



WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT (WAIFEM)



2023 ANNUAL REPORT

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**WEST AFRICAN INSTITUTE
FOR FINANCIAL AND
ECONOMIC MANAGEMENT**

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Board of Governors



MR. J. ALOYSIUS TARLUE
EXECUTIVE GOVERNOR,
CENTRAL BANK OF LIBERIA



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GOVERNOR, BANK OF SIERRA LEONE
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DIRECTOR GENERAL (WAIFEM)
& SECRETARY, BOARD OF GOVERNORS



DR. ERNEST K.Y. ADDISON
GOVERNOR, BANK OF GHANA

Message from the Chairman of the Board of Trustees

I am very elated to present the 2023 Annual Report and Statement of Accounts of the West African Institute for Financial and Economic Management (WAIFEM) on behalf of the Board of Governors. The reporting period underscores slow pace of recovery of the global economy from the depths of the COVID-19 pandemic. Factors holding back the fast recovery of the global economy include Russia's war in Ukraine, increasing geo-economic fragmentation, effects of monetary policy tightening, withdrawal of fiscal support amid high debt, extreme weather events, among others. Despite the global economic turbulence, most African economies have consolidated their recovery from the debilitating impact of the COVID-19 pandemic. Thus, we remain hopeful that future funding from our development partners will not be negatively impacted.



This report contains the training and capacity-building activities of the Institute and its audited financial statements for the period January 1 to December 31, 2023, as well as overviews of the economic performance of WAIFEM member countries, the West African sub-region, and Africa as a whole.

WAIFEM, as a centre of excellence in capacity building, has satisfactorily met the training needs of its member countries and beyond. This has been achieved through the delivery of courses, workshops, seminars, and missions. We commend the Central Banks of WAIFEM member countries for meeting their financial commitments and WAIFEM's international partners for providing grants and technical support to facilitate the execution of planned programmes for 2023.

The stakeholders in the subregion and beyond have continuously applauded WAIFEM for its training and capacity-building programmes. I am aware that WAIFEM, through the feedback received from sponsoring institutions and participants, has improved the content and quality as well as the delivery of its programmes. WAIFEM scouts and uses the best facilitators in and outside the subregion based on qualification and experience.

In 2023, the Institute executed sixty-one (61) training and capacity-building activities, which benefited a total of one thousand, five hundred and forty-eight (1,548) participants from the West African sub-region and beyond.

As our countries make strenuous efforts to recover from the lingering effects of the COVID-19 pandemic and the associated disruptive effects of the Russia-Ukraine war, I encourage member central banks, and technical partners to continue to support the Institute by providing resources needed to discharge its functions effectively.

I congratulate the Director-General, Management, and Staff of WAIFEM for the effective execution of training programmes. I also applaud them for their dedication, commitment, and professionalism in the conduct of the affairs of the Institute.

Finally, I express my gratitude to all the Board Members for their unflinching support over the past year. The Board is very proud of WAIFEM's achievements over the 27 years of building capacity in West Africa.

Dr. Ibrahim L. Stevens

Governor, Bank of Sierra Leone and

Chairman, Board of Governors of WAIFEM

December 2023

Overview of 2023 Activities by the Director General

The year 2023 was a daunting period for the West African Institute of Financial and Economic Management (WAIFEM) due to the sluggish recovery in the global economy, high global inflation, and sharp depreciation of domestic currencies of member countries. These developments drastically increased the operational costs of the Institute. Despite this, member central banks did not renege on their financial commitment to the Institute thereby ensuring smooth execution of our training programmes. I applaud member central banks for fully honouring their obligation to the Institute.



During the year 2023, WAIFEM conducted sixty-one (61) training and capacity-building activities, which benefited a total of one thousand, five hundred and forty-eight (1,548) executive/senior/middle-level officials from member central banks, ministries of finance and economic planning, offices of accountant-general, debt management offices and other public sector agencies. Of the sixty-one (61) programmes, six (6) were conducted virtually and fifty-five (55) were executed using face-to-face method.

The Fiscal Policy, Debt Management, and Regional Integration Department conducted sixteen (16) programmes that benefited four hundred and thirty-five (435) officials. On the other hand, the Financial Sector and Payment Systems Department organised twelve (12) programmes, which benefited a total of three hundred and thirty-three (333) officials. Research and Macroeconomic Management Department conducted eight (8) programmes which benefited two hundred and forty-one (241) officials while the Governance and Institutional Development Department organised eight (8) programmes which benefited two hundred and thirty-three (233) officials. The Business Development and Consultancy Unit (BD&CU) conducted seventeen (17) training programmes which benefited three hundred and six (306) officials.

With regard to member countries' share of course participation, The Gambia accounted for 19.1 percent, Ghana 21.3 percent, Liberia 13.3 percent, Sierra Leone 15.3 percent, and Nigeria 20.3 percent, whilst other countries constituted 10.7 percent. Ghana's largest share of course participation was due to a sizeable number of IMF programmes and missions held in the country.

In terms of institutional representation, the Central Banks recorded 43.7 percent of participants in the Institute's training programmes, followed by the Ministries of Finance and Economic Planning (32.8 percent) and other public and private sector agencies (23.6 percent). Moreover, with regard to gender, 972 (62.8 percent) participants were males, while 576 (37.2 percent) participants were females.

Furthermore, it is worth noting that the Institute maintained strategic relations with its international partners such as the IMF, The World Bank, the African Development Bank, the United Nations Department of Economic and Social Affairs (UNDESA), Overseas Development Institute (ODI), among others.

We, therefore, appreciate the Board of Governors of WAIFEM for the financial support, dedication, commitment, and good leadership, which enabled the Institute to record some significant achievements despite the difficulties and constraints imposed on Member Countries' finances by geopolitico-economic shocks. The Institute is also grateful to its donors and technical partners for the financial and technical support. With the continuous support of the Board of Governors and our global partners, the Institute will continue to discharge its responsibilities in Capacity Building, Research, Business Development, and Consultancy within the subregion and beyond.

Finally, I express profound gratitude to all staff of WAIFEM for their dedication and commitment to duty, our facilitators for their time and efforts in supporting WAIFEM to achieve its mandate, and our participants for the positive feedback we receive from them about our capacity-building programmes.

Dr. Baba Yusuf Musa,

Director-General of WAIFEM and

Secretary, Board of Governors

December 2023

Principal Officers of the Institute



Dr. Baba Y. Musa
Director General



Mr. Euracklyn Williams
Director, Administration and Finance Department



Mr. Amadou S. Koora
Director, Financial Sector and Payment Systems Department



Mr. Aliyu Yakubu
Director, Fiscal Policy, Debt Management and Regional Integration Dept.



Dr. Emmanuel Owusu-Afriyie
Director, Research and Macroeconomic Management Department



Dr. Alvin Johnson
Director, Governance and Institutional Development Dept.



Dr. Patricia A. Adamu
Assistant Director, Financial Sector and Payment Systems Department.



Prof. Douglasson G. Omotor
Advisor, Bus. Dev. & Consult. Unit



Dr Okon J. Umoh
Principal Programme Manager Research and Macroeconomic Management Department



Mr. Ogbonnaya AGU
Senior Programme Manager Governance & Institutional Development Department



Mr. Gabriel Y. Asante
Senior Programme Manager 1, Fiscal Policy, Debt Management and Regional Integration Dept.



Mr. Ephraim Cheapoo
Senior IT Manager.



Mr. Linus Gimoh
Principal Accountant



Mrs. Linda Beckley-Thomas
Head, Library and Publications Unit



OPERATIONS OF WAIFEM

1.0 OPERATIONS OF WAIFEM

1.1 OVERVIEW OF PROGRAMME OF ACTIVITIES

During the year 2023, the Institute conducted sixty-one (61) training and capacity building activities, benefiting a total of one thousand, five hundred and forty-eight (1,548) executive/senior/middle-level officials from member central banks, core economic ministries, offices of accountant generals, debt management offices, and other public sector agencies.

Of the sixty-one programmes (61), six (6) were conducted virtually, whilst fifty-five (55) were executed face-to-face.

Fiscal Policy, Debt Management, and Regional Integration Department conducted sixteen (16) programmes that benefited four hundred and thirty-five (435) officials. Similarly, the Financial Sector and Payment Systems Department organised twelve (12) programmes, which benefited a total of three hundred and thirty-three (333) officials. Research and Macroeconomic Management Department conducted eight (8) programmes which benefited two hundred and forty-one (241) officials and the Governance and Institutional Development Department organised eight (8) programmes which benefited two hundred and thirty-three (233) officials. The Business Development and Consultancy Unit (BD&CU) conducted seventeen (17) training

programmes which benefited three hundred and six (306) officials.

The number of capacity-building programmes significantly increased from fifty-five (55) in 2022 to sixty-one (61) in 2023. In terms of member countries' share of course participation, The Gambia accounted for 19.1 percent (295 participants), Ghana 21.3 percent (330 participants), Liberia 13.2 percent (205 participants), Nigeria 20.3 percent (314 participants), and Sierra Leone 15.4 percent (238 participants), whilst other countries constituted 10.7 percent (166 participants). Ghana's largest share of course participation was due to a sizeable number of IMF programmes and missions held in the country.

