,183.09	3,990.25
B. Non-Bank Sector	**1,549.78**	**1,855.40**	**2,991.05**	**3,205.04**	**3,685.03**	**3,855.66**	**3,855.78**	**4,063.21**	**4,235.99**	**4,618.85**	**4,939.20**	**4,818.67**	**4,897.86**
SSNIT	255.59	246.71	201.43	216.36	196.47	233.08	186.51	232.51	164.32	415.30	464.55	420.98	448.23
Insurance Companies	39.94	52.87	38.63	52.29	42.72	42.95	40.75	33.41	48.04	46.54	39.15	36.09	38.18
Other Holders	1,254.25	1,555.83	2,750.99	2,936.39	3,445.84	3,579.63	3,628.52	3,797.28	4,023.63	4,157.00	4,435.50	4,361.60	4,411.45
TOTAL(A+B)	**4,800.23**	**6,102.99**	**8,280.12**	**8,415.51**	**8,839.65**	**9,526.60**	**10,178.65**	**10,600.74**	**10,825.03**	**11,061.93**	**11,388.06**	**11,432.05**	**11,524.73**
STRUCTURE													
C. Short-Term Instruments	**2,022.62**	**2,643.12**	**3,214.45**	**3,329.35**	**3,353.47**	**3,447.24**	**3,533.70**	**3,579.19**	**3,499.98**	**3,522.15**	**3,592.85**	**3,751.97**	**3,853.81**
91-Day Treasury Bill	843.02	649.55	641.00	807.43	811.84	897.76	921.65	720.17	652.22	652.88	838.75	816.57	843.41
182-Day Treasury Bill	665.32	1,766.98	1,334.62	1,311.98	1,387.43	1,486.59	1,580.69	1,650.22	1,578.75	1,469.24	1,389.38	1,291.13	1,227.16
1-Year Treasury Note	280.04	122.35	1,134.60	1,105.70	1,049.96	958.65	927.13	1,104.57	1,164.78	1,295.79	1,260.49	1,540.04	1,679.01
Short-Term Advance	234.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24	104.24
D. Medium-Term Instruments	**1,752.54**	**2,107.54**	**3,788.34**	**3,808.83**	**4,208.85**	**4,155.32**	**4,720.90**	**5,097.51**	**5,401.01**	**5,615.74**	**5,871.19**	**5,756.04**	**5,784.20**
2-Year Floating Treasury Note	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2-Year Fixed Treasury Note	534.13	1,001.38	1,647.01	1,647.23	1,645.72	1,656.31	1,649.53	1,729.12	1,815.86	1,817.21	1,766.91	1,651.48	1,479.13
3-Year GGILBS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3-Year Floating Treasury Note	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3-Year Fixed Treasury Note	752.62	627.57	1,653.11	1,673.01	2,074.21	2,009.71	2,009.71	2,276.42	2,492.80	2,543.84	2,543.84	2,543.84	2,743.84
3-Year Stock (SBG)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.92	29.92	29.92	29.92	29.92	29.92
3-Year Stock (SSNIT)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	161.95	161.95	161.95	161.95
5-Year GOG Bond	268.77	268.77	268.77	268.77	268.77	268.77	268.77	268.77	268.77	268.77	574.11	574.11	574.11
5-Year Golden Jubilee Bond		19.80	29.42	29.79	30.12	30.50	30.87	31.25	31.63	32.02	32.44	32.72	33.22
GOG Petroleum Finance Bond	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02
TOR Bonds	110.00	110.00	110.00	110.00	110.00	110.00	682.00	682.00	682.00	682.00	682.00	682.00	682.00
E. Long-Term Instruments	**1,025.07**	**1,352.33**	**1,277.33**	**1,277.33**	**1,277.33**	**1,924.04**	**1,924.04**	**1,924.04**	**1,924.04**	**1,924.04**	**1,924.04**	**1,924.04**	**1,886.72**
Long-Term Government Stocks	421.60	748.84	673.84	673.84	673.84	1,320.55	1,320.55	1320.551	1320.551	1320.5511	1320.5511	1,320.55	1,320.55
Telekom Malasia Stock	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.4577	109.4577	109.4577	109.4577	109.46	109.46
Revaluation Stock	493.10	493.05	493.05	493.05	493.05	493.05	493.05	493.05	493.05	493.05	493.05	493.05	455.73
Other Government Stocks	1.00	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98
TOTAL(C+D+E)	**4,800.23**	**6,102.99**	**8,280.12**	**8,415.51**	**8,839.65**	**9,526.60**	**10,178.65**	**10,600.74**	**10,825.03**	**11,061.93**	**11,388.06**	**11,432.05**	**11,524.73**

Source: Bank of Ghana

Table 16: International Reserves of Bank of Ghana (In millions of U.S. Dollars)

	2008	2009	2010	2011*								
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
A. Net Foreign Assets	**1,606.91**	**2,833.68**	**3,656.54**	**3,766.51**	**3,811.03**	**3,492.53**	**3,761.51**	**3,674.79**	**3,657.75**	**3,524.46**	**3,394.83**	**3,492.48**
B. Net International Reserves	**1,300.59**	**2,459.37**	**3,924.87**	**4,039.85**	**4,082.92**	**3,738.23**	**4,007.43**	**3,811.13**	**3,882.96**	**3,680.44**	**3,549.31**	**3,604.29**
C. Gross Reserves	**2,032.16**	**3,164.81**	**4,724.89**	**4,767.82**	**4,825.52**	**4,503.61**	**4,882.99**	**4,704.49**	**4,764.93**	**4,629.23**	**4,502.04**	**4,594.66**
D. Short-Term Assets	**2,027.92**	**3,160.83**	**4,720.91**	**4,763.92**	**4,821.59**	**4,479.13**	**4,858.34**	**4,679.97**	**4,740.44**	**4,604.77**	**4,477.60**	**4,570.47**
Gold	245.18	309.18	396.95	395.69	395.71	395.69	395.69	395.69	395.69	395.71	395.71	395.69
Holdings of SDRs	1.44	453.11	450.11	451.38	458.54	455.92	465.21	459.63	460.88	457.89	461.01	447.94
Others	1,781.30	2,398.54	3,873.85	3,916.85	3,967.34	3,627.52	3,997.44	3,824.65	3,883.87	3,751.17	3,620.88	3,726.84
E. Long-Term Assets	**4.24**	**3.55**	**3.47**	**3.39**	**3.41**	**23.94**	**24.1**	**23.98**	**23.95**	**23.88**	**23.86**	**23.62**
F. Foreign Liabilities	**28.58**	**46.12**	**1,342.82**	**1,277.40**	**1,300.88**	**1,299.90**	**1421.3**	**1,432.54**	**1,422.71**	**1,491.07**	**1,499.08**	**1,520.78**
G. Short-Term	**425.17**	**326.17**	**524.93**	**451.37**	**454.00**	**453.80**	**552.89**	**467.77**	**543.56**	**539.68**	**538.09**	**549.14**
IMF	157.94	260.28	381.7	376.37	376.46	376.44	376.45	376.45	472.58	468.45	468.47	468.42
Others	267.23	65.89	143.23	75.00	77.54	77.36	176.44	91.32	70.98	71.23	69.62	80.72
H. Other Liabilities to Int. Institutions	**7.87**	**8.87**	**0.49**	**0.49**	**0.49**	**0.49**	**0.49**	**0.49**	**0.59**	**0.59**	**0.58**	**0.58**
I. Foreign Currency Deposits	**294.29**	**366.42**	**270.62**	**272.21**	**284.18**	**286.61**	**297.53**	**400.58**	**313.33**	**384.06**	**389.62**	**416.46**
J. Net Payment Agreements	**3.73**	**3.91**	**3.85**	**3.88**	**2.21**	**2.21**	**2.29**	**2.26**	**2.20**	**2.24**	**2.25**	**2.14**
K. Others	**4.06**	**0.43**	**0.51**	**0.51**	**0.52**	**0.54**	**0.55**	**0.54**	**0.54**	**0.58**	**0.58**	**0.57**
L. SDR Allocation	**-**	**551.93**	**546.78**	**553.33**	**562.21**	**559.00**	**570.39**	**563.70**	**565.23**	**566.74**	**570.79**	**554.60**

** Provisional Data*
Source: Bank of Ghana

Table 17. Balance of Payments (In Millions of US Dollars)