In terms of institutional representation, member Central Banks recorded 43.7 percent of participants in the Institute's training programmes, followed by the Ministries of Finance and Economic Planning (32.8 percent) and other public and private sector agencies (23.6 percent). With regard to gender, 972 (62.8 percent) participants were male, while 576 (37.2 percent) participants were female. Thus, female participation increased slightly in 2023 by 1.1 percentage points.

1.2 FISCAL POLICY, DEBT MANAGEMENT AND REGIONAL INTEGRATION DEPARTMENT

1.2.0 Introduction

During the year 2023, Fiscal Policy, Debt Management, and Regional Integration Department executed a total of sixteen (16) capacity-building programmes which benefited four hundred and thirty-five (435) officials from WAIFEM member countries. The country breakdowns were The Gambia 148 participants (34.0 percent); Ghana 97 participants (22.3 percent); Liberia 45 participants (10.3 percent); Nigeria 96 participants (22.1 percent); and Sierra Leone 49 participants (11.3 percent).

In terms of gender distribution, 292 of the participants were male (67.1 percent), whilst 143 were female (32.9 percent). Moreover, 61.1 percent of the participants were from the Ministry of Finance followed by the central banks (19.8 percent) and others (19.1 percent).

Out of the sixteen (16) programme activities, two (2) were conducted virtually, whilst fourteen (14) were face-to-face programmes. The details of the

programmes executed by the Fiscal Policy, Debt Management, and Regional Integration Department in 2023 were as follows:

1.2.1 A Joint World Bank - WAIFEM Team Embarks on a Hybrid-Mission to Ghana's Ministry of Finance (MoF), Accra, April 10-14, 2023

A Joint Mission of World Bank/IMF/WAIFEM was sent to Ghana to assist the Government of Ghana to take stock of Public Debt Reporting Practices, including their coverage, scope, and modalities of dissemination over the period, of April 10 - 14, 2023.

With regard to participation, forty-two (42) senior and middle officials were drawn from the Auditor General's Office and the Bank of Ghana (BoG). The meetings were held at the Ministry of Finance (MoF), Ghana. All the pre-mission activities including data validation and coordination between the government of Ghana and the World Bank/IMF were undertaken by WAIFEM. In addition, during the mission, the World Bank and IMF officials facilitated the meetings virtually, while a WAIFEM official was

present to coordinate the teleconferencing facilities and other logistics and hands-on exercises. The post-mission evaluation was also conducted by WAIFEM. The report submitted at the end of the mission outlined the current reporting practices and dissemination. The activity guided the staff of the Debt Management Department (DMD) at the Ministry of Finance of the operations of the Government of Ghana. In addition, the document provided the benchmark for key recommendations and steps going forward.

1.2.2 A Joint World Bank-IMF-WAIFEM Debt Monitoring and Reporting Mission Assesses the Government of Liberia, Monrovia, April 17-21, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint IMF-World Bank

team of Debt Experts to assist the Government of Liberia to take stock of public debt reporting practices, including their coverage, scope, and modalities of dissemination for the period, April 17 - 21, 2023.

Twenty-one (21) senior and middle officials were drawn from the Debt Management Unit (DMU), under the Ministry of Finance and Development Planning (MoFDP), Auditor General's Office and the Central Bank of Liberia (CBL) to take part in the exercise, which was carried out at the Debt Management Unit office.

All the pre-mission activities including data validation and the coordination among the Government of Liberia, the World Bank and IMF were undertaken by WAIFEM. During the mission, the World Bank and the IMF officials facilitated virtually, while a WAIFEM official was there to coordinate the teleconferencing facilities and other logistics and hands-on. The post-mission evaluation was also conducted by WAIFEM.

The report submitted at the end of the mission outlined the current reporting practices and dissemination; recommendations and key findings. In terms of assessment of impact, the activity guided the staff of Debt Management Unit (DMU) at the Ministry of Finance and Development Planning (MoFDP) on the operations of the Government of Liberia. In addition, the document provided the benchmark for key recommendations and steps forward.

1.2.3 WAIFEM E-Learning Diploma Course in French Language, Lagos, Nigeria, April 24- May 5, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional E-Learning Diploma Course in French Language. The training was conducted at CBN Learning Centre,

Satellite Town, Lagos, Nigeria from April 24 - May 5, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region.

The face-to-face training was followed by four (4) weeks on-line modules of the course, from May 8 - June 2, 2023.

The Face-to-Face Aspect

The opening ceremony was attended by the Director-General of WAIFEM, who was ably represented by Dr. Alvin G. Johnson, Director (Governance and Institutional Development Department, WAIFEM), other Directors, and staff of WAIFEM, and distinguished resource persons led by Madame Selin Nwoye of Channelle Francaise.

In his welcoming remark, Dr. Alvin, on behalf of the Director-General warmly welcomed all the participants for the course and the distinguished facilitators led by Madame Selin Nwoye of Channelle Francaise. He also extended a warm greeting to the Directors and staff of WAIFEM who were present at the opening ceremony. The Director-General expressed his sincere appreciation to the facilitators for generously sharing their expertise and passion for the French Language with the course participants for the entire period. The Director-General also expressed his thankfulness to the participants for their enthusiastic response to WAIFEM's call for nominations, which indicates the importance WAIFEM member countries attach to the course in their efforts to deepen regional integration in the West African sub-region.

On the course, the Director-General briefly highlighted some advantages of learning the French Language as English speakers. He noted that French is the official Language in 29 countries worldwide, including France, Canada, Switzerland, Belgium, and many African nations. Thus, this makes it an important tool for global and regional integration. Moreover, it is a language of international diplomacy and one of the official languages of the United Nations, the European Union, the ECOWAS, and other international organizations. Most importantly, in the West African sub-region, 9 out of 16 countries are Francophone and where Language and cultural diversity are inherent, a second language such as French can be valuable. The Director-General, therefore, emphasized that these are among the motives of introducing the E-Learning Programmes in the French Language in 2016 to bridge the widening gap in understanding and speaking the French Language among English speakers in the sub-region.

The course was designed to strengthen participants' written and spoken French proficiency. As such, the course was meant to assist public and private sector officials in Anglophone West Africa and beyond to overcome the language barrier faced in commerce,

banking, industry, tourism, journalism, and other cross-border activities that are key to deepening the regional integration process. Hence, to bridge the widening gap in understanding and speaking the French Language among English speakers in the sub-region.

The training covered key topics required to achieve the necessary language competences and mastery, which included fluency, writing, reading, and listening skills. The broad topics covered included Professional French - Business French; French at workplace; functional French grammar; and Dialogue. The course also provided the participants with the opportunity to practice verbal expressions through class tasks at individual level to test participants' pronunciations and comprehension skills which is essential for the French Language.

The delivery methodology comprised two phases: an intensive two-week residential phase from April 24, 2023, at WAIFEM's headquarters, CBN Learning Centre, and a four-week online phase from May 8 to June 2, 2023. The face-to-face aspect of the program was attended by fourteen (14) participants from The Gambia (4), Ghana (5), Liberia (2), and Sierra Leone (3).

Most of the topics on the course outline were introduced during the face-to-face session in order to make the online aspect easier for the participants. Basic grammar topics were taught. The participants also had a lot of interactions and presentations in French using authentic documents which are very much relevant to the language needs of the participants. There was ample use of audio-visual learning materials in a form of dialogues, reading, songs, etc. The large TV screen and the sound system in the classroom contributed a great deal to effective course delivery and learning.

The course was facilitated by two (2) experts, Madame Selin Chinelo Nwoye (Chanelle Francaise, Lagos, Nigeria) and Madame Chinyere T. Okpara.

Communiqué

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

Observations

The facilitators' delivery methodology was excellent, and they demonstrated in-depth mastery of the themes;

- The course was exciting and interactive as the facilitators were able to engage participants at the end of each lecture, to test the level of their understanding and assimilation;
- Furthermore, verbal/vocal tasks were given to test participants' pronunciations which is essential for the French Language.

- The face-to-face course was very effective for participants due to the opportunity that was accorded to participants and the facilitators for deep and meaningful interactions and discussions; and
- The facilitation, coordination, and administration of the course by WAIFEM staff were acceptable and provided an exciting learning atmosphere during the face-to-face interactions.

Recommendations

To WAIFEM

- The participants recommended that subsequent face to face Diploma class should be followed immediately after the Certificate course in order to ensure continuity of knowledge acquired by participants;
- They indicated that most participants had to have their memories refreshed by reviewing materials learnt during the Certificate course which significantly reduced the time available to delve deeply into the Diploma course. They recommend that in such instances, the time allotted for the Diploma be extended to three weeks to allow for more in-depth topics and discussions during classes;
- They were of the view that WAIFEM organizes more Diploma courses to reduce the back log of Certificate holders in French from the institutes who are yet to have either their immersion programme or the Diploma course; and
- For reasonable fluency, reading and writing in the French language, WAIFEM should extend the immersion (placement) phase from 8 days to two weeks.
- They emphasised the need to have the immersion aspect of the program as they saw the certificate immersion programs very relevant:
 - o Gain a deeper understanding and access to a rich French cultural heritage and develop a solid foundation for learning other languages.
 - o It can also have a profound impact on our relationships with the francophone countries visited. Going for an immersion program to francophone countries in the West African sub-region can also broaden the scope of the people we can meet and positively influence and thus provides opportunities to live a more altruistic life.

The E-LEARNING Aspect

The online course lasted for four (4) weeks, from May 8 - June 2, 2023. Assignments were uploaded every week for the participants which were completed and sent to the course mentor, for review. The assignments were marked, corrections made and sent back to each participant. There were discussions using topics that were quite interesting and educative. The course mentor posted discussion topics on the e-Learning portal which the participants responded to by making very enriching comments. The aim of the discussions was to enable participants enrich their vocabulary and expressions in French. The participants were generally active in the online course.

Appreciation and Conclusion

The participants expressed their gratitude to the Director-General, Management, and staff of WAIFEM for successfully organizing this important course. They also expressed profound appreciation to Member Central Banks for their continuous support to WAIFEM to enable them to run the training programme. The participants were grateful for the opportunity to upgrade their knowledge in the French Language and were thankful to their respective institutions for the opportunity.

Similarly, they extended appreciations to the facilitators (Madame Selin and Madame Chinyere T. Okpara) for sharing their great wealth of professional knowledge in French language through an excellent delivery and engaging sessions during the course.

The class governor on behalf of the class wished all participants and facilitators a fruitful learning experience as they move to the other phases of the course.

1.2.4 Joint World Bank/IMF/WAIFEM Regional Training on Medium-Term Debt Management Strategy (MTDS) and the Annual Borrowing Plan (Abp), Banjul, The Gambia, May 8-12, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint World Bank/IMF Regional Training on Medium-Term Debt Management Strategy (MTDS) and Annual Borrowing Plan (ABP). The training was conducted at Paradise Suites Hotel, Kololi, Banjul, The Gambia over the period, May 8 - 12, 2023.

The training targeted staff of Central Banks, Ministries of Finance and Economic Planning, Debt Management Offices and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, the Honourable Governor of the Central Bank of The Gambia (CBG), Mr. Buah Saidy, who was ably represented by Mr.

Sheriff Touray, Deputy Director (Economic Research Department, CBG), distinguished resource persons from the World Bank and the IMF as well as other WAIFEM officials.

In his welcoming remark, the Director-General warmly welcomed the Representative of the Honourable Governor of the Central Bank of The Gambia, Honourable Buah Saidy, the distinguished facilitators from the World Bank and the IMF and distinguished participants for the course. He expressed WAIFEM's deep appreciation to the Government of The Gambia and the Honourable Governor, Mr. Buah Saidy through his representative, Mr. Sheriff Touray. He commended the Honourable Governor for his unwavering support and continuous collaborations with WAIFEM in delivering smoothly its mandate within the sub-region. The Director-General also applauded the esteemed officials and experts from the World Bank and the IMF that included Lilia Razlog (World Bank), Juan Carlos Vilanova (Public Debt Expert), Irakli Katcharava, (IMF - Public Debt Expert), and Gabriel Presciuttini (Debt Expert). He expressed his utmost appreciation and commendation to the World Bank and IMF team for their invaluable contribution towards the training through providing the necessary resources and expert facilitators. He sincerely acknowledged the firm commitment of the World Bank and the IMF towards building capacity of public officers in the West African sub-region.

On the course, the Director-General started by recalling the recent significant economic and financial challenges faced by the West African sub-region which included high fiscal deficits and debt levels, low growth rates, persistent external imbalances, and weak domestic resource mobilization, among others. Thus, he emphasized the need to improve debt management strategies and practices to ensure debt sustainability and long-term economic growth. The Director-General further elaborated that effective debt management strategies could guarantee a country's borrowing to be sustainable and be able to support its development objectives. The main goal always remained to balance the need for financing against the risks associated with borrowing options which included the risk of default and the potential for debt distress.

On the annual borrowing plan, the DG noted that it remained fundamental to debt management strategy as it served as a guide for borrowing in a given fiscal year in terms of timing and amount. The ABP helped to prudently plan funding needs, hence, countries could minimize borrowing costs and reduce the risks associated with such financing while developing their domestic debt market. The DG concluded that in order to achieve these important objectives, the training was aimed to enhance participants'

knowledge and skills in designing and implementing medium-term debt strategies and annual borrowing plans.

In his keynote address the representative of the Honourable Governor of CBG, Mr. Sheriff Touray commended the World Bank, IMF and WAIFEM for jointly organizing the course on MTDS and ABP. Mr. Touray noted that the training came at a critical time as many developing countries were facing complex macroeconomic and public debt management challenges. He also applauded the Director-General of WAIFEM, the entire staff of WAIFEM, and the WAIFEM's long-standing partners (the World Bank and the IMF) for their firm commitment to capacity building in our sub-region.

The Honourable Governor highlighted that the globe was faced with episodes of risk and uncertainty that led to the complex macroeconomic and public debt management challenges. As such, developing countries, including those in our sub-region, were faced with new financial vulnerabilities due to the recent worldwide pandemic, geopolitical conflicts, and multifaceted external and domestic shocks. The sub-region was witnessing a deterioration in fiscal balance and public debt-to-GDP ratios, putting enormous pressure on public debt managers in their debt management roles. Recent statistics by the World Bank/IMF showed that of the 69 Poverty Reduction and Growth Trust (PRGT)-eligible countries, 9 were in debt distress, 27 were at high risk, 26 were at moderate risk, and 7 were at low risk of debt distress.

Accordingly, while our member countries continued their efforts to mobilize and allocate resources to confront these challenges, governments' efforts to formulate sound DMS and ABPs to guide future decisions on financing options, consistent with national priorities and debt sustainability remained critical.

Lilia Razlog, the representative of the World Bank and the IMF team also made a brief remark. She thanked the Director-General of WAIFEM and the staff of the Department of Fiscal Policy, Debt Management and Regional Integration (FPDMRID) for the outstanding coordination of the training. Lilia also expressed the team's gratitude for the opportunity to share their knowledge & experience and encouraged participants to take full advantage of the training to enhance their knowledge and understanding of the how to formulate DMS and develop ABP through the MTDS-ABP framework.

The training was aimed to enhance participants' knowledge and skills in designing and implementing medium-term debt management strategies and annual borrowing plans for public debt managers in WAIFEM member countries. The course was structured to refresh participants' knowledge on the

MTDS framework and MTDS analytical tool as well as the institutional and legal arrangements that underpin the preparation of the DMS and the ABP and the relationship between the DMS, the ABP, and the securities issuance calendar, using the ABP Tool.

The training covered key areas such as: Introduction to the MTDS Analytical Toolkit, Interest and exchange rates, Financing strategies, Cost-risk indicators (definition, calculation, etc.), Identify the cost-risk indicators of the different strategies, Discussion on the DMS, Consideration on how to choose the right one, Reviewing the various outputs in the MTDS AT, Role and preparation of the DMS and the ABP and their relationship, and the securities issuance calendar, Current practices, and challenges in implementing the DMS/ABP in WAIFEM region. The course program was also structured to allow group and country teamwork and presentations to deepen participants' understanding of the formulation of DMS and development of ABP processes as well as share country experiences.

The course was facilitated by five (5) highly experienced resource persons/experts from the World Bank, the IMF and WAIFEM in the persons of, Lilia Razlog (World Bank), Juan Carlos Vilanova (Public Debt Expert), Irakli Katcharava (IMF expert/Public Debt Expert), Gabriel Presciuttini (Debt Expert) and Mr. Yakubu Aliyu (Director, FPDMRI, WAIFEM).

The course was attended by thirty-two (32) participants consisting of fifteen (15) females and seventeen (17) males drawn from all WAIFEM member countries namely, The Gambia (10), Ghana (6), Liberia (6), Nigeria (4), and Sierra Leone (6).

Communiqué

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

Key Lessons

- The Medium-Term Debt Management Strategy (MTDS) is a framework that guides government's borrowing decisions. Its secondary objective is to develop domestic bond market.
- The MTDS Analytical Toolkit allows debt managers to look at borrowing from cost and risk perspective.
- The Annual Borrowing Plan (ABP) is built on the MTDS and implements the strategy for a 12-month period.
- The Middle Office leads in the preparation of the MTDS while the Front Office leads in the implementation.
- Cash buffer is the cash level or amount of

cash set aside at the end of the year and it is used as an input in the MTDS Toolkit.

Observations

- The training period was short but the course materials were adequately covered given the experienced team of facilitators from the IMF and World Bank.
- The sessions were very interactive with shared experiences from participants' countries.
- The participants were generally unsatisfied with the training venue. The primary issues included poor internet connectivity, uncleaned bathrooms, defective door locking system, limited varieties of food, etc.
- Staff turnover was an issue across participants' countries.

Recommendations

To Member Countries

- Member countries should retain resourced staff and build or support a national MTDS Team to ensure that capacity is retained.

To WAIFEM

- In the future, a minimum of two weeks should be scheduled for trainings in the DMS and ABP.
- WAIFEM considers changing the training venue to a more convenient hotel.
- Although the course was relevant and impactful, WAIFEM would need to undertake a follow up in-person training.

To Participants

Participants should replicate knowledge gained from the training to ensure sound debt management practices in their respective countries.

Appreciation and Conclusion

The participants expressed their appreciations to the Director-General, his entire WAIFEM team, the World Bank and the IMF for organizing the training. They applauded the expert facilitators for the excellent delivery of the course in a simple and practical manner.