	2007	2008	2009	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2010 Annual	2011* Q1	2011* Q2	2011* Q3	2011* Q4
A. Current Account	**-2,121.82**	**-3,543.14**	**-1,600.75**	**-566.45**	**-623.72**	**-523.35**	**-933.30**	**-2,646.82**	**-492.54**	**-499.93**	**-759.13**	**-1,923.51**
Merchandise Trade Balance	-3,866.60	-4,998.79	-2,206.55	-584.22	-653.22	-803.42	-921.16	-2,962.02	-238.81	-780.53	-760.53	-1,403.11
Exports (f.o.b)	4,194.72	5,269.73	5,839.71	1,865.11	2,070.13	1,909.96	2,114.89	7,960.09	3,104.30	3,353.13	3,339.30	2,988.69
Cocoa beans & Products	1,103.25	1,487.00	1,866.03	682.45	640.22	342.15	554.72	2,219.54	940.91	745.14	658.64	526.18
Gold	1,733.78	2,246.25	2,551.36	787.00	957.84	1,018.30	1,040.38	3,803.52	1,151.47	1,257.34	1,310.77	1,200.64
Timber & Timber Products	250.13	316.79	179.84	43.69	46.56	45.85	53.37	189.47	40.99	43.37	44.59	36.71
Crude Oil	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	482.29	704.69	785.67	805.88
Other Exports	1,107.56	1,219.69	1,242.48	351.97	425.51	503.66	466.42	1,747.56	488.64	602.59	539.63	419.28
Imports (f.o.b)	-8,061.32	-10,268.51	-8,046.26	-2,449.33	-2,723.35	-2,713.38	-3,036.05	-10,922.11	-3,343.11	-4,133.66	-4,099.83	-4,391.80
Non-oil	-5,971.12	-7,911.76	-6,557.28	-1,955.84	-2,114.85	-2,208.73	-2,406.76	-8,686.18	-2,650.90	-3,143.74	-3,497.66	-3,379.97
Oil & Gas**	-2,090.20	-2,356.75	-1,488.98	-493.49	-608.50	-504.65	-629.29	-2,235.93	-692.21	-989.92	-602.17	-1,011.83
B. Balance on Services, Income and Transfers	**1,744.78**	**1,455.65**	**605.80**	**17.77**	**29.50**	**280.07**	**-12.14**	**315.20**	**-253.73**	**280.60**	**1.40**	**-520.38**
Services (net)	-159.78	-497.18	-1,173.43	-455.00	-389.94	-323.45	-305.89	-1,474.28	-762.05	-233.58	-332.43	-531.38
Credit	1,861.86	1,800.89	1,769.68	361.28	332.05	382.04	451.90	1,527.27	352.19	478.49	460.83	518.61
Debit	-2,021.64	-2,298.07	-2,943.11	-816.28	-721.99	-705.49	-757.79	-3,001.55	-1,114.24	-712.07	-793.26	-1,049.99
Income (net)	-138.62	-258.67	-298.77	-87.06	-118.61	-90.36	-236.92	-532.95	-249.04	-162.02	-237.84	-581.19
Credit	83.99	85.57	101.12	13.23	13.23	15.23	13.23	54.92	13.85	13.84	13.84	13.84
Debit	-222.61	-344.24	-399.89	-100.29	-131.84	-105.59	-250.15	-587.87	-262.89	-175.86	-251.68	-595.03
Transfers (net)	2,043.18	2,211.50	2,078.00	559.83	538.05	693.88	530.67	2,322.43	757.36	676.20	571.67	592.19
Private (net)	1,833.81	1,970.39	1,788.38	449.92	500.22	641.88	530.67	2,122.69	673.76	595.14	507.68	592.19
Official (net)	209.37	241.11	289.62	109.91	37.83	52.00	0.00	199.74	83.60	81.06	63.99	0.00
C. Financial and Capital Account	**2,652.30**	**2,806.41**	**3,067.06**	**980.95**	**849.03**	**417.55**	**2,037.98**	**4,285.51**	**516.48**	**747.38**	**457.27**	**2,758.18**
Capital Transfers	188.14	463.31	563.89	147.41	85.50	15.60	88.96	337.47	127.97	164.33	152.76	0.00
Direct investments	855.38	2,111.59	1,677.84	551.43	840.14	619.69	516.10	2,527.36	781.56	963.58	1,047.72	429.39
Other investments	1,608.78	231.51	825.33	282.11	-76.61	-217.74	1,432.92	1,420.68	-393.05	-380.53	-743.21	2,328.79
D. Net Errors and Omissions	**-117.37**	**-204.02**	**-307.53**	**-262.48**	**-180.48**	**7.78**	**259.16**	**-176.02**	**-178.15**	**-102.72**	**23.19**	**0.01**
Overall Balance	**413.11**	**-940.75**	**1,158.78**	**152.02**	**44.83**	**-98.02**	**1,363.84**	**1,462.67**	**-154.21**	**144.73**	**-278.67**	**834.68**
E. Reserves and Related Items	**-413.11**	**940.75**	**-1,158.78**	**-152.02**	**-44.83**	**98.02**	**-1,363.84**	**-1,462.67**	**154.21**	**-144.73**	**278.67**	**-834.68**
Changes in International Reserves	-413.11	940.75	-1,158.78	-152.02	-44.83	98.02	-1,363.84	-1,462.67	154.21	-144.73	278.67	-834.68
IMF Position (net)	0.00	0.00	105.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Holdings of SDR	0.00	0.00	-455.27	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Reserve Changes	-413.11	940.75	-809.06	-152.02	-44.83	98.02	-1,363.84	-1,462.67	154.21	-144.73	278.67	-834.68
Exceptional Financing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Provisional   ** Gas imports from Q1 2011   **Source: Bank of Ghana**

Table 18: Merchandise Trade Flows (In millions of U.S. Dollars)

	2007	2008	2009	2010	2011*										
					Jan	Feb	Mar	Q1	Apr	May	Jun	Q2	Jul	Aug	Sep
Merchandise Exports (f.o.b.)	**4,223.0**	**5,269.7**	**5,839.7**	**7,964.7**	**944.1**	**888.6**	**1,271.6**	**3,104.3**	**1,084.5**	**1,085.0**	**1,183.6**	**3,353.1**	**1,015.2**	**1,204.0**	**1,120.2**
Cocoa Beans	975.7	1,225.1	1,422.4	1,598.9	241.0	236.5	273.0	750.5	190.3	157.7	172.2	520.1	138.1	170.4	111.9
Gold	1,733.8	2,246.3	2,551.4	3,803.5	378.0	313.2	460.3	1,151.5	388.9	413.1	455.4	1,257.3	355.9	462.4	492.5
Timber Products	249.0	316.8	174.2	189.5	10.6	15.2	15.2	41.0	14.3	14.1	15.1	43.4	13.8	16.5	14.3
Crude oil	0.0	0.0	0.0	0.0	153.4	101.5	227.3	482.3	247.8	230.7	226.1	704.7	232.8	332.7	220.2
Other Exports /1	1,264.5	1,481.6	1,691.8	2,372.8	161.1	222.2	295.8	679.1	243.2	269.5	314.9	827.6	274.6	222.0	281.2
Merchandise Imports (f.o.b)	**8,073.6**	**9,734.3**	**8,046.3**	**10,769.8**	**1,131.0**	**959.5**	**1,252.7**	**3,343.2**	**1,220.6**	**1,441.3**	**1,471.6**	**4,133.5**	**1,316.9**	**1,272.6**	**1,510.4**
Non-Oil	5,968.3	7,899.3	6,557.3	8,686.2	895.5	761.9	993.6	2,651.0	958.1	1,080.6	1,105.1	3,143.7	1,106.7	1,180.4	1,210.6
Oil & Gas**	2,105.3	1,835.0	1,489.0	2,083.6	235.6	197.6	259.0	692.4	262.5	360.7	366.5	989.7	210.1	92.2	299.9
Trade Balance	**-3,850.6**	**-4,464.6**	**-2,206.6**	**-2,805.1**	**-186.9**	**-70.9**	**19.0**	**-238.9**	**-136.2**	**-343.6**	**-300.7**	**-780.4**	**-301.7**	**-68.6**	**-390.3**

* Provisional data
** Gas Imports from Q1 2011
/1 Other exports includes exports of cocoa products, electricity, residual fuel oil, manganese, bauxite and diamonds
Source: Bank of Ghana

Table 19: Crude oil and Petroleum Products Imports 2007 - 2011

Petroleum Imports by Value in million US$ (f.o.b)

	2008	2009	2010					2011*				
			Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Crude Oil	1,389.08	433.67	206.38	327.56	175.36	232.93	942.23	305.70	556.46	177.51	425.84	1,465.51
Premium	229.78	316.98	138.16	75.29	103.05	118.02	434.52	159.56	148.74	135.06	252.18	695.54
Gas Oil	585.27	564.65	151.81	150.82	164.64	143.33	610.60	163.17	208.55	199.60	236.81	808.13
LPG	36.95	68.52	24.54	18.82	22.05	30.83	96.24	24.16	36.71	49.16	43.01	153.04
Aviation Fuel	108.14	53.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Gas (West Africa)								39.70	39.46	40.78	53.98	173.92
Total	**2,349.22**	**1,437.55**	**520.89**	**572.49**	**465.10**	**525.11**	**2,083.59**	**692.30**	**989.92**	**602.11**	**1,011.81**	**3,296.14**

Petroleum Imports by Value in US$ million (c.i.f.)

	2008	2009	2010					2011*				
			Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Crude Oil	1,422.42	444.07	211.33	335.42	179.57	238.52	964.84	313.04	569.83	181.77	436.06	1500.70
Premium	235.29	324.58	141.48	77.09	105.52	120.85	444.95	163.40	152.31	119.60	258.65	693.96
Gas Oil	599.32	578.20	155.45	154.46	168.59	146.77	625.25	167.09	213.55	189.12	243.11	812.88
LPG	37.84	70.18	25.13	19.27	22.58	31.57	98.55	24.74	37.59	45.21	151.58	151.58
Aviation Fuel	118.45	55.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	**2,413.31**	**1,472.06**	**533.39**	**586.24**	**476.26**	**537.71**	**2,133.60**	**668.27**	**973.28**	**535.70**	**1,089.41**	**3159.1262**

Petroleum Imports by Volumes

	2008	2009	2010					2011*				
			Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Crude oil (bbl)	13,599,094	6,567,466	2,602,421	4,154,916	2,197,350	2,797,464	11,752,151	2,461,099	4,571,880	650,885	3,713,448	11,397,312
Premium (MT)	203,042	566,844	191,983	100,813	144,284	137,690	574,770	169,922	140,897	116,010	268,573	695,401
Gas oil (MT)	677,572	1,102,415	242,844	228,512	83,680	175,532	730,568	197,937	219,184	199,916	253,606	870,643
LPG (MT)	58,858	137,354	36,346	30,964	37,721	39,472	144,502	29,720	41,114	49,737	51,723	172,293
Aviation Fuel (MT)	156,190	83,528	0	0	0	0	0	0	0	0	0	0

Crude oil Imports (f. o. b.) by importer, value in US$ million

	2008	2009	2010					2011*				
			Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
TOR	922.75	121.42	62.48	231.36	78.55	158.07	530.46	259.17	503.10	74.07	322.74	1,159.08
VRA	466.33	312.25	143.90	96.20	96.80	74.86	411.76	46.53	53.36	56.12	103.10	259.11
Total	**1,389.08**	**433.66**	**206.38**	**327.56**	**175.35**	**232.93**	**942.22**	**305.70**	**556.46**	**130.19**		**1,418.19**

* Provisional - No importation for the period

Source: Tema Oil Refinery, National Petroleum Authority and Volta River Authority

Table 20. Ghana:Value, Volume and Unit Price of Exports (2008-2011) (In millions of US dollars, unless otherwise specified)

	2009	2010					2011*				
		Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Gold											
Value	2,551.36	787.00	957.84	1,018.30	1,040.38	3,803.52	1,151.47	1,257.34	1,310.77	1,200.64	4,920.21
Volume (fine ounces)	2,658,758	711,139	812,183	831,067	763,177	3,117,566	831,939	840,685	766,142	705,610	3,144,376
Unit Value (US dollars per ounce)	959.61	1,106.68	1,179.34	1,225.29	1,363.22	1,220.03	1,384.08	1,495.61	1,710.86	1,701.56	1,564.76
Cocoa Beans											
Value	1,422.38	502.29	441.64	238.24	477.84	1,660.01	750.50	520.12	420.49	336.82	2,027.94
Volume (metric tons)	508,206	177,931	146,821	77,868	144,801	547,421	222,674	159,075	129,728	117,739	630,216
Unit Value (US dollars per ton)	2,798.82	2,822.95	3,008.02	3,059.56	3,299.98	3,032.42	3,370.40	3,269.65	3,241.30	2,860.73	3,217.85
Cocoa products											
Value	443.65	180.16	198.58	108.48	137.96	625.19	190.41	225.01	238.16	189.36	842.94
Volume (metric tons)	125,783	40,659	59,803	28,924	34,687	164,073	49,821	56,563	64,949	54,899	226,232
Unit Value (US dollars per ton)	3,527.12	4,431.00	3,320.61	3,750.69	3,977.23	3,810.41	3,821.88	3,978.04	3,666.83	3,449.24	3,725.98
Crude Oil Exports											
Value	-	-	-	-	-	-	484.23	698.93	785.66	805.88	2,778.52
Volume (barrels)	-	-	-	-	-	-	4,628,899	5,970,229	6,966,962	7,166,177	24,731,475
Unit value (US dollars per barrel)	-	-	-	-	-	-	104.61	117.07	112.77	112.46	112.35
Timber and Timber Products											
Value	179.83	43.69	46.56	45.85	53.37	189.47	40.99	41.58	44.59	36.71	165.66
Volume (cubic meters)	428,503	97,508	104,265	103,495	121,863	427,131	89,678	92,360	96,258	76,008	355,620
Unit Value (US dollars per cubic meter)	419.68	448.02	446.54	443.03	437.97	443.58	457.08	450.19	463.25	482.98	465.84
Aluminium											
Value	-	0.00	0.00	0.00	0.00	0.00	31.41	23.18	18.89	15.29	88.78
Volume (metric tons)	-	0.00	0.00	0.00	0.00	0.00	1,206	9,047	8,077	6,053	35,213
Unit Value (US dollars per ton)	-	0.00	0.00	0.00	0.00	0.00	2,609.82	2,562.18	2,339.17	2,526.02	2,521.09
Residual oil											
Value	-	12.70	19.77	22.96	12.94	68.37	21.52	0.0	0.00	0.00	21.52
Volume (metric tons)	-	20,296	36,763	40,437	19,411	116,907	89,285	0.0	0.00	0.00	89,285
Unit Value (US dollars per ton)	-	625.95	537.79	567.68	666.52	584.81	241.08	0.0	0.00	0.00	241.08
Manganese											
Value	49.37	17.63	19.55	9.60	11.44	58.21	32.80	28.89	26.90	28.58	117.17
Volume (metric tons)	811,233	268,069	295,883	156,367	173,194	893,513	498,891	434,584	407,964	442,490	1,783,929
Unit Value (US dollars per ton)	60.86	65.75	66.06	61.37	66.05	65.14	65.75	66.48	65.93	64.59	65.68
Electricity											
Value	95.90	29.47	39.84	27.81	27.81	124.94	16.92	16.20	16.30	16.29	65.71
Volume (millions of kilowatt-hours)	752.43	268.15	336.41	224.53	224.53	1,053.62	188.00	180.00	180.30	180.30	728.60
Unit Value (US$' 000/kilowatt-hour)	0.13	0.11	0.12	0.12	0.12	0.12	0.09	0.09	0.09	0.09	0.09
Diamond											
Value	7.34	2.23	4.93	2.12	2.03	11.31	7.79	6.07	3.41	1.05	18.32
Volume (carats)	348,254	75,903	130,304	56,688	48,452	311,347	141,967	97,845	54,774	22,953	317,539
Unit Value (US dollars per carat)	21.08	29.36	37.86	37.35	41.86	36.32	54.87	62.04	62.26	45.75	0.00
Bauxite											
Value	11.08	6.17	1.32	6.40	1.26	15.15	3.50	1.68	0.79	1.12	7.09
Volume (metric tons)	490,906	212,817	44,000	213,348	41,981	512,146	116,625	55,976	26,300	37,403	236,304
Unit Value (US dollars per ton)	22.57	28.98	30.00	30.00	30.01	29.58	30.01	30.01	30.04	29.94	30.00
Other Non-traditional Exports											
Value	1,078.76	283.79	340.11	434.76	410.92	1,469.58	374.64	526.46	473.35	356.95	1,731.40

* Provisional

Source: Bank of Ghana

Table 21. Commodity Prices

	COCOA LIFFE (£)/tonne	GOLD US$/fine oz	DIAMOND US$/carats	BAUXITE US$/tonne	MANGANESE US$/tonne	CRUDE OIL US$/barrel
2008						
Jan	1,128.00	890.98	33.29	27.63	29.03	91.92
Feb	1,297.00	925.03	31.48	27.63	35.37	94.49
Mar	1,377.00	965.90	35.78	27.63	57.20	103.00
Apr	1,427.55	909.76	35.18	28.50	57.82	110.43
May	1,437.27	889.92	31.37	28.49	56.82	124.61
Jun	1,607.38	891.77	29.56	28.50	56.65	133.47
Jul	1,542.09	938.55	33.60	28.82	57.45	134.79
Aug	1,531.81	835.93	33.16	29.11	n.a	115.22
Sep	1,523.27	829.22	31.63	34.22	n.a	100.75
Oct	1,361.09	803.91	34.57	30.99	57.04	73.60
Nov	1,371.70	760.76	29.91	28.67	57.07	55.05
Dec	1,657.10	821.49	22.32	28.67	56.76	43.29
2009						
Jan	1,847.67	860.05	n.a	23.66	57.52	45.62
Feb	1,869.80	942.58	11.81	23.66	58.00	43.73
Mar	1,853.36	924.41	11.81	23.66	53.48	47.32
Apr	1,779.00	891.43	20.15	21.14	58.97	51.23
May	1,646.00	926.48	19.54	21.14	64.40	58.57
Jun	1,685.00	903.79	26.15	21.14	65.32	69.34
Jul	1,740.43	934.42	28.65	21.51	65.87	65.76
Aug	1,833.96	949.35	22.26	n.a	66.95	73.07
Sep	1,966.55	995.25	17.16	21.51	66.33	68.19
Oct	2,145.00	1,044.57	15.86	22.48	65.32	73.87
Nov	2,132.00	1,127.94	24.71	n.a	65.04	77.50
Dec	2,248.00	1,126.83	27.45	24.67	n.a	75.24
2010						
Jan	2,286.90	1,116.95	31.32	24.80	65.86	76.92
Feb	2,233.60	1,095.49	25.90	30.00	65.71	74.75
Mar	2,203.35	1,113.77	29.29	30.00	65.71	79.90
Apr	2,248.00	1,147.91	36.38	30.00	n.a	85.68
May	2,318.00	1,202.81	36.02	30.00	65.52	76.99
Jun	2,378.00	1,233.20	43.31	30.00	66.04	75.66
Jul	2,353.00	1,193.68	32.30	30.00	57.77	75.49
Aug	2,061.00	1,215.53	37.35	30.00	66.47	77.11
Sep	1,897.00	1,271.10	43.83	30.00	65.55	78.21
Oct	1,903.95	1,342.96	32.54	n.a	66.65	83.49
Nov	1,867.73	1,369.69	44.43	30.00	n.a	86.11
Dec	1,994.48	1,391.16	44.31	n.a	65.66	92.34
2011						
Jan	2,046.00	1,359.46	40.71	30.00	65.24	96.82
Feb	2,228.15	1,372.35	45.67	30.00	65.68	104.09
Mar	2,161.61	1,422.50	59.54	30.00	66.31	114.62
Apr	1,934.85	1,481.10	58.12	30.00	66.05	123.13
May	1,878.48	1,515.22	63.00	30.00	67.36	114.53
Jun	1,858.55	1,528.25	64.11	30.00	65.84	113.91
Jul	1,954.67	1,575.15	64.21	30.00	66.38	116.68
Aug	1,888.43	1,770.13	71.41	30.00	65.33	109.82

n.a = Data not available

Source: Reuters & The Mining Companies

LIFFE =London International Futures and Funds Exchange.

Source: Bank of Ghana

Table 22. Ghana: Direction of Trade, (2008-2011) (In per cent of total)

Trade Partners	Exports													Imports												
	2008	2009	2010					2011						2008	2009	2010					2011					
			Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual				Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	
Industrial Countries	29.5	25.7	35.6	33.5	21.4	20.2	28.0	34.6	43.6	40.2	50.7	39.6		78.0	38.7	43.2	48.6	45.7	52.1	47.5	27.4	29.6	27.8	26.1	27.7	
France	3.6	3.3	4.5	3.7	1.7	3.4	3.4	3.5	14.0	13.3	24.5	15.6		6.4	3.7	7.1	5.7	4.8	9.4	6.8	3.2	3.0	2.7	2.2	2.8	
Germany	1.6	1.5	2.5	2.0	1.4	1.4	1.8	2.1	1.1	1.9	0.8	1.3		9.8	3.3	2.9	3.0	2.9	2.9	2.9	3.1	3.2	3.1	3.0	3.1	
Italy	1.5	1.3	1.2	0.5	0.9	0.7	0.8	2.4	9.9	7.8	6.3	6.8		5.0	1.8	2.1	2.4	2.2	2.3	2.3	2.1	2.1	1.9	1.6	1.9	
Japan	0.7	1.8	1.5	1.4	0.7	0.2	1.0	0.2	0.6	0.3	0.9	0.6		5.0	2.4	1.6	2.3	1.8	1.6	1.8	1.6	1.6	1.4	1.7	1.6	
Netherlands	10.2	10.4	10.5	11.7	8.2	6.6	9.4	15.4	6.9	8.4	2.4	7.5		8.5	3.1	2.5	2.8	3.6	2.4	2.8	3.0	3.5	3.9	3.0	3.4	
United Kingdom	4.8	5.2	4.4	6.6	2.6	1.8	4.0	3.7	5.9	1.6	2.7	3.4		11.3	4.1	4.3	4.5	4.5	4.6	4.5	4.8	5.0	4.8	5.0	4.9	
United States	2.5	2.2	4.2	3.2	2.8	1.8	3.0	2.0	5.2	2.9	6.0	4.4		15.7	6.8	6.8	9.7	7.5	9.3	8.3	9.6	11.2	10.0	9.7	10.1	
Others	4.7	4.7	7.0	4.5	3.2	4.2	4.7	5.4	4.6	4.1	7.1	5.5		16.5	13.5	15.9	18.5	18.4	19.6	18.1	20.5	20.0	21.1	18.5	20.0	
Other Europeans	13.6	18.7	11.5	12.6	11.4	17.8	13.3	20.5	13.3	15.7	8.6	13.4		8.1	8.0	9.0	9.9	9.5	6.9	8.8	9.5	9.9	7.9	8.9	9.0	
Rest of the world	56.9	50.9	52.9	53.9	67.2	62.0	58.7	45.0	38.4	44.1	40.6	41.4		52.1	53.3	47.8	41.4	44.7	41.0	43.7	42.1	40.4	43.3	46.5	43.3	

Source: IMF- Direction of Trade Statistics, (various issues) & Bank of Ghana estimates

Source: Bank of Ghana

Table 23. Interbank Foreign Exchange Rates

Exchange Rates in the Forex Bureaux Market (GH¢ per currency);