Finally, the participants' representatives congratulated their fellows for devoting time to learn the toolkits and sharing country experiences among WAIFEM member countries.

1.2.5 Joint World Bank-WAIFEM Training on Sub-national Debt Management Performance Assessment (Sn-Dempa) Methodology, Abuja, Nigeria, May 29 - June 2, 2023

The West African Institute for Financial and Economic

Management (WAIFEM) organised a Joint World Bank Training on Sub-national Debt Management Performance Assessment (DeMPA) Methodology. The training was conducted at Bolton White Hotel, Abuja, Nigeria from May 29 - June 2, 2023, for staff of States' Debt Management Offices from selected States in Nigeria.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, the Honourable Governor of the Central Bank of Nigeria (CBN), Honourable Godwin I. Emefiele, CON., who was ably represented by Dr. Hassan Mahmud, Director, Monetary Policy Department, CBN, and other WAIFEM officials.

In his welcome remark, the Director-General warmly welcomed the Representative of the Honourable Governor of the Central Bank of Nigeria, Honourable Godwin I. Emefiele, CON., the distinguished participants for the course and ladies and gentlemen of the press. He extended his sincere gratitude to the Honourable Governor, Godwin I. Emefiele, CON. through his representative, Dr. Hassan Mahmud. He applauded the Honourable Governor for his unwavering commitment and invaluable contributions which had played a pivotal role in the development of WAIFEM and the successful accomplishment of its mandate within the sub-region.

The Director-General also extended his deepest appreciation to the World Bank for their collaboration with WAIFEM in conducting this remarkable training programme for Nigerian state-level government officials. Specifically, The Director-General commended Mr. Jose Franco Medeiros DeMoraes and Mr. Ying Li, who led the training from Washington, DC, noting that their expertise and guidance will undoubtedly enrich the learning experience.

On the course, the Director-General began by highlighting the common challenges faced by developing countries in terms of debt management, of which Nigeria was not an exception. He stressed that developing countries were faced with countless challenges in the area of policy, institutions, and operations due to weak debt management capacity and the absence of efficient debt markets. Although, there had been drastic transformation in the financial landscape owing to recent development of new markets and creditors, rapid global financing flows, and a blurring of financial boundaries, the need for debt managers in developing countries to undergo such trainings to strengthen their debt management capacity remained vital to ensure that government funds were raised in line with fiscal and debt management objectives.

In his keynote address the representative of the Honourable Governor of CBN, Dr. Hassan Mahmud

expressed his appreciation to the World Bank and WAIFEM for jointly organizing the course on Sub-national DeMPA Methodology for State Governments in Nigeria. He also acknowledged the World Bank for their long-standing support in the areas of public financial and debt management in Nigeria. The World Bank's current efforts to extend this assistance to state governments to enhance their debt management and maximize the benefits of public borrowing through capacity building would allow the country to reach even greater heights in embracing sound practices in public debt management. He further noted with great appreciation that Nigeria had benefited tremendously from capacity-building assistance from World Bank in the past and this was expected to continue.

The Honourable Governor highlighted that since 2007, significant progress had been registered in enhancing state-level debt management institutions and practices, particularly with the establishment of Debt Management Units (DMUs) in all the state governments and FCT. Nevertheless, there remained considerable challenges in terms of the management of borrowing, debt recording, public financial management reform, and the development of debt management capacity. Moreover, the legal, regulatory and procedural frameworks for state borrowing was incomplete, and capacity limitations impeded the efficacy and efficiency of public debt management. State government legislations in Nigeria did not adequately define the purposes of sub-national borrowing or regulate the issuance of sovereign guarantees, posing substantial fiscal risks.

The Honourable Governor emphasised that the Federal authorities and development partners had a crucial role to play as valuable partners in building sub-national capacity for debt management in Nigerian states. Accordingly, this workshop came at an opportune moment to reinforce the capacity-building agenda for state-level debt management, which was essential to achieving overall sustainable national debt portfolio.

Dr. Hassan Mahmud concluded his keynote address on behalf of the Honourable Governor, Godwin I. Emefiele, CON. by expressing his heartfelt appreciation to the World Bank and its Macroeconomics, Trade and Investment (MTI) Global Practice staff for their on-going support to WAIFEM and its member countries through the Debt Management Facility (DMF). He once again extended his sincere gratitude to the Director-General of WAIFEM for his diligent implementation of DMF-funded programmes.

The training was designed to equip participants with the necessary knowledge to effectively apply the SN-DeMPA tool in assessing comprehensive debt management functions at the sub-national level. The

DG pointed out that the SN-DeMPA tool provides a comprehensive set of indicators for evaluating the debt management performance of sub-national entities. The course was structured to provide participants with a thorough understanding of the scope, coverage, and rationale behind the SN-DeMPA debt performance indicators (DPIs), and to recognize the interconnections between the indicators, and gain familiarity with the DeMPA scoring methodology.

The training covered five (5) core areas of public debt management, namely; Governance and strategy development; Coordination with macroeconomic policies; Borrowing and related financing activities; Cash flow forecasting and cash balance management; and Debt recording and operational risk management. These debt management performance indicators (DPIs) were rooted in the Public Expenditure and Financial Accountability (PEFA) methodology for public financial management and sound practices in government debt management. They served as an internationally recognized and comprehensive methodology for assessing debt management performance in comparison to peer countries and for monitoring progress over time. In addition to the presentations on these five key areas, there were case studies, quizzes and group work, and presentations to deepen participants' understanding of the SN-DeMPA methodology.

The course was facilitated by two (2) highly seasoned experts from the World Bank in the persons of, Jose Franco Medeiros DeMoraes (World Bank) and Ying Li (World Bank) during the afternoon sessions (virtually) while WAIFEM took charge during the morning sessions (in-person).

The course was attended by thirty-two (32) executives and senior officials drawn from debt management offices of the sub-national government ministries of finance from fifteen (15) selected States plus the Federal Capital Territory (FCT), making it a total of thirty-four (34) participants consisting of six (6) female and twenty-eight (28) males.

Communiqué

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

Observations

- That SN-DeMPA Tool provides excellent guide for sound debt management.
- That synergy between the World Bank and regional capacity-building institutions in Africa and, especially in Nigeria, has been highly effective and should be maintained.
- That governments are often faced with challenges of capacity building (especially at

sub-national levels) which inhibit sharing of vital debt related information.

- That in many States, there still exist capacity building gaps for front, middle and back-office functions.
- That major stakeholders at sub-national level (Executive Council Members) who are involved in government debt management require capacity building on the rudimentary basics of debt management.
- That there is a lack of standard debt recording tool mechanism such as Commonwealth Secretariat Debt Recording and Management System (CSDRMS) in almost all the States Debt Management Offices that are involved in debt management and in the very few States where the CSDRMS is installed, lack of capacity building does not allow for the system's use. The result is that there are little records about external debts in all the State of the Federation and FCT, hence all the States still depend on Federal DMO, Abuja for their biannual and year-end external debt records and balances.
- That the World Bank/WAIFEM conduct sub-national DeMPA on States only on request.

Recommendations

- The World Bank/WAIFEM should consider organizing special capacity-building forum for all the State Commissioners of Finance and Commissioners in charge of Budget where their critical roles in sub-national DeMPA will be exhaustively discussed e.g. achieving the implementation of Debt Performance Indicators (DPIs), inter-relationship with the State DMO, staffing of the state DMO, provision of adequate resources for a continuous in-house training of staff to ensure that knowledge gained from previous trainings is not lost through retirement and transfer of staff within the State.
- The World Bank/WAIFEM should consider more Technical Assistance (TA) and capacity-building programme for debt managers of State DMOs, considering the increasing roles debt managers are expected to play as a result of increasing decentralization. In this regard, and in the medium term, we call the World Bank and WAIFEM to organize similar training every year to develop a pool of experts to ensure sustainability of capacity.
- The World Bank/WAIFEM, in the medium term, should conduct sub-national DeMPA periodically for all the States instead of the present practice whereby the exercise is conducted only on request. This is the only way the implementation of the DPIs will be guaranteed

as State shall always attempt to maintain previous status attained or take actions to improve in future assessments.

- Debt managers should encourage decision makers to initiate reforms, especially in the area of legal framework for debt management policies and procedures, to incorporate the key elements of DPIs.
- There is a need to sustain synergy between the World Bank and regional capacity-building institutions such as WAIFEM, as that will guarantee sustenance of capacity at the regional level and ensure effective debt management.
- All DMDs/DMOs should be allowed to be part of Loan negotiation process at the state level and should be given adequate support to carry out their operational functions.
- That all participants irrespective of their states, be housed during the DeMPA workshops. This will enable all the participants to work on assignment late into the evening without disruption.

Appreciation and Conclusion

The participants expressed their sincere appreciation to the World Bank and WAIFEM for organizing and funding this important training. They further commended the expert facilitators for the excellent delivery of the lectures. They also showed gratitude to the Director-General and the staff of the Debt Department, WAIFEM for the excellent logistics and support given to them during the training.

Finally, they applauded their fellow participants for their contributions and demonstration of commitment during the entire training sessions.