	US Dollar	Pound Sterling	EURO	Japanese Yen	Swiss Franc
2008					
Jan	0.9759	1.9426	1.4460	0.0091	0.8941
Feb	0.9751	1.9540	1.4864	0.0093	0.9277
Mar	0.9780	1.9618	1.5460	0.0098	0.9811
Apr	0.9872	1.9552	1.5548	0.0095	0.9502
May	1.0024	1.9820	1.5834	0.0095	0.9479
Jun	1.0325	2.0454	1.6315	0.0097	1.0039
Jul	1.0692	2.1550	1.6945	0.0099	1.0169
Aug	1.1161	2.0453	1.6466	0.0101	1.0024
Sep	1.1345	2.0594	1.6532	0.0106	1.0321
Oct	1.1565	1.8781	1.5084	0.0118	1.0060
Nov	1.1777	1.8025	1.5411	0.0124	0.9852
Dec	1.2141	1.8049	1.7211	0.0135	1.1480
2009					
Jan	1.2828	1.8382	1.7067	0.0142	1.0949
Feb	1.3402	1.9411	1.7469	0.0136	1.1349
Mar	1.3832	1.9909	1.8357	0.0140	1.2039
Apr	1.4042	2.0492	1.8454	0.0143	1.2344
May	1.4396	2.2064	1.9973	0.0147	1.3126
Jun	1.4725	2.4141	2.0658	0.0152	1.3446
Jul	1.4858	2.3952	2.0857	0.0154	1.3510
Aug	1.4613	2.3473	2.0775	0.0158	1.3805
Sep	1.4514	2.3298	2.1176	0.0162	1.4082
Oct	1.4416	2.3775	2.1388	0.0160	1.4254
Nov	1.4322	2.3800	2.1529	0.0167	1.4348
Dec	1.4284	2.2991	2.0484	0.0156	1.3918
2010					
Jan	1.4257	2.3100	2.0058	0.0158	1.3574
Feb	1.4266	2.9135	1.9338	0.0160	1.3259
Mar	1.4168	2.1357	1.9108	0.0152	1.3347
Apr	1.4170	2.1706	1.8747	0.0151	1.3159
May	1.4206	2.0593	1.7470	0.0155	1.2274
Jun	1.4267	2.1191	1.7277	0.0161	1.3160
Jul	1.4353	2.2396	1.8526	0.0167	1.3835
Aug	1.4307	2.1950	1.8082	0.0170	1.4024
Sep	1.4269	2.2503	1.9440	0.0172	1.4648
Oct	1.4293	2.2493	1.9752	0.0178	1.4464
Nov	1.4367	2.1806	1.8896	0.0171	1.4440
Dec	1.4738	2.2709	1.9407	0.0179	1.5493
2011					
Jan	1.5013	2.3571	2.0402	0.0180	1.5695
Feb	1.4937	2.4197	2.0643	0.0185	1.6263
Mar	1.5021	2.4338	2.1625	0.0183	1.6584
Apr	1.4972	2.4874	2.218	0.0186	1.7438
May	1.5018	2.4401	2.1506	0.0185	1.7703
June	1.5064	2.4166	2.1523	0.0188	1.8082
July	1.5055	2.4528	2.1547	0.0194	1.8817
Aug	1.5104	2.4757	2.1829	0.0197	1.8604
Sep	1.5224	2.4308	2.1266	0.0200	1.7005
Oct	1.5326	2.5020	2.1949	0.0198	1.7890
Nov	1.5412	2.5078	2.1851	0.2010	1.6987
Dec	1.5505	2.4946	2.1076	0.0205	1.6838

	US Dollar	Pound Sterling	EURO
2008			
Jan	0.9888	1.9298	1.4164
Feb	0.9882	1.9317	1.4550
Mar	0.9898	1.9578	1.5500
Apr	1.0041	1.9725	1.5718
May	1.0141	1.9850	1.5823
Jun	1.0525	2.0491	1.6312
Jul	1.0809	2.1380	1.6905
Aug	1.1294	2.1063	1.6732
Sep	1.1562	2.0207	1.6796
Oct	1.1932	1.9673	1.5632
Nov	1.1960	1.8296	1.5382
Dec	1.2457	1.8655	1.6887
2009			
Jan	1.3368	1.8573	1.7314
Feb	1.3937	1.9246	1.7612
Mar	1.4109	1.9990	1.8614
Apr	1.4368	2.0909	1.8636
May	1.4507	2.2496	1.9643
Jun	1.4807	2.3904	2.0402
Jul	1.4841	2.4118	2.0762
Aug	1.4757	2.3859	2.0805
Sep	1.4757	2.3946	2.1230
Oct	1.4614	2.3634	2.1382
Nov	1.4625	2.3805	2.1532
Dec	1.4624	2.3305	2.0810
2010			
Jan	1.4546	2.3285	2.0359
Feb	1.4524	2.2678	1.9768
Mar	1.4489	2.1755	1.9691
Apr	1.4437	2.2344	1.9282
May	1.4337	2.0691	1.7732
Jun	1.4400	2.1012	1.7630
Jul	1.4505	2.2191	1.8541
Aug	1.4497	2.2314	1.8250
Sep	1.4498	2.2312	1.8791
Oct	1.4459	2.2521	1.9528
Nov	1.4530	2.2848	1.9666
Dec	1.4775	2.2683	1.9550
2011			
Jan	1.5052	2.3491	2.0073
Feb	1.5141	2.3482	2.0209
Mar	1.5277	2.4341	2.1128
Apr	1.5286	2.4387	2.1319
May	1.5195	2.4396	2.1291
June	1.5173	2.4341	2.1400
July	1.5146	2.4309	2.1241
Aug	1.5235	2.4505	2.1387
Sep	1.5789	2.4691	2.1469
Oct	1.6030	2.4223	2.2112
Nov	1.6355	2.5323	2.1900
Dec	1.6596	2.5473	2.1591

Source: Bank of Ghana

Table 24: Ghana: Public and Publicly Guaranteed External Debt (In millions of U.S. Dollars)

EXTERNAL DEBT STOCK BY CREDITOR CATEGORY (in millions of US$)

	2008	2009	2010				2011*			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total External Debt	**4,035.07**	**5,007.88**	**5,362.21**	**5,619.90**	**5,998.33**	**6,254.55**	**6,828.82**	**7,357.72**	**7,345.38**	**7,589.45**
Multilateral Creditors	2,028.31	2,461.77	2,690.40	2,786.61	2,916.19	3,057.69	3,434.13	3,854.90	3,853.46	3,891.78
Of which:										
IMF	163.07	269.98	262.59	375.60	394.59	388.02	400.82	495.81	485.84	481.71
Bilateral Creditors	1,168.22	1,687.24	1,816.46	1,846.42	2,031.78	2,169.19	2,372.66	2,501.22	2,498.55	2,712.32
Of which:										
Paris Club	774.95	1,138.83	1,177.20	1,111.28	1,243.51	1,363.03	1,556.86	1,646.45	1,654.90	1,830.49
Non-Paris Club	393.27	548.41	639.25	735.14	788.27	806.16	815.80	854.77	843.65	881.83
Commercial Creditors	838.54	858.87	855.35	986.87	1,050.36	1,027.67	1,022.03	1,001.60	993.37	985.35
Of which:										
International Capital Market	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00	750.00

Table 25. National Consumer Price Index and Inflation Rates. Monthly Changes by COICOP group (2002 Average = 100)

	2008	2009	2010						2011						
	Dec	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Overall Index	**271.46**	**314.83**	**341.83**	**348.87**	**354.41**	**358.34**	**363.02**	**369.41**	**374.13**	**376.50**	**373.88**	**368.18**	**365.22**	**366.90**	**371.16**
Food and Non-Alcoholic Beverages	246.68	274.98	288.33	293.02	297.00	300.61	304.28	310.39	313.92	315.98	311.89	301.45	295.57	297.99	300.64
Alcoholic Beverages, Tobacco and Narcotics	240.88	294.38	354.43	354.69	360.58	366.18	370.58	378.19	383.31	386.74	386.87	386.75	387.87	389.14	394.76
Clothing and Footwear	202.43	239.89	273.80	274.25	279.48	284.30	290.11	330.77	301.07	302.89	304.23	303.28	304.46	304.61	309.68
Housing and Utilities	386.11	392.64	451.87	451.99	457.35	461.39	464.25	466.99	469.47	472.87	473.32	478.58	478.73	478.86	483.19
Furnishings, Household Equipments, etc	213.13	275.01	305.63	305.46	311.73	314.67	319.22	326.44	333.22	336.90	338.44	338.31	339.39	339.71	345.56
Health	385.85	513.91	571.21	571.51	582.34	584.37	587.67	589.18	600.64	605.80	606.18	606.10	606.48	606.48	614.54
Transport	441.11	487.20	499.75	582.45	591.31	593.67	597.14	604.73	610.22	610.67	610.96	610.96	610.96	610.96	613.21
Communications	261.20	273.00	272.95	272.95	272.95	272.95	272.95	272.95	272.95	272.95	274.07	274.07	274.07	274.07	274.74
Recreation and Culture	266.51	498.26	533.51	533.50	535.57	539.05	542.03	545.46	558.19	559.48	586.70	586.59	586.68	587.76	602.88
Education	271.67	279.81	282.51	282.42	287.12	287.12	288.06	288.06	288.12	288.12	289.53	289.53	289.53	289.53	289.53
Hotels, Cafés and Restaurants	395.43	465.29	534.92	537.71	547.16	555.25	566.67	579.12	584.42	588.21	562.66	557.34	553.82	558.19	562.92
Miscellaneous Goods and Services	244.32	260.67	289.32	291.88	302.16	306.22	315.49	324.31	331.19	333.83	336.16	335.49	336.04	337.2	344.35
COMBINED															
Monthly Change (%)	2.42	1.59	1.13	2.06	1.59	1.11	1.31	1.76	1.28	0.63	-0.70	-1.53	-0.8	0.46	1.16
Year-on-Year	18.13	15.97	8.58	9.08	9.16	9.13	9.02	8.90	8.59	8.39	8.41	8.40	8.56	8.55	8.58
Annual Average (%)	16.52	19.25	10.71	10.26	9.86	9.53	9.32	9.17	9.09	9.57	9.29	8.83	8.77	8.73	8.72
Minimum Daily Wage (GH¢)	2.25	2.65	3.11	3.11	3.73	3.73	3.73	3.73	3.73	4.11	4.11	4.11	4.11	4.11	4.11

Source: Bank of Ghana

Table 26. Gross Domestic Product at 2006 Constant Prices (Millions of Ghana Cedis)