1.2.6 Online Regional Course on Fiscal Institutions, Fiscal Discipline and Strengthening the Management of Fiscal and Credit Risks, August 14-18, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised an Online Regional Course on Fiscal Institutions, Fiscal Discipline and Strengthening the Management of Fiscal and Credit Risks. The training was conducted at CBN Learning Centre, Satellite Town, Lagos, Nigeria, from August 14 - 18, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, who was ably represented by the Director of Research and Macroeconomic Management Department of WAIFEM, Dr. Emmanuel Owusu-Afriye, WAIFEM

officials and a distinguished resource person, Hon. Seth E. Terkper (former Minister of Finance, Republic of Ghana, and currently the Executive Director of PFM-TAX (Africa) Network).

In his welcome remark, the Director-General warmly welcomed the distinguished facilitator, Hon. Seth E. Terkper, WAIFEM officials and esteemed participants for the course to the opening ceremony of the Online Regional Course on Fiscal Institutions, Fiscal Discipline, and Strengthening the Management of Fiscal and Credit Risks. Dr. Owusu-Afriye expressed the Director-General's sincere appreciation to the distinguished facilitators/ resource persons for accepting WAIFEM's invitation on such short notice. He also applauded the various institutions for their positive response to WAIFEM's call for nomination, that showed their commitment to capacity building of their public sector officials.

On the course, the Director-General provided a brief background in terms of definition of fiscal institutions, the constraints that hinder their effectiveness and the role of fiscal discipline to overcome the challenges of fiscal institutions. He described fiscal institutions to encompass a range of public sector entities responsible for a country's fiscal policies, including finance ministries, budget offices, and treasury departments, among others. He added that these institutions were charged with the decisions on taxation, spending, borrowing and debt management, as well as set the rules, regulations, and procedures for efficient fiscal management, thereby ensuring transparency and alignment with the nation's economic development goals. He further noted that strong fiscal institutions remained crucial for macroeconomic stability, preventing crises, and fostering sustainable economic growth. Despite efforts to strengthen these institutions in WAIFEM member countries, challenges like political will, capacity issues, and external economic factors continued to hinder their effectiveness.

Thus, the Director-General noted that the importance of fiscal discipline to overcome the challenges faced by fiscal institutions among WAIFEM member countries could not be overemphasized. Fiscal discipline required responsible management of government finances to ensure prudent fiscal policies, prevent excessive borrowing, and safeguard economies from external and domestic shocks. It also contributed to macro-stability, investor confidence, and sustainable growth. Yet, many governments still struggled with fiscal responsibility, adversely impacting policy credibility and reform commitment at home and abroad.

The Director-General also briefly touched on fiscal risks, which he referred to as the significant deviations from the initial fiscal projections made during budget planning or other forecasts. He added

that such deviations had the potential to negatively impact the government's fiscal health and hinder the effectiveness of fiscal policies in stabilizing economic fluctuations and fostering sustainable growth. He highlighted that in recent times, WAIFEM member countries had experienced a complex economic situation characterized by fiscal and debt vulnerabilities, thus contributing to an environment where fiscal risks were elevated.

The course was designed to build the capacity of policy-makers to address the challenges in the arena of fiscal institutions, fiscal discipline, and management of fiscal and credit risks. Specifically, the three (3) key objectives include: (i) developing the participants' comprehensive understanding of fiscal institutions and their role in promoting fiscal stability and fiscal transparency; (ii) enhancing participants' knowledge of fiscal risks, including the associated diagnostic tools for identification and assessment of fiscal risks; and (iii) providing an in-depth understanding of fiscal and credit risk, including identifying, assessing, mitigating, managing, and monitoring risks arising from contingent and other liabilities. The course was also to introduce participants to fiscal risk assessment toolkits of both the IMF and the World Bank and other tools that promote best practices in fiscal management.

The training covered key areas such as: Overview of macroeconomics of fiscal policy and fiscal management; Fiscal discipline: concepts, principles, rationale, and macroeconomic linkages; Fiscal institutions and their role in fiscal management and fiscal discipline (selected examples and best practices); Fiscal risks: concepts, components, and approaches; Introduction to the fiscal risk assessment toolkits of the World Bank and IMF; Managing fiscal risks and debt-related contingent liabilities in West Africa (PPPs, SOEs, etc.); Fiscal risk statement (components and case studies); Credit risk: concepts, components, frameworks, and tools; Credit risk analysis, assessment, and management of sovereigns, sub-nationals, and corporate entities (West African country case studies and best practices). There were also case studies and practical exercises to illustrate real-world challenges and solutions in fiscal and credit risk management as well as future directions for WAIFEM countries.

The course was facilitated by five (5) highly seasoned and experienced practitioners within our sub-region. They included: Mr. Seth Terkper (former Minister of Finance, Republic of Ghana, and currently the Executive Director of PFM-TAX (Africa) Network); Dr. Baba Y. Musa (Director-General, WAIFEM); Dr. Alhassan Allie Mansaray (Director, Fiscal Risk and State-Owned Enterprises Oversight Division, Ministry of Finance, Sierra Leone); Dr. Bartholomew O. Aja

(Assistant Director/TL Contingent Liabilities, Debt Management Office (DMO), Nigeria); and Mr. Abdul-Fatawu Zuututugri Hakeem (Senior Economics Officer, Treasury and Debt Management Division, Ministry of Finance, Ghana).

The course was attended by thirty-nine (39) participants consisting of eighteen (18) females and twenty-one (21) males drawn from WAIFEM member countries namely; The Gambia (3), Ghana (11), Liberia (5), Nigeria (8) and Sierra Leone (12).

Communiqué

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

Key Lessons

- Fiscal risks are deviations from fiscal outcomes expected at the time of budget formulation or other forecasts. They are frequently large and materialize regularly, directly affecting deficits and debt, often with lasting consequences for government balance sheets and the conduct of fiscal policy. (IMF, 2023).
- Therefore, a mastering of the Fiscal Framework is important for evaluating the impact it makes on both Macroeconomic and Macro-fiscal management.
- Public Financial Management (PFM) plays a crucial role in fiscal and credit risk “In governance practices, PFM is a very broad component of macro-fiscal and macro-economic management.”
- “Fiscal sustainability”, generally, is the ability of a government to sustain its current spending, tax, and other policies in the long run without threatening government solvency or defaulting on some of its liabilities or promised expenditures.
- Recent crises have taught us that fiscal policy is a powerful tool to foster resilience. To that end, however, governments will need to give greater priority to rebuilding fiscal buffers. Countries should develop credible risk-based fiscal frameworks that promote consistent macroeconomic policies, reduce debt vulnerabilities over time, and build up the necessary room to handle future shocks. (IMF 2023).
- Fiscal risks matter because, fiscal risks can be very costly and have huge implications for a country's economy and public finance and fiscal risks can be very large and can threaten immediate solvency and long-term sustainability.

- Credit risk has two (2) main components- default risk of default probability (the probability that the borrower defaults) and loss severity (in the event of default, it is the bond's value, including interest, the investor loses).
- Credit ratings in debt markets are important because they help in investment decisions, risk management, and have an impact on an economy by influencing the cost of borrowing.
- Challenges in rating WAIFEM countries include limited information, political instability, cultural differences and Idiosyncratic or event risk. Therefore, to improve accuracy, rating agencies must have enhanced disclosure requirements, hired specialised analysts and increased diversity and inclusion in their mix of expertise.
- The two main methods used in credit risk assessment includes the qualitative Method ((the 4 Cs capacity, collateral, covenant, character) and (ESG)-Environmental, Social and Governance) and the Quantitative Method (Credit Score Model, Value at Risk and Risk Adjusted Return)
- A successful credit risk assessment involves proper collaboration and continuous improvement that will lead to a better financial performance and growth.

Observations

- The training attendance cuts across staff of Central Banks and Ministries of Finance and Economic Planning. The course was well structured with highly experienced facilitators. Therefore, the course content was rich and comprehensive, and the deliveries were on average, excellent.
- The course covered a wide range of topics relating to management of fiscal risks which is worth commending because it helped participants understand the role of fiscal institutions and the need to strengthen them in the bid to manage fiscal risks. Also, participants now understand important issues related to credit risk assessment and credit ratings.
- Participation was encouraging so participants were able to ask questions and also expressed their views. This allowed for different country experiences to be shared.
- The coordinators of the programme were very professional, resourceful, and committed throughout the programme.
- However, internet connectivity was a challenge for most participants during the training. Even though participants found the training

programme very relevant, network problem was a hindrance.

- Most participants' active involvement in the course could not be determined and punctuality was in general, not encouraging.
- The training objectives were achieved, as participants now understand the need to strengthen fiscal institutions, fiscal risk management and credit risk assessment. They look forward to applying the knowledge acquired in a productive and efficient way in their respective debt and risk offices.

Recommendations:

To Our Member Countries

- The deterioration in fiscal performance in most economies such as WAIFEM member countries, owing to recent external shocks have re-emphasised the need for governments across member countries to achieve sustainable fiscal balance and minimized risk of debt distress through the implementation of sound fiscal risk management and strengthening fiscal institutions.
- Given the difference in the economic and socio-political landscape of our member countries, development practices should not adopt a one-size-fits-all approach to fiscal risk management and fiscal sustainability. Countries should be able to identify, assess and manage fiscal and credit risks, to ensure sustainability.
- Member countries should undertake study tours to learn from others with better fiscal institutions and risk management techniques and experiences.
- Governments should ensure strengthening of institutions, capacity-building and sound management of internal operations.
- Learning from our mistakes and continuously improving models and strategies will help to enhance effective credit risk management among member countries.

To WAIFEM

- WAIFEM should consider holding an in-person training in this very important subject area, because on-line courses are full of distractions from bosses, colleagues, network problems, etc.
- Involvement of political office holders and other policy-makers to educate them on the role of government in fiscal risk management and enforcing the regulatory frameworks within which our institutions operate.
- In subsequent training, time should be allotted

to take participants through the procedure in accessing the documents on the portal since not all participants are familiar with the internet system of a computer.

- Participants should be given a day off to properly work on their Group Presentations to ensure quality work.
- Lecture materials should be sent directly to participants email addresses considering that some participants, though minimum, had challenges in accessing, locating, or downloading presentations and course materials from WAIFEM's website and e-learning portal.
- Facilitators must ensure that participants are following the flow of the lectures/presentation. This can be achieved by asking participants opinions at different intervals on presenters' pace, questions about the presentations, challenges with viewing slides, etc.

To Participants

- Participants should develop a plan of action to share the knowledge gained with colleagues in their respective institutions.

Appreciation and Conclusion

The participants expressed their profound appreciation to the Director-General and the entire management and staff of WAIFEM for successfully organizing such an important, resourceful, and practical online training course. They extended thanks to the facilitators for sharing their knowledge, expertise and best practices from different country cases relating to fiscal and credit risk issues.

Finally, the class Governor congratulated her fellow colleagues for their participation and contributions, which have aided in sharing knowledge on fiscal institutions, fiscal discipline and strengthening the management of fiscal and credit risks across WAIFEM member countries.

They hoped that WAIFEM will ensure that the suggestions, recommendations, and observations in the communique from their respective countries, receive adequate attention.

1.2.7 Regional Course on Public Financial Management (PFM) and Taxation, Lagos, Nigeria, August 21 - September 1, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Public Financial Management (PFM) and Taxation. The training was conducted at CBN Learning Centre, Satellite Town, Lagos, Nigeria from August 21 -

September 1, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, WAIFEM officials and esteemed participants for the course.

In his welcome remark, the Director-General extended a warm welcome to all those who were present at the opening ceremony for the course. He specifically welcomed the distinguished facilitators and resource individuals for the graciously accepting WAIFEM's invitation despite all their busy schedules and commitments. He was also inspired by the responses from the WAIFEM member institutions to the invites. According to the Director-General, this showed the firm commitment to the enhancement of capacity of their officials, particularly within the public sector.

On the course, the Director-General drew attention to the current global conditions characterized by persistent uncertainties and complex developmental challenges that were broad base. The Director-General noted that the convergence of external and domestic factors had engendered unprecedented pressures on public finances of most developing economies. Notably, the WAIFEM member countries were faced with severe constraints of the required financing for infrastructure development and achieving the sustainable development goals due to limited financial resources envelop. He further mentioned that despite the efforts by policy makers in the recent past to focus on fiscal consolidation, there had been a widened budget deficits attributed to persistent expenditure overruns and lower revenue out-turns.

The Director-General described PFM as the processes, systems, policies, and practices governments used to manage finances, allocate resources, raise revenue, and oversee spending. He said it covered a wide range of activities, from budget formulation and execution to financial reporting, auditing, and accountability mechanisms. He posited that PFM was relevant as it ensured aggregate fiscal discipline, allocative and operational efficiency, and accountability that guided governments' efforts towards prudent resource allocation and utilization. On taxation, the Director-General emphasized its importance as a mechanism not only for resource mobilization for government but also for resource redistribution and competitiveness. There had been substantial progress towards modernization of revenue administration and strengthening the taxation systems in WAIFEM member countries, although there was still room for improvement.

Thus, premised on the above, WAIFEM organised the

training to build the capacities and skills of public sector officials on PFM and Taxation.

The course was designed to provide participants with the expertise required to formulate and implement optimal PFM and taxation policies geared towards achieving sustainable and inclusive growth. It was also intended to expose participants to international best practices of PFM and to facilitate the sharing of knowledge regarding PFM reforms and associated challenges, while fostering regional perspectives among public officials engaged in PFM and taxation within the WAIFEM member countries.

The training covered various aspects of Public Financial Management (PFM) concepts, principles, frameworks, and practices. Other key topics included: Recent Developments in PFM Reforms and Emerging PFM Architecture; Budget Framework and Process (Expenditure, Revenue and Public Debt); PFM in the Context of Fiscal Decentralization; Public Procurement and Financial Accountability; Taxation in terms of Legal and Institutional Frameworks, Tax Policies and Systems; Taxation of Multinational Corporations, Natural Resources, Digital Economy, and the Informal Sector; Introduction to Green PFM; Designing and Building: PFM/Taxation Innovations, Reforms and Best Practices: Challenges of Application in WAIFEM member countries; Non-Tax Revenues: Frameworks, Mechanisms, and Innovations; Public Debt Instruments for Resource Mobilization: Financial Markets, Capital, Money, and Bond Markets; Tax Revenues: Overview of Theoretical Issues; Tax Effort; Tax Potential; and Forecasting; and Tax Revenues: Tax Administration and Compliance. There was also group work and presentations to help enhance participants' understanding of the concepts and challenges of PFM, Taxation and Public Procurement within the WAIFEM member countries.

The course was facilitated by six (6) highly seasoned and experienced practitioners within our sub-region. They included: Mr. Hon. Seth E. Terkper (Former Minister of Finance, Ghana and currently the Executive Director of PFM-TAX (Africa) Network); Prof. Akpan H. Ekpo (Former DG of WAIFEM, and Professor of Economics and Public Policy, University of Uyo, Nigeria, and Chairman, Foundation of Economic Research and Training (FERT)); Dr. Iddrisu Alhassan (Macro/Development Economist, Chief Economics Officer and Director of the Economic Strategy and Research Division, Ministry of Finance, Ghana); Dr. Abdallah Ali-Nakyea (Tax Expert, Consultant, Senior Lecturer, University of Ghana School of Law, UG, Ghana); Dr. Eric Oduro Osae (Governance and PFM Expert and Director-General of the Internal Audit Agency, Ghana); Mr. Saubana O. Ogunpola (Former Director at the Central Bank of Nigeria (CBN); and Mr. Yahya Manneh (Director, Technical Services Department, Gambia Revenue

Authority (GRA), The Gambia).

The course was attended by thirteen (13) participants consisting of five (5) females and eight (8) males drawn from WAIFEM member countries namely; The Gambia (6), Ghana (5) and Nigeria (2).

Communiqué

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

Key Lessons

- PFM centres on the set of laws, rules, systems, and processes utilized by governments including sub-national governments, to mobilize revenue, allocate public funds, undertake public spending, account for funds and audit results.
- The objective of PFM is to ensure fiscal discipline, efficient mobilization and allocation of resources and efficient service delivery.
- Taxation serves as the cornerstone of government revenue generation and has far-reaching implications for economic growth, income distribution and social welfare.
- Budgets should be consistent with realistic macroeconomic frameworks, with efficient resource allocation reflecting the policies and priorities of government strategies and programs.
- Best practice requires that public procurement must be done in a transparent and cost-effective manner, to achieve the optimum of value-for-money and in accordance with principles and procedures established in public procurement rules.
- An independent public procurement authority clothed with the appropriate legal framework is necessary to ensure financial accountability within the public sector. This should be supported by an effective e-procurement system with relevant controls.
- Taxation of Multinational Corporations, natural resources, digital economy, and informal sector can yield high revenue to any country and underpin national developmental efforts. Given that all WAIFEM countries depend on taxation, it is crucial to adopt a transparent taxation framework to engender compliance.
- Adoption of green PFM systems would promote environmental protection, climate change mitigation, climate adaptation and resilience to enable economic sustainability.
- Extracting and consuming natural resources

now will reduce the stock available for future generations. A tax system should therefore ensure intergenerational equity by discouraging rapid depletion of natural resources at times when prices are low.

- A fiscal regime which captures pure economic rent satisfies the equity principle of taxation.
- Sound expenditure policy improves voluntary tax compliance and reduce revenue needs. Earmarking expenditure policy can limit fiscal space and constrain government's ability to respond quickly to national emergencies.

Observations

- The participants found the course content to be rich and comprehensive.
- Content delivery by the facilitators was effective, even for those done virtually.
- The sessions were interactive, and participants shared their country experiences.
- The group assignments enabled participants to work as teams, engage, share ideas, understand, and appreciate the various aspects of the course outline.
- The atmosphere at the programme was relaxed and positive, encouraging participants to engage freely whilst breaking any potential cross-border barriers.

Recommendations

To WAIFEM

- It would be helpful that the lecture materials for the respective course topics are shared with participants for familiarization prior to the commencement of each session. That would enhance participants' understanding of the topics and increase their participation during lectures;
- They commended WAIFEM for finding innovative ways for lecture deliveries via virtual means, in instances where facilitators were unavailable in-person.
- To assist travelling participants to settle in more easily at the CBN Learning Centre, they recommend that accessible and reliable internet connectivity is provided at the residences hosting the participants right from arrival. Such a provision would prove to be an invaluable necessity that would afford participants the needed presence of mind to benefit from courses run at this facility.