	2006	2007	2008	2009	2010*
AGRICULTURE	**5,415.0**	**5,322.0**	**5,716.1**	**6,129.0**	**6,453.0**
Crops	3,793.7	3,742.6	4,064.5	4,479.0	4,703.0
of which Cocoa	537.2	493.2	509.1	535.0	535.0
Livestock	437.1	457.8	481.1	502.0	526.0
Forestry and Logging	736.0	705.9	682.4	687.0	757.0
Fishing	448.3	415.8	488.0	460.0	467.0
INDUSTRY	**3,704.3**	**3,929.6**	**4,521.9**	**4,725.0**	**4,988.0**
Mining and Quarrying	497.4	531.6	544.4	581.0	626.0
Manufacturing	1,823.5	1,801.3	1,868.0	1,844.0	1,984.0
Electricity	142.7	118.2	141.1	152.0	170.0
Water and Sewerage	224.4	227.0	228.9	246.0	259.0
Construction	1,016.3	1,251.6	1,739.5	1,902.0	1,949.0
SERVICES	**8,690.4**	**9,358.3**	**10,106.0**	**10,667.0**	**11,714.0**
Trade; Repair of Vehicles, Household Goods	1,140.7	1,202.6	1,316.9	1,388.0	1,573.0
Hotels and Restaurants	894.1	916.6	999.8	962.0	988.0
Transport and Storage	2,357.2	2,573.4	2,671.9	2,790.0	3,014.0
Information and Communication	483.0	502.8	600.9	624.0	777.0
Banking and Insurance	472.9	559.8	620.1	678.0	791.0
Real Estate Services	391.4	400.8	410.4	420.0	430.0
Business and Other Services	522.5	542.7	532.8	525.0	646.0
Public Administration & Defence: Social Security	862.1	959.6	1,081.8	1,208.0	1,249.0
Education	655.0	720.5	814.3	915.0	963.0
Health and Social Work	249.8	259.3	270.8	312.0	347.0
Other Community, Social & Personal Service Activities	661.6	720.3	786.3	845.0	936.0
Gross Domestic Product at Basic Prices	**17,809.7**	**18,609.9**	**20,343.9**	**21,521.0**	**23,155.0**
Net Indirect Taxes	895.4	1,303.4	1,248.3	934.0	1,032.0
EQUALS : G.D.P. in Purchasers' Values	**18,705.1**	**19,913.4**	**21,592.2**	**22,454.0**	**24,187.0**

Source: Bank of Ghana

Table 27. Gross Domestic Product at Current Prices (Millions of Ghana Cedis)

	2006	2007	2008	2009	2010*
AGRICULTURE	**5,415.0**	**6,320.0**	**8,875.0**	**11,343.0**	**12,910.0**
Crops	3,793.7	4,409.0	6,435.0	8,425.0	9,422.0
of which Cocoa	537.2	581.0	706.0	874.0	1,099.0
Livestock	437.1	501.0	606.0	729.0	873.0
Forestry and Logging	736.0	910.0	1,072.0	1,314.0	1,614.0
Fishing	448.3	500.0	762.0	874.0	1,001.0
INDUSTRY	**3,704.3**	**4,513.0**	**5,855.0**	**6,776.0**	**8,039.0**
Mining and Quarrying	497.4	602.0	693.0	740.0	757.0
Manufacturing	1,823.5	1,990.0	2,277.0	2,478.0	2,941.0
Electricity	142.7	130.0	155.0	167.0	266.0
Water and Sewerage	224.4	227.0	229.0	246.0	368.0
Construction	1,016.3	1,564.0	2,500.0	3,144.0	3,706.0
SERVICES	**8,690.4**	**10,922.0**	**13,935.0**	**17,543.0**	**22,184.0**
Trade; Repair of Vehicles, Household Goods	1,140.7	1,335.0	1,710.0	2,109.0	2,701.0
Hotels and Restaurants	894.1	1,210.0	1,716.0	2,196.0	2,593.0
Transport and Storage	2,357.2	2,849.0	3,262.0	3,758.0	4,578.0
Information and Communication	483.0	511.0	622.0	657.0	831.0
Banking and Insurance	472.9	739.0	1,089.0	1,547.0	2,240.0
Real Estate Services	391.4	415.0	493.0	665.0	797.0
Business and Other Services	522.5	602.0	692.0	797.0	1,148.0
Public Administration & Defence: Social Security	862.1	1,289.0	1,799.0	2,479.0	3,024.0
Education	655.0	8,556.0	1,132.0	1,506.0	1,877.0
Health and Social Work	249.8	308.0	381.0	513.0	674.0
Other Community, Social & Personal Service Activities	661.6	807.0	1,039.0	1,318.0	1,722.0
Gross Domestic Product at Basic Prices	**17,809.7**	**21,755.0**	**28,664.0**	**35,662.0**	**43,132.0**
Net Indirect Taxes	895.4	1,400.0	1,514.0	936.0	3,100.0
EQUALS : G.D.P. in Purchasers' Values	**18,705.1**	**23,154.0**	**30,179.0**	**36,598.0**	**46,232.0**

*Provisional

source: Ghana Statistical Service

LIBERIA DATA

Total Assets and Liabilities of CBL

	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11
End of Period Market Exchange Rate	*59.50*	*62.50*	*64.00*	*70.5*	*71.5*	*72.50*
TOTAL ASSETS	**79,500,484**	**85,129,154**	**94,289,559**	**119,909,724**	**67,691,098**	**74,508,595**
TOTAL LIABILITIES	**79,500,484**	**85,129,154**	**94,289,559**	**119,909,724**	**67,691,098**	**74,508,595**

Total Assets and Liabilities of Deposits Money Banks

TOTAL ASSETS	**10,996,589**	**14,452,105**	**20,340,802**	**29,017,954**	**40,217,700**	**52,412,405**
TOTAL LIABILITIES	**10,996,589**	**14,452,105**	**20,340,802**	**29,017,954**	**40,217,700**	**52,412,405**

Commercial Banks' Interest Rates

COMMERCIAL BANKS	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11
AVG LENDING RATE	15.20	14.30	14.30	14.10	14.17	13.85
AVG PERSONAL LOAN RATE	13.00	14.90	14.31	14.49	14.15	11.02
AVG MORTGAGE RATE	12.00	12.00	14.00	14.45	14.19	14.03
AVG TIME DEPOSIT RATE	4.90	4.30	4.10	4.30	2.90	3.70
AVG SAVINGS RATE	3.00	2.10	2.11	2.00	2.01	2.02
AVG RATE ON CD'S	0.00	3.00	3.00	3.00	3.00	3.00

Commercial Bank Loans

Sectoral Distribution of Credit (000 L$)

	Dec-06		Dec-07		Dec-08		Dec-09		Dec-10		Dec-11	
		%Share		%Share		%Share		%		%		%Share
1. Agriculture	**144,572**	**5.4**	**207,324**	**4.9**	316,972	**5.1**	**329.2**	**3.4**	**398**	**3.2**	**748,330**	4.6
1.1 Rubber	29,004	1.1	**24,728**	**0.6**	**83,204**	**1.3**	74.7	**0.8**	**105**	**0.8**	132,458	0.8
1.2 Forestry	47,975	1.8	**34,063**	**0.8**	**62,208**	**1.0**	**49.8**	**0.5**	79	**0.6**	125,826	0.8
1.3 Fishing	9,217	0.3	**8,757**	**0.2**	**23,360**	**0.4**	**72.9**	**0.8**	145	**1.2**	192,425	1.2
1.4 other	58,376	2.2	**139,777**	**3.3**	**148,200**	**2.4**	131.8	**1.4**	69	**0.5**	297,622	1.8
2. Mining & Quarrying	**1,366**	**0.1**	**0**	**0.0**	**23,083**	**0.4**	**13.9**	**0.1**	**2**	**0.0**	**139,568**	0.9
2.1 Iron Ore	0	0.0	**0**	**0.0**	**0**	**0.0**	13.7	**0.1**	0	**0.0**	8,990	0.1
2.2 Quarrying	1,366	0.1	**0**	**0.0**	**23,083**	**0.4**	0.1	**0.0**	2	**0.0**	130,578	0.8
3. Manufacturing	**41,767**	0.0 1.6	**108,924**	**2.6**	**183,762**	**3.0** **0.0**	**164.0**	**1.7**	**163**	**1.3**	**324,053**	**2.0**
4. Construction	**215,543**	8.0	**279,002**	**6.6**	**551,124**	**8.8**	**1,087.5**	**11.4**	**1,215**	**9.6**	**1,319,039**	**8.2**
4.1 Mortgage Loans	1,423	0.1	**8,640**	**0.2**	**10,506**	**0.2**	**5.3**	**0.1**	**118**	**0.9**	98,238	0.6
4.2 Home Improvement	18,977	0.7	**14,625**	**0.3**	**13,440**	**0.2**	38.8	**0.4**	388	**3.1**	81,466	0.5
4.3 Other	195,143	7.3	**255,737**	**6.1**	**527,178**	**8.5**	1,043.4	**10.9**	710	**5.6**	1,139,335	7.0
5. Trans., Storage & Comm.	**149,712**	**5.6**	**218,403**	**5.2**	**735,564**	**11.8**	**1,331.5**	**13.9**	**2,824**	**22.4**	**1,351,589**	**8.4**
5.1 Transportation	70,804	2.6	**172,589**	**4.1**	**606,206**	**9.7**	922.1	**9.6**	2,080	**16.5**	676,770	4.2
5.2 Storage	0	0.0	**0**	**0.0**	**0**	**0.0**	-	**0.0**	0	**0.0**	-	0.0
5.3 Communication	78,908	2.9	**45,814**	**1.1**	**129,358**	**2.1**	409.4	**4.3**	744	**5.9**	674,819	4.2
6. Trade, Hotel &Rest.	**594,375**	**22.1**	**916,321**	**0.0** **21.8**	**1,856,078**	**29.8**	**3,066.2**	**32.0**	**3,978**	**31.5**	**6,662,164**	**41.2**
6.1 Diamond trade	0	0.0	**7,500**	**0.2**	**8,832**	**0.1**	**9.7**	**0.1**	14	**0.1**	3,536,392	21.9
6.2 Other trade	515,029	19.1	**778,321**	**18.5**	**1,647,382**	**26.5**	2,731.2	**28.5**	3,654	**28.9**	2,802,802	17.3
6.3 Hotels	77,810	2.9	**120,625**	**2.9**	**172,591**	**2.8**	278.2	**2.9**	293	**2.3**	289,238	1.8
6.4 Restaurants	1,537	0.1	**9,875**	**0.2**	**27,273**	**0.4**	47.2	**0.5**	18	**0.1**	33,732	0.2
7. Other	**1,542,493**	**57.3**	**2,469,000**	**0.0** **58.8**	**2,561,250**	**41.1**	**3,576.5**	**37.4**	**4,044**	**32.0**	**5,625,575**	**34.8**
7.1 Services	152,586	5.7	**1,292,412**	**30.8**	**1,758,115**	**28.2**	**1,962.5**	**20.5**	**1,322**	**10.5**	2,609,549	16.1
7.2 Personal	364,225	13.5	**669,657**	**15.9**	**582,301**	**9.3**	1,175.7	**12.3**	2,479	**19.6**	2,414,699	14.9
7.3 GOL	687,359	25.6	**70,750**	**1.7**	**68,880**	**1.1**	73.2	**0.8**	67	**0.5**	57,928	0.4
7.4 Central Bank of Liberia	0	0.0	**0**	**0.0**	**0**	**0.0**	-	**0.0**	0	**0.0**		
7.5 Public Corporations	21,847	0.8	**329,194**	**7.8**	**18,813**	**0.3**	23.2	**0.2**	0	**0.0**	322,988	2.0
7.6 Other	316,476	11.8	**106,988**	**2.5**	**133,141**	**2.1**	341.9	**3.6**	176	**1.4**	220,412	**1.4**
Total	**2,689,828**	**100.0**	4,198,972	**100.0**	6,227,833	**100.0**	**9,568.7**	100.0	**12,623**	**100.0**	**16,170,317**	**100.0**

Government of Liberia Revenue (In Millions, L$)

Revenue Sources	2011	2012*
A. Tax Revenue	**21,704.4**	**22,586.1**
International Trade Taxes	**9,382.4**	**8,584.2**
Taxes & Duties on Imports	9,195.7	8,381.3
Taxes on Exports	186.7	202.8
Taxes on Income & Profits	**7,764.2**	**8,416.1**
Individual Taxes on income & profits	4,302.2	3,903.6
Taxes Payable by Corporate Entities	3,415.9	4,487.8
Others	46.1	24.7
Sale Taxes on Goods & Services	**3,552.4**	**3,965.9**
Goods & Service Tax	1,038.6	1,236.5
Excise Taxes	791.6	461.7
Maritime Revenue	1,009.6	814.5
Others	712.6	1,453.2
Property & Real Estate Taxes	**171.7**	**176.3**
Other Tax Revenue[1]	**833.7**	**1,443.6**
B. Non-Tax Revenue	**5,406.0**	**4,436.3**
Charges & Other Administractive Fees	**2,362.3**	**1,807.5**
Grants	**2,058.0**	**2,058.8**
Others	**985.7**	**570.0**
Contingent Revenue	985.7	-
Borrowing	-	570.0
Revenue Carry Forward	-	-
Grand Total Revenue (A + B)	**27,110.4**	**27,022.4**

**As of September 30, 2012*

Government of Liberia Expenditure (In Millions, L$)

Expenditure Category	2011	2012*
Current Expenditure	**25,024.1**	**23,484.9**
Salaries,& Allowances	10,075.7	9,379.1
Expenditure on Goods & Services	8,328.2	8,468.9
Sudsidies	2,230.8	2,619.6
Grants	4,321.6	2,959.0
Social Benefits	67.8	58.3
Others	-	-
Capital Expenditure	**3,069.7**	**2,114.2**
Depreciation	178.1	557.3
Acquisition of Fixed Assets	2,811.9	1,541.2
Others	79.7	15.7
Interest on Debt and Other Charges	**595.1**	**481.5**
On Domestic & Foreign Debts	63.4	50.3
To Non-Residents	531.6	427.3
Others	0.1	3.9
Other Expenditures[1]	**-**	**-**
Total Expenditures	**28,688.9**	**26,080.6**

**As of September 30, 2012*

Consumer Price Index and Inflation Rate

DESCRIPTION	YEAR						
	2005	2006	2007	2008	2009	2010	2011
National Consumer Price Index and	187.6	201.4	117.9	138.5	148.8	159.6	173.2
Inflation Rate	11.1	7.4	11.4	17.5	7.4	7.5	8.5
Gross Domestic Product							
Gross Domestic Product at Constant Prices	401.8	433.2	473.9	507.1	534.0	566.5	613.0
Gross Domestic Product at Current Prices	529.0	631.0	670.6	722.9	1,155.1	1,291.9	1,545.4

Note: CPI and Inflation data for 2005 and 2006 have reference period May 1998=100
CPI and Inflation data for 2007 - 2011 have reference period Dec 2005=100

Liberia's Overall Public Debt (In Millions, US$)

Creditors	2011	2012*
Total External Debt	**252.4**	**278.3**
Multilateral	121.7	143.8
Bilateral	130.4	134.5
Commercial Creditors	0.3	-
Total Domestic Debt	**278.4**	**283.1**
Suppliers' Credit	1.9	1.9
Salary & Allowances	3.7	3.7
Financial Institutions	268.5	275.0
Pre- NTGL Salary Arrears	1.3	1.3
Others	3.0	1.2
Total Public Debt	**530.8**	**561.5**

**As of September 30, 2012*

EXCHANGE RATES: 2005 - 2011

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05
RATE END OF PERIOD	56.50	57.50	56.75	57.50	58.50	58.50	59.50	59.50	57.50	54.50	54.50	56.50
RATE PERIOD AVERAGE	57.38	56.32	56.42	56.63	57.77	58.08	59.31	59.61	58.41	55.32	54.35	54.72

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
RATE END OF PERIOD	57.50	56.75	56.75	57.50	58.00	59.50	59.50	60.50	59.50	59.50	57.00	59.50
RATE PERIOD AVERAGE	56.78	56.71	56.05	56.81	57.66	58.59	59.38	59.69	59.72	59.50	58.36	56.91

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
MARKET RATE END OF PERIOD	61.25	60.50	60.50	61.50	62.50	62.50	62.00	62.50	61.50	61.50	59.50	62.50
MARKET RATE PERIOD AVERAGE	61.11	60.67	60.50	60.97	61.69	62.51	61.24	62.41	61.62	61.64	60.16	60.77

	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08
MARKET RATE END OF PERIOD	63.50	62.50	62.63	63.00	63.50	63.50	63.50	63.50	63.50	63.50	63.25	64.00
MARKET RATE PERIOD AVERAGE	63.48	62.70	62.50	62.57	63.17	63.50	63.50	63.50	63.47	63.50	63.31	63.29

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09
MARKET RATE END OF PERIOD	64.50	64.50	65.50	66.50	70.50	70.50	71.75	72.50	72.00	70.50	70.50	70.50
MARKET RATE PERIOD AVERAGE	64.44	64.50	64.92	65.91	67.91	69.82	71.10	72.21	71.89	71.07	67.86	67.81

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
MARKET RATE END OF PERIOD	72.00	72.50	71.50	71.50	71.50	72.25	72.50	72.50	72.50	71.75	69.50	71.50
MARKET RATE PERIOD AVERAGE	71.33	71.78	71.59	70.71	71.08	71.67	72.29	72.50	71.85	72.02	69.83	70.19

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
MARKET RATE END OF PERIOD	72.50	72.25	72.00	72.50	72.50	73.00	72.50	72.50	72.00	72.00	71.50	72.50
MARKET RATE PERIOD AVERAGE	72.27	72.28	71.96	71.88	72.49	72.60	72.84	72.51	72.08	72.29	71.59	71.93

Liberia Analytical Balance of Payments (IN MILLIONS OF US DOLLARS)

	Year	2008	2009	2010	2011
A.	**Current Account Balance**	**-488.0**	**-336.0**	**-430.0**	**-752.8**
	Current Account Balance, excluding grants	-1,575.0	-1,256.0	-1,408.0	-1,966.0
	Trade Balance	-455.0	-421.0	-459.0	-1417.4
	Merchandise Exports (FOB)	254.0	153.0	215.0	622.2
	Oil	0.0	0.0	0.0	0.0
	Non-Oil	254.0	153.0	215.0	622.2
	Total exports to ECOWAS countries	0	20.1	12.8	4.4
	Merchandise Imports (FOB)	-709.0	-574.0	-674.0	-2060.6
	Oil	-147.2	-68.5	-150.8	-216.9
	Non-Oil	-728.8	-574.0	-674.0	-2060.6
	Total Imports from ECOWAS countries	0.0	-43.5	94.7	70.2
	Services (Net)	**-1007.0**	**-740.0**	**-830.0**	**-636.3**
	O/w Freight	-202.4	-62.5	-55.6	21.3
	Investment income (Net)	**-160.0**	**-145.0**	**-182.0**	**87.7**
	Investment income - Credit	0.0	0.0	0.0	101.7
	Investment income - Dedit	-160.0	-145.0	-182.0	-14.0
	Current transfers (Net)	**1,134.0**	**970.0**	**1,041.0**	**1,213.2**
	Public transfers (Net)	1,087.0	920.0	978.0	956.3
	Private transfers (Net)	47.0	50.0	63.0	256.9
B.	**Capital Account**	**1,197.0**	**1,524.0**	**1,586.0**	**0.0**
	Capital Transfers (Net)	1,197.0	1,524.0	1,586	0.0
	Acquisition/disposal of non-produced	0.0	0.0	0.0	0.0
	non-financial assets (net)	0.0	0.0	0.0	0.0
C.	**Financial Account**	**-827**	**-1,154.0**	**-351.0**	**752.8**
	Direct investment in reporting economy	272	153.0	398.0	1,277.5
	Portofolio Investment (Net)	0.0	0.0	0.0	0.0
	PrivateFinancing (Net)	111	64.0	70.0	0.0
	Other Investment (Net)	-1,099.0	-1,307.0	-749.0	-524.7
D.	**Erros and Omissions**	**43.0**	**20.0**	**15.0**	**0.0**
E.	**Overall Balance**	-1,315.0	-1,490.0	-781.0	0.0
F.	**Financing**	**1,315.0**	**1,490.0**	**781.0**	**0.0**
	Changes in Foreign Reserves	-15.0	-183.0	-79.0	0.0
	Utilization of IMF credit	0.0	18.0	-849.0	0.0
	Exceptional Financing	1,330.0	1,655.0	1,709.0	0.0
	Memorandum Items				
	Imports of Goods and Services (CIF)	-849.0	-563.0	-692.1	-1,044.3
	Average Exchange Rate (USD/local currency)	63.3	67.8	70.2	72.6
	Current Account balance as % of GDP	-57%	-38%	-44%	-68%
	Current Account balance (excluding public transfers) as % of GDP	-185%	-143%	-143%	-178%
	Gross External Reserves (millions of USD)	139.0	171.0	255.5	289.7
	Gross External Reserves in month of import CIF	2.0	3.6	4.4	3.3
	Overall balance/surplus as % of GDP	-155%	-169%	-79%	0%
	Nominal GDP in millions of USD	850.7	879.3	987.3	1,105.8