Appreciation and Conclusion

The participants expressed their profound gratitude to the Director-General and the entire management

and staff of WAIFEM for successfully organizing this important training. They extended thanks to the carefully selected Facilitators for sharing their knowledge and experience in area of PFM and Taxation. They also appreciated WAIFEM for the excellent coordination and smooth running of the programme and the hospitality (accommodation, food, drinks, IT, security staff and canteen staff for the comfort throughout their stay).

Finally, the class Governor took the opportunity and appreciated his fellow colleagues for their active participation, the interaction and exchange of experiences from their diverse countries. He encouraged further networking among them beyond the course to support regional integration among WAIFEM member countries.

The participants remained convinced that WAIFEM would ensure that the recommendations in the communiqué would be given due regard and attention to enhance the experience and value-addition on future programmes.

1.2.8 WAIFEM-Gambia National Training on Debt Sustainability Analysis (DSA) and Medium-Term Debt Management Strategy (MTDS), Banjul, The Gambia, September 25 - October 6, 2023

The West African Institute for Financial and Economic Management (WAIFEM) conducted The Gambia National Training on Debt Sustainability Analysis (DSA) and Medium-Term Debt Management Strategy (MTDS) in Banjul, The Gambia from September 25 to October 6, 2023.

The first week, September 25 - 29, 2023 was used for the national training on DSA which was held in Halahin Lodge, Kartong, The Gambia while the second week, October 2 - 6, 2023 was for the national training on MTDS which was held in Sir Dawda Kairaba Jawara International Conference centre, Banjul, The Gambia.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, who was ably represented by Mr. Yakubu Aliyu, Director, Fiscal Policy, Debt Management and Regional Integration (FPDMRI) Department, WAIFEM, the Permanent Secretary, Ministry of Finance and Economic Affairs (MoFEA), Mr. Abdoulie Jallow, who was ably represented by Mr. Bakary Krubally, Director, Directorate of Loans and Debt Management (DLDM), representative of the Project Coordination Unit (PCU), Ministry of Finance and Economic Affairs, Mr. Hamang Manjang, Monitoring and Evaluation (M&E) Specialist, PCU, distinguished Consultants/Facilitators, other WAIFEM officials and The Gambia MTDS&DSA Working Group consisting of different stakeholders including the MoFEA, Accountant General's Department, Central Bank of

The Gambia (CBG), Gambia Revenue Authority (GRA), and Gambia Bureau of Statistics (GBoS).

The main objective of the Workshop was to conduct a Debt Sustainability Analysis (DSA) and produce a Debt Management Strategy (DMS) document aimed at enhancing and strengthening the knowledge and skills of officials from the Department of State for Finance and Economic Affairs, Central Bank of The Gambia, Policy Analysis Unit, Accountant General Department, and other offices involved in Debt Management and Poverty reduction in the Gambia. The trained staff are expected to update the national DMS annually as part of the annual budgetary process. The workshop also aimed at guiding The Gambian authorities on the desired strategy for long-term debt outlook and the nature of possible exogenous shocks to be faced by the country.

Specifically, the objectives of the workshop were to:

- Update and produce The Gambia DSA to enable the country to benefit and avoid the risk of debt distress in future.
- Produce a Medium-Term Debt Management Strategy for The Gambia
- Enhance capacity in the critical debt management and macroeconomic institutions to develop the DMS; and
- Develop a close network of stakeholders involved in debt management, macroeconomic and poverty reduction programmes.

The delivery methodology involved lectures, hands-on exercises and group discussions with resource persons based on the practices of the International Monetary Fund (IMF) and the World Bank toolkits and templates for DSA and MTDS. In the workshop sessions, participants were assigned into their respective technical groups with assigned tasks. Though the tasks were varied among the various groups, it specifically included applying borrowing limits to avoid future debt problems, assessing the level of aid flows and the impact on poverty reduction, etc. During the workshop, DSF-LIC Template and MTDS Toolkit simulation software were used to show participants how to integrate external and domestic debt portfolios into a country's Debt Sustainability Analysis and Medium-Term Debt Management Strategy.

It was expected that at the end of the training, participants would have enough understanding of prudent public debt management and the conduct of DSA and MTDS, specifically:

- Understand the steps in developing a DSA and Medium-Term Management Strategy;
- Improve the understanding of participants in Data Preparation and Validation.

- Analyse the central government debt portfolio to identify the costs and risks inherent in the existing debt.
- Have an in-depth understanding and adequate hands-on exercises on LIC DSA Template.
- Enhance participants' knowledge on Realism Tools: Drivers of Debt Dynamics, Realism of Planned Fiscal Adjustment and Growth, and Public Investment and Growth.
- Understand the Standardized Stress Test, Contingent Liability Stress Test, and other tailored Stress Tests (which include natural disasters, commodity price shocks, etc.);
- Formulate different market risk scenarios (baseline, alternatives, and adverse scenarios), adapting them to the country's specific situation.
- Identify and assess various financing strategies under these scenarios; and compare the cost/risk trade-offs involved.
- Use the quantitative MTDS Analytical Tool that accompanies the MTDS framework.
- Present the results of the analysis in a manner that enhances its value for policy purposes; and
- Formulate a strategy that is in line with debt management objectives.

The workshop commenced with presentations on the key issues relating to external and domestic debt sustainability and developing domestic debt policies. During days two to eight of the workshop, participants worked in technical and country teams and trained in the steps needed to prepare a Debt Strategy document, including:

- Reviewing recent trends of public debt (external borrowing and domestic issuance) and sustainability for budget financing, monetary policy implementation and financial/real sector development.
- Identifying the key indicators and variables of public debt sustainability,
- Projecting future public debt for the Government's financing needs for budget financing, monetary policy implementation and financial sector development.
- Designing a baseline and alternative public debt restructuring and new borrowing scenarios.
- Use of DSF-LIC Template for debt sustainability analysis (DSA).
- Use the MTDS Toolkit for producing The Gambian Debt Management Strategy (DMS).

The above activities were followed by a group work

(resource persons and participants) to:

- Conduct simulations of their scenarios.
- Analyse the combined results of debt restructuring and new borrowing scenarios and their implications for debt sustainability.
- Write executive reports to senior policy-makers on domestic debt strategy in easily digestible form.
- Establish framework and timetables for regular updating of public debt strategy analysis.

The training was attended by forty-two (42) senior and middle-level officials consisting of thirteen (13) females and twenty-nine (29) males drawn from the Central Bank of The Gambia, the Ministry of Finance and Economic Affairs, Gambia Revenue Authority, and Gambia Bureau of Statistics.

Key documented deliverables and dates submitted to the WAIFEM for onward submission to the African Development Bank Group, Gambia Debt Management and Domestic Revenue Support Project (DMDR-SP0), Project Coordination Unit, Ministry of Finance and Economic Affairs, The Gambia.

A team was tasked to make the presentation of the strategy to senior officials on the last day of the workshop. The DSA and MTDS reports were presented and submitted at the end of the training.

Assessment of Results/Impact

The training activity guided the debt management decisions and operations of government of The Gambia. The result of the DSA and MTDS were aligned with the macro-fiscal policy and linked to the annual borrowing plan. Moreover, the documents provided the benchmark for sustainable levels of debt. Similarly, the key expected outcome upon completion of the training was that participants be able to:

- Recognize the dangers of the risk of debt distress.
- Identify the key drivers of public domestic and external debt.
- Evaluate safe debt levels in a world under uncertainty.
- Assess the costs and benefits of increased public investment in a country with development needs from the angle of debt sustainability.
- Use the LIC-DSF Tool to determine the risk of public and external debt distress in a country with concessional debt.
- Discuss strategies for managing debt within the MTDS framework.

1.2.9 Joint World Bank/WAIFEM Regional Training on Debt Monitoring/Reporting and Debt Transparency, Accra, Ghana, October 16-20, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint World Bank/WAIFEM regional training on Debt Monitoring/Reporting and Debt Transparency. The training was conducted at Erata Hotel, Accra, Ghana from October 16 - 20, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, Debt Management Offices, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, who was ably represented by Mr. Yakubu Aliyu (Director, Fiscal Policy, Debt Management and Regional Integration Department, WAIFEM), the Honourable Governor of the Bank of Ghana (BoG), Dr. Ernest K. Y. Addison, who was unavoidably absent and ably represented by Dr. Christian Ahortor (Chief Manager, Research Department, Bank of Ghana), distinguished resource persons from the World Bank as well as other WAIFEM officials.

In his welcome remark, Mr. Yakubu Aliyu on behalf of the DG warmly welcomed the Representative of the Honourable Governor of the Bank of Ghana, Honourable Dr. Ernest K. Y. Addison, the distinguished facilitators from the World Bank and esteemed participants for the course. He expressed WAIFEM's deep appreciations to the Government of Ghana and the Honourable Governor, BoG, Dr. Ernest K. Y. Addison through his representative, Dr. Christian Ahortor. He commended the Honourable Governor for his unwavering support and continuous encouragement to WAIFEM in delivering smoothly its mandate within the sub-region.

The Director-General also applauded the distinguished officials and experts from the World Bank that included Mr. Jose Franco Medeiros De Moraes (World Bank) and Dr. Sanga Sangarabalan (Independent debt Expert). He expressed his sincere gratitude to experts and long-standing partner, the World Bank whose continued collaboration and generous support have been instrumental in all WAIFEM's endeavours.