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

SIERRA LEONE DATA

		2000	2001	2002	2003	2004	2005	2006	2007
1	**Gross Domestic Product (GDP)****								
	I) at current market prices (bn of Le)	1,330.3	2,317.7	2,764.9	3,362.4	3,853.1	4,324.0	4,902	4,107
	ii) at current factor cost (bn of Le)	1,254.6	2,179.5	2,614.5	3,182.3	3,647.6	4,110.4	4,621	3,828
	iii) at constant factor cost (bn of Le)	61.7	2,179.5	2,648.2	2,943.4	3,171.1	3,420.3	3,634	3,874
	iv) GDP growth rate (%) [At Constant Price]	3.81	18.2	18.8	10.9	9.6	7.5	7.3	6.4
	v) Agriculture growth rates (%)[At Mkt price]	2.2	-5.7	31.9	9.5	8.8	6.8	5.9	13.3
	vi) Industrial growth rates (%)	5.1	6.2	33.3	25.4	11.5	1.5	3.1	9.6
	viii) Services (%)	4.0	64.5	10.8	10.6	-2.1	5.7	8.3	5.3
2	**Price Indices and Inflation Rates**								
	Composite Price Index (CPI)	509.97	521.06	503.94	542.23	619.17	693.78	759.76	848.54
	ii) Inflation Rate End of Period)	-2.75	3.43	-3.08	11.29	14.39	13.10	8.26	13.76
	iii) Inflation Rate (Annual Average)	-0.2	0.3	-0.3	0.9	1.14	1.04	0.67	0.98[R]
3	**Central Government Operations*****								
	I) Current Revenue	152,174	207,879	238,689	287,657	356,968	415,981	497,149	536,284
	ii) Current Expenditure	301,830	361,605	474,827	485,368	555,047	620,728	697,548	649,476
	iii) Primary Balance	-76,510	-81,702	-111,475	-136,116	-84060	-110,323	-127,579	-42,918
	iv) Capital Expenditure	80,516	97,766	85,766	112,314	133,046	203,993	214,558	173,764
	v) Deficit/Surplus (including grants) *on cash basis*	-124,064	-165,344	-162,243	-130,999	-71,749	-60,453	-75,582	-43,084
	vi) Deficit/Surplus (excluding grants) *on cash basis*	-230,171	-251,492	-323,578	-310,342	-331,126	412,323	-416,654	-289,881
	vii) Deficit/Surplus (including grants)/GDP (%)	9.33	10.97	9.69	-7.03	2.51	1.72	1.76	-0.87
	viii) Deficit/Surplus (excluding grants)/GDP (%)	17.30	16.68	19.28	-16.66	11.60	11.72	9.70	-5.82
	ix) Bank Financing	26,321	44,185	-5,602	22,475	-27271.00	-12,778	5,643	47,614
	x) Non-Bank Financing	27,289	8,947	24,203	44,030	49,525	59,106	7,715	6,540
	xi) Others[@]	110,559	107,686	-11,461	8,360	-72,675	-30,191	91,875	-50,207
4	**Balance of Payments (US$)^**								
	i) Exports	12.9	29.1	48.7	92.4	139.8	159.06	231.0	292.97[R]
	of which Re-exports	0.9	0.8	2.3[R]	8.4	4.0[R]	7.19	28.4	2.72[R]
	ii) Imports	-136.5	-163.1	-227.3	-261.2	-246.4[R]	-361.61	-394.8	395.65[R]
	iii) Trade Balance	-123.6	-134.0	-178.6[R]	-168.8.3[R]	-106.6	-202.50	-167.4	-102.68[R]
	iv) Services	-32.6[R]	-58.1[R]	-36.4[R]	101.7[R]	34.5[R]	-13.28	-14.8	-80.17
	a) Factor	-12.6	-14.4	-22.0	-37.0	-14.6	-50.9	-45.8	-135.17[R]
	b) Non-Factor	-70.4	-58.9	-87.8[R]	-26.5[R]	-28.5[R]	-13.28	n.a	55.59[R]
	c) Private Transfers (Net)	39.7	31.0	39.6	45.3	41.0[R]	51.0	40.7	78.35[R]
	d) Official Transfers (Net)	75.9	100.4	106.6	119.9	36.5[R]	86.2	65.47	59.37[R]
	v) Current Account Balance	-91.1	-75.8	-142.2	-249.7	-185.2	-92.4	-121.9	-156.24[R]
	vii) Capital Account	76.5	67.3	70.7	42.3	93.1	67.8	n.a	n.a
	a) Official Loans	51.2	67.6	47.8	31.5	72.1	35.6	n.a	n.a
	- Programme Loans	85.5	110.7	66.8	78.5	73.8	41.7	6.3	n.a
	- Amortizations	-36.2	-45.3	-2.29	-51.4	-6.2	-13.5	6.08	-100.05
	- (Net) Foreign Direct Investment	1.9	2.2	3.9	4.4	4.5	7.4	n.a	94.49

SIERRA LEONE COUNTRY DATA

		2000	2001	2002	2003	2004	2005	2006	2007
	viii) Overall Balance	-14.6	-8.5	-71.5	-140.0	-159.2	-132.9	n.a	30.40
	ix) Overall Balance/GDP (%)	2.3	1.1	9.0	10.7	12.2	10.2	n.a	
	x) Reserves build-up/draw down	9.7	2.1	33.3	18.1[R]	55.6	0.8	n.a	-33.90
	xi) IMF purchases/re-purchase	n.a.	n.a.	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.	n.a	n.a
	Intra ECOWAS Trade								
	I) Exports	1.3	1.3	-3.7[R]	2.1	5.7	5.9	18.92	5.61
5	ii) Imports	n.a.	n.a.	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.	n.a	n.a
	iv) Services	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a	n.a
	Exchange Rates (Average)								
	I) Per US/$	2,098.7	1,985.2	2,099.2	2,345.4	2,701.3	2,889.6R	2,961.90	2,984.51
6	ii) Per £	3,191.9	2,856.9	3,150.8	3,757.1	4,964.1	5258.7R	5,454.50	5,986.34
	iii) Per SDR	2,725.0	2,502.9[R]	2,690.4[R]	3,253.1[R]	3,960.3[R]	4,229.3[R]	n.a	4,511.69
	iv) Per WAUA	2,378.0	2,544.7[R]	2,733.86[R]	3,279.9[R]	3990.1[R]	4270.1[R]	n.a	4,534.00
	Total External Debt~	1,221.36	1,427.60	1,536.04	1,630.20	1,710.15	1,689.10	1,618.90	533.70
	I) Paris Club	281.88	311.10	343.90	371.60	359.55	343.10	375.80	4.50
7	ii) London Club(Commercial Creditors)	116.36	272.20	250.70	249.80	250.09	241.00	219.80	29.40
	iii) Multilateral Institutions	759.00	784.10	878.64	977.70	1,046.80	1,050.00	946.20	258.60
	iv) Others1/	64.12	60.20	62.80	63.10	53.71	55.00	21.30	24.40
	Monetary Survey[R]								
	I) Net Foreign Assets	(178,831)	(202,278)	(140,521)	(195,880)	(103,824)	85,928	657,401	882,642
8	a) Foreign Assets	126,951	162,749	249,562	247,535	465,585	655,373	810,852	993,632
	- Monetary Authority	86,340	115,454	191,179	168,696	365,530	505,489	601,226	647,187
	- Banks	40,611	47,295	58,383	78,839	100,055	149,884	209,626	346,445
	b) Foreign Liabilities	(305,782)	(365,027)	(390,083)	(443,415)	(569,409)	(569,445)	-153,451	-110,990
	ii) Net Domestic Assets	396,436	493,143	517,358	655,212	655,405	638,251	222,108	196,060
	-Domestic Credit	191,141	242,602	263,905	349,926	344,889	345,200	452,315	485,006
	a) Net Credit to Government	152,149	194,991	189,389	238,218	190,141[R]	159,417	238,640	200,650
	b) Loans to Private Sector	28,043	34,943	56,719	93,317	135,486	159,647	189,181	263,750
	c) Loans to Para-Public Sector	635	499	963	3,661	3,453	4,351	5,242	8,386
	d) Other Loans	10,314	12,169	16,834	14,730	15,810	21,785	19,252	12,220
	-Other Items (Net)	(205,295)	(250,541)	(253,453)	(305,286)	(310,516)	(293,051)	230,207	288,946
	iii) Money Supply (M2)	217,605	290,865	376,837	459,332	551,581	724,179	879,509	1,078,702

SIERRA LEONE COUNTRY DATA

		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
9	**Composition of Domestic Debt**										
	I) Treasury bills	94,783	139,354	187,646	231,532	304,447	375,444	438,802	491,860	585,889	651,968
	ii) Government Stocks	0	0	0	0	0	0	0	0	0	0
	iii) Government Discount Notes Series	0	0	0	0	0	0	0	0	0	0
	iv) Others (Treasury Bearer Bonds)	47,397	69,614	85,253	114,042	131,488	137,518	137,518	141,114	110,284	103,976
10	**Breakdown of Domestic Debt by Holder**										
	I) Treasury Bills	94,783	139,354	187,646	231,531	304,447	375,444	438,802	491,860	585,889	651,968
	a) Banks	75,105	123,228	150,944	179,023	221,705	231,310	284,279	313,599	434,499	523,452
	b) Non-Bank	19,678	16,126	36,702	52,508	82,742	144,134	154,523	178,261	151,390	128,516
	c) Of which: Public Enterprises	0	0	0	0	0	0	0	0	0	0
	ii) Government Development Stock	0	0	0	0	0	0	0	0	0	0
	a) Banks	0	0	0	0	0	0	0	0	0	0
	b) Non-Bank	0	0	0	0	0	0	0	0	0	0
	c) Of which: Public Enterprises	0	0	0	0	0	0	0	0	0	0
	iii) Governmet Discount Notes Series	0	0	0	0	0	0	0	0	0	0
	a) Banks	0	0	0	0	0	0	0	0	0	0
	b) Non-Bank	0	0	0	0	0	0	0	0	0	0
	c) Of which: Public Enterprises	0	0	0	0	0	0	0	0	0	0
11	**Interest Rates**										
	I) Treasury Bills Rate	20.51	14.73	14.99	20.2						
	91 - day					27.31[R]	20.41	14.19	21.29	9.06	13.99
	182 - day									11.56	14.33
	364 - day									13.02	12.21
	ii) Central Bank Rediscount Rate										
	iii) Central Banks' Red Account Rate										
	Monetary Policy Rate										
	Reverse Repo Rate										
	iv) Commercial Banks' Lending Rates					23-31	24-30	24-30	25-31	24-30	22-29
		26-35	23-33	20-30	20-30						
	a) Short-term 1 year (TBB)					22.00	19.00	17.00	20.00	10.00	12.00
	b) Medium-term>1 year< 3 years					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.
	d) Agriculture	22.5	20.00	18.00	17.00	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.	n.a.	n.a.	n.a.
	f) Trade	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
		n.a.	n.a.	n.a.	n.a.						
	v) Commercial Banks' Deposit Rates	n.a.	n.a.	n.a.	n.a.						
		n.a.	n.a.	n.a.	n.a.						

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)

	2007	2008	2009	2010	2011
Interest Rates					
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)

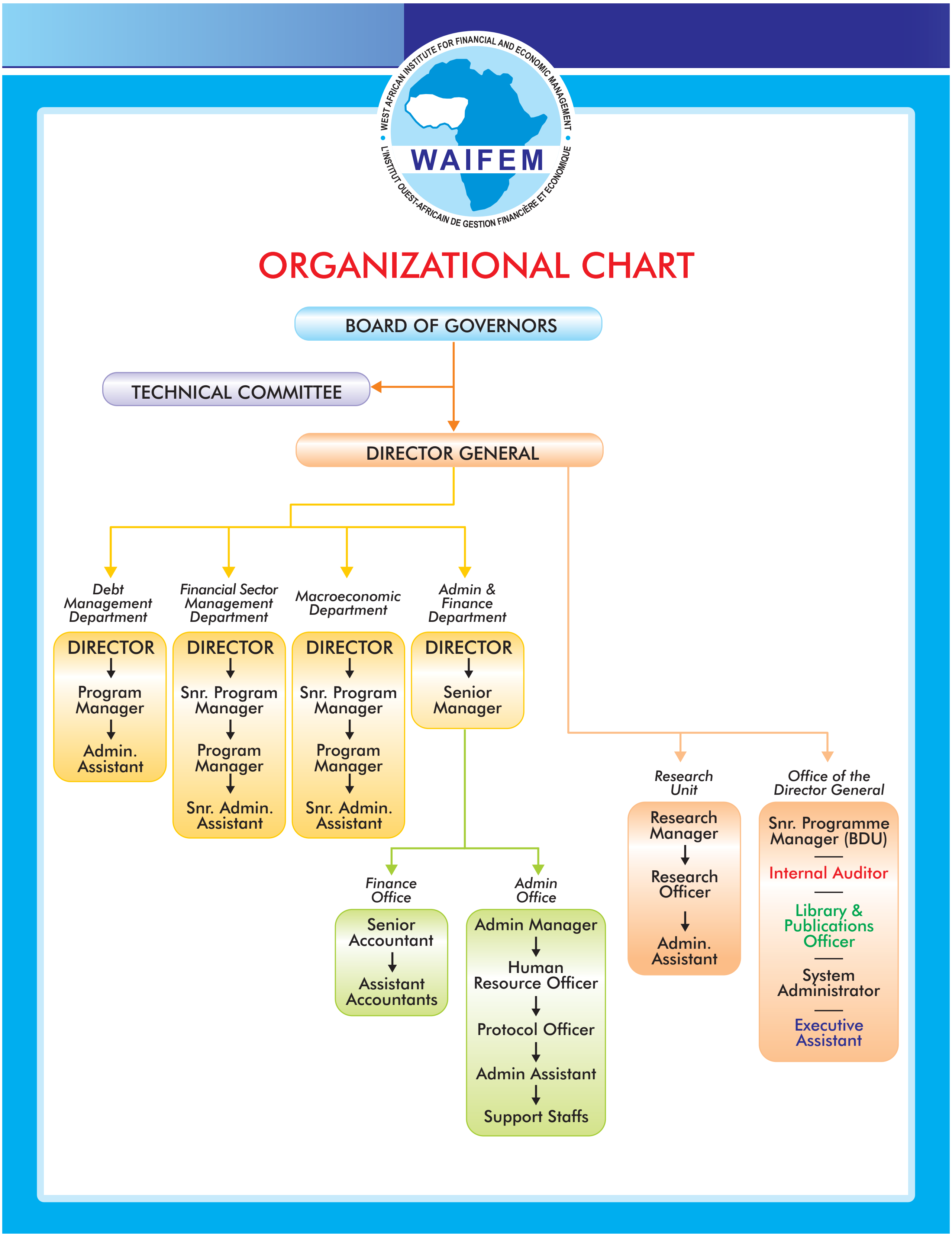
	2007	2008	2009	2010 /1	2011 /2
CURRENT ACCOUNT	**3,478,374.82**	**3,328,212.22**	**1,958,490.54**	**1,103,260.93**	**2,724,145.94**
Goods	**4,749,881.43**	**5,438,769.73**	**3,773,346.41**	**3,755,627.40**	**5,687,940.36**
Exports (fob)	*8,309,758.32*	*10,161,490.11*	*8,356,385.57*	*11,035,794.53*	*14,958,855.12*
Oil and Gas	8,110,500.38	9,913,651.13	8,067,233.00	10,639,417.37	14,476,243.15
Non-oil	199,257.94	247,838.99	289,152.57	396,377.16	482,611.97
Imports (fob)	*(3,559,876.89)*	*(4,722,720.38)*	*(4,583,039.17)*	*(7,280,167.12)*	*(9,270,914.77)*
Oil	(699,086.42)	(1,261,924.24)	(1,017,748.81)	(1,348,371.94)	(1,057,749.17)
Non-oil	(2,299,830.83)	(3,460,796.14)	(3,565,290.36)	(5,931,795.19)	(8,213,165.60)
Unrecorded(TPAdj)	(560,959.64)	-	-	-	-
Services(net)	**(2,126,812.51)**	**(2,621,053.04)**	**(2,453,707.60)**	**(2,872,420.33)**	**(2,942,989.56)**
Credit	181,558.24	268,321.83	330,241.49	460,638.39	431,076.13
Transportation	104,384.20	143,318.68	163,530.08	293,699.30	245,435.92
Travel	26,840.87	67,438.61	89,604.96	85,529.78	91,743.64
Insurance Services	571.40	43.85	112.88	151.27	329.23
Communication Services	3,368.52	3,533.47	5,448.99	7,128.27	8,107.93
Construction Services	-	-	-	-	-
Financial Services	1,684.26	1,766.73	1,203.20	2,078.27	2,383.19
Computer & information Services	-	-	-	-	-
Royalties and License Fees	-	-	-	-	-
Government Services	43,461.39	50,983.77	68,223.64	69,311.55	78,349.61
Personal, cultural & recreational services	-	-	-	-	-
Other Bussiness Services	1,247.60	1,236.71	2,117.74	2,739.94	4,726.62
Debit	(2,308,370.75)	(2,889,374.87)	(2,783,949.09)	(3,333,058.71)	(3,374,065.70)
Transportation	(626,915.26)	(814,198.30)	(907,010.65)	(1,305,310.14)	(1,249,664.05)
Travel	(703,269.62)	(1,159,073.24)	(746,302.51)	(836,612.58)	(852,831.18)
Insurance Services	(26,383.00)	(120,181.58)	(58,318.97)	(72,406.58)	(87,639.57)
Communication 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)**
Credit	*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
Debit	*(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**
Credit	*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
Debit	*(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)	**-**	**-**	**-**	**-**	**-**
Credit	-	-	-	-	-
Capital Transfers(Debt Forgiveness)	-	-	-	-	-
Debit	-	-	-	-	-
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

APPENDIX 1


WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
WAIFEM
L'INSTITUT OUEST-AFRICAIN DE GESTION FINANCIÈRE ET ECONOMIQUE
ORGANIZATIONAL CHART
BOARD OF GOVERNORS
TECHNICAL COMMITTEE
DIRECTOR GENERAL
Debt Management Department
DIRECTOR
Program Manager
Admin. Assistant
Financial Sector Management Department
DIRECTOR
Snr. Program Manager
Program Manager
Snr. Admin. Assistant
Macroeconomic Department
DIRECTOR
Snr. Program Manager
Program Manager
Snr. Admin. Assistant
Admin & Finance Department
DIRECTOR
Senior Manager
Finance Office
Senior Accountant
Assistant Accountants
Admin Office
Admin Manager
Human Resource Officer
Protocol Officer
Admin Assistant
Support Staffs
Research Unit
Research Manager
Research Officer
Admin. Assistant
Office of the Director General
Snr. Programme Manager (BDU)
Internal Auditor
Library & Publications Officer
System Administrator
Executive Assistant

APPENDIX 2

PRINCIPAL OFFICERS OF THE INSTITUTE

Director General Office

Director General	Prof. Akpan H. Ekpo	DG
Executive Assistant	Mrs. Josephine Roberts	EA
Internal Auditor	Mr. Victor Emmanuel	IA
Library & Publication Officer	Mr. Samuel Sepha	LPO
IT Systems Administrator	Ms. Rebecca Ikpeme	SA
Business Dev. Consultant	Dr. Elijah Udoh	BDU

Debt Management Department

Director	Mr. Baba Y. Musa	D-DMD
Programme Manager	Mr. Karamo Jawara	PM-DMD

Financial Sector Management Department

Director	Mr. OusmanSowe	DFSMD
Senior Programme Manager	Dr. Patricia A. Adamu	SPMF
Programme Manager	Mr. OgbonnayaAgu	PMF

Macroeconomic Management Department

Director	Dr. Johnson P. Asiama	DMMD
Senior Programme Manager	Dr. UdormaAfangideh	SPMM
Programme Manager	Mr. Gabriel Asante	premium

Administration and Finance Department

Director	Mr. Euracklyn V. Williams	DAF
Senior Manager	Mrs. O. O. Jemilugba	SMAF
Senior Accountant	Mr. Linus Gimoh	SA
Admin Manager	Mr. Emmanuel Ekpo	AM

Research Unit

Research Manager	Mr. Alvin Johnson	MRES
Research Officer	Mr. Sulayman Bello	RESO

APPENDIX 3

SOME COOPERATING TECHNICAL PARTNERS

International Monetary Fund (IMF) Institute
Washington D. C.
Tel.: +1 202 623 4661
Fax. +1 202 623 6440
+1 202 623 6490

World Bank Economic Policy & Debt Department
1818 H. Street
Washington D. C. 20433
Tel.: +1 202 458 5556
Fax. +1 202 676 0959

United Nations Institute for Training and Research (UNITAR)
Palais Des Nations
CH-1211 Geneva 10
Switzerland
Tel.: +41 22 917 1234
Fax. +41 22 917 8047

African Development Bank (AfDB) Relocatia Agency (Tunis)
15 Avenue du Ghana
P. O. Box 323 1002
Tunis-Belvedere, Tunisia
Tel.: +216 7110 3900
+216 7135 1933

Economic Community of West African States (ECOWAS)
101 Yakubu Gowon Crescent
Asokoro District
P. M. B. 401
Abuja, Nigeria
Tel.: +234 9 3147647 9
Fax. +234 9 3143005
+234 9 3147646

Commonwealth Secretariat
Marlborough House, Pall Mall
London SWIY 5 HX
Tel: +44 207 747 - 6500
Fax: +44 207 930 0827

Development Finance International (FDI)
4th Floor, Lector Court
151-152 Farringdon Road
London ECIR 3AF
United Kingdom
Tel: +44 207 278 - 0022
Fax: +44 207 278 8622

Crown Agents Training
St. Nicholas House
St. Nicholas Road
Sutton, Surrey
SM 1 1EL
United Kingdom
Tel: +44 208 643 - 3311

United Nations Economic Commission for Africa (UNECA)
P. O. Box 3001
Addis Ababa, Ethiopia
Tel: 251 11 551 7200
Fax: 251 11 551 0365/2233

World Trade Organization (WTO)
Centre William Rappard
154 Rue de Lausanne
CH 1211, Geneva 21
Switzerland
Tel.: +41 227 395 111
Fax: +41 227 314 206

De La Rue
De La Rue House
Jays Close, Viable
Basingstoke, Hampshire
RG22 4BS, United Kingdom
Tel.: +44 125 66 5000

Brookings Institution
1775 Massachusetts Avenue,
N. W Washington D. C. 20036
United States of America
Tel.: +1 202 797 6000

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

WAIFEM

L'INSTITUT OUEST-AFRICAIN DE GESTION FINANCIÈRE ET ECONOMIQUE

WAIFEM COUNTRIES OF FOCUS AND MAP OF AFRICA

- The Gambia
- Sierra Leone
- Liberia
- Ghana
- Nigeria