On the course, the Director-General started by highlighting what necessitated the vigilant public debt monitoring and strengthening transparency. He stated that the escalating global public debt in the last ten years arising from global uncertainties, the fast-evolving landscape of global creditors and new lending practices, and the introduction of complex debt-financing instruments were some of the factors necessitating prudent public debt monitoring/reporting and transparency. He further mentioned that transparent debt management empowered policy-makers, fostered responsible lending and

borrowing, and shielded economies from shocks. Therefore, timely, accurate, and comprehensive reporting of debt management activities was not merely a matter of fiscal responsibility; it was a cornerstone for sustainable development if countries were to avoid risks of debt distress.

The Director-General noted that comprehensive training on reporting, monitoring, and transparency covered a wide range of topics, from grasping and analysing complex public debt data to understanding the critical role of the Back Office in debt management through engaging case studies and hands-on exercises. Thus, the course aimed to enhance participants' analytical and practical skills to assess financing choices effectively and negotiate suitable loan terms while embracing sound practices in public debt transparency.

In his keynote address, the representative of the Honourable Governor of Bank of Ghana, Dr. Christian Ahortor, warmly welcomed everyone to Accra, the picturesque capital city of the Republic of Ghana. He commended the World Bank and WAIFEM for jointly organizing the regional course on Debt Monitoring, Reporting, and Debt Transparency. Dr. Ahortor noted that the training was timely as many developing countries were facing complex macroeconomic and public debt management challenges. Thus, the initiative underscored the cooperative spirit that binds our global financial organizations and reaffirms our commitment to strengthen partnerships in addressing our developmental challenges. Dr. Ahortor extended the Honourable Governor's commendation to Dr. Baba Yusuf Musa, the Director-General of WAIFEM, dedicated management and staff of WAIFEM, and the WAIFEM's enduring partner, the World Bank for their unwavering dedication to sustaining capacity-building efforts in our sub-region.

The Honourable Governor reiterated that the training course coincided with the heightened global focus on debt transparency, and at a time, our countries were grappling with a rapidly evolving and intricate landscape of public debt management. Although several of our member nations had significantly enhanced their debt recording, monitoring, reporting, and transparency mechanisms over the years, assessments from various missions indicated that only a handful of countries met the minimum debt reporting and monitoring requirements whilst many others lagged significantly behind in terms of debt transparency. He further noted that recent episodes of "public debt surprises" and the revelation of "hidden debt" in some developing countries had taught us valuable lessons. They underscored the necessity for further efforts to reinforce transparency mechanisms and processes. Moreover, changes in creditor and instrument landscapes, a surge in off-balance-sheet

transactions, and sovereign exposure to contingent liabilities all underscored the crucial role of debt transparency in averting the risk of debt distress.

The Honourable Governor also emphasized on the importance of robust data reporting, monitoring, and transparency mechanisms in achieving effective public debt management. Such mechanisms boost market and investor confidence and promote responsible borrowing and lending practices. He added that they informed the debt restructuring process and ensured accountability in the utilization of public resources. He reported that multiple studies had affirmed that debt transparency remained critical in maintaining macroeconomic stability, fiscal responsibility, and debt sustainability.

On the Ghanaian experience, the representative of the Honourable Governor shared some efforts geared to support good debt monitoring, reporting, and debt transparency. He noted that Ghana had embraced robust debt reporting practices, with data accessibility receiving high commendation in the World Bank's 2022 assessment. Nonetheless, there was a need for continued efforts and closer stakeholder engagement, particularly in light of the country's ongoing public debt restructuring endeavours.

The training was aimed to enhance participants' analytical and practical skills to assess financing choices effectively and negotiate suitable loan terms while embracing sound practices in public debt transparency. It also sought to offer participants a more comprehensive grasp of worldwide creditor dynamics and financial markets, along with guidance on establishing an appropriate balance to achieve debt management objectives and enhance debt transparency.

The training covered key areas such as: What and why am I reporting or monitoring?, Working with debt data, The role of the back office in debt management, Aggregating debt data and calculating cost/risk indicators, Understanding debt coverage, Basics of debt reporting, Monitoring Government debt, and Debt Transparency. Others are Questions and countries' presentations on debt reporting. The course program was also structured to allow for quizzes and country teamwork and presentations to deepen participants' understanding of debt monitoring/reporting and debt transparency.

The course was facilitated by four (4) highly experienced resource persons/experts from the World Bank and WAIFEM in the persons of, Jose Franco Medeiros De Moraes (World Bank) and Dr. Sanga Sangarabalan (Independent Debt Expert), Mr. Yakubu Aliyu (Director, FPDMRI, WAIFEM) and Dr. Gabriel Y. Asante.

The course was attended by thirty (30) participants

consisting of ten (10) females and twenty (20) males drawn from all WAIFEM member countries namely, The Gambia (5), Ghana (10), Liberia (3), Nigeria (7), and Sierra Leone (5).

Communiqué

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

Key Lessons

- The participants have learned that data accuracy and quality are significant to debt monitoring and reporting.
- It is also obvious that transparency in debt management processes and accountability on debt-related decisions are crucial to prevent debt-related challenges.
- Participants have learned the need to assess risk associated with different types of debt to make informed decisions.
- Participants have also been exposed to international best practices in debt monitoring and reporting through engaging in data compilation principles and techniques with reference to IMF/World Bank user guidelines in debt management and manuals for debt compilation.
- The training also shows the need for continuous capacity-building to enhance the skills of debt management professionals.
- The training revealed the need for collaboration among West African countries to share knowledge and experiences in debt management and reporting.
- The participants have learned early warning systems and signs to identify and address debt-related issues before they become overhanging.
- It was learnt that transparency helps to reduce the cost of debts during periods of uncertainties. This also manage and reduce debt vulnerability in achieving the objective of reduced cost and risk in the public debt portfolio.

Observations

- Despite the short training period of 5 days, the lectures were adequately covered given the experienced team of facilitators.
- The training aligned with the debt recording systems of the commonwealth meridian, with countries experiences provided by participants who have improved in their debt management systems.

- It was also observed that the daily training hours of 9 a.m. to 5 p.m. may be detrimental to the objective of effective learning and assimilation of participants.
- The training sessions promote interpersonal relationships, knowledge sharing, and interaction among participants.
- Participants are satisfied with the standard of the accommodation facility, feeding arrangements, and conducive learning environment.
- In the earlier few days of the training, an erratic nature of network connectivity was experienced by participants at the training venue and in the rooms.
- It was also observed that the late arrival of participants owing to flight schedules and delays had a destabilizing effect on most participants' alertness for the training.

Recommendations

To WAIFEM

- The need to retain the training facilitators in subsequent programs cannot be overemphasized.
- For effective learning and assimilation, subsequent training may be scheduled to be held between the hours of 9 a.m. and 4 p.m.
- The facility providers (Hotel Management) be advised to ensure effective network coverage at both the lecture rooms and the rooms.
- Subsequent training programs may be structured to accommodate social sessions and familiarization with the host environment and communities.

To Participants

- Participants should replicate knowledge gained from the training on their job schedules to ensure sound debt management practices in their respective countries.

Appreciation and Conclusion

The participants remained grateful to the Director-General, his entire WAIFEM team, and the World Bank for organizing such an impactful training towards capacity building in WAIFEM member countries. They applauded the expert facilitators for the excellent delivery of the course in a simple and practical manner.

Finally, the participants congratulated themselves for being part of this team and sharing debt-related experiences among WAIFEM member countries.

1.2.10 Joint WAIFEM/COMSEC Regional Training on Using Commonwealth Meridian for Fiscal Debt Data Compilation, Reporting and Monitoring, Abuja, Nigeria, October 30 - November 3, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint WAIFEM/COMSEC Regional Training on Using Commonwealth Meridian for Fiscal Debt Data Compilation, Reporting, and Monitoring. The training was conducted at Bolton White Hotel, Abuja, Nigeria, from October 30 - November 3, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, distinguished resource persons from COMSEC; Mr. Stanislas Nkhata, Adviser, Debt Management, Economic, Youth & Sustainable Development Directorate, Commonwealth Secretariat (COMSEC), and, Mr. Ernest Adjei, Test Analyst, Debt Management, Economic, Youth & Sustainable Development Directorate, Commonwealth Secretariat (COMSEC), WAIFEM officials and esteemed participants.

In his welcome remark, the Director-General warmly welcomed all the participants for the course. He extended his sincere gratitude to Mr. Olayemi Michael Cardoso, the Honourable Governor of the Central Bank of Nigeria (CBN). He noted that the CBN's steadfast commitment and invaluable contributions had played a pivotal role in the development of WAIFEM and the successful accomplishment of its mandate.

The Director-General also seized the opportunity with utmost pleasure, to convey the heartfelt congratulations of WAIFEM's management and staff to the distinguished Honourable Governor on his highly merited appointment. He indicated that this appointment signified a milestone in the economic annals of Nigeria and the broader West African sub-region. He remained confident that the Honourable Governor would leverage his expertise, vision, integrity, and dedication to steer our sub-region toward enhanced economic stability, progress, and prosperity. He also wished the Honourable Governor a tenure distinguished by profound accomplishments, transformative shifts, and a legacy that served as a beacon of inspiration for policy-makers.

Similarly, the Director-General extended his heartfelt welcome and appreciation to the esteemed resource persons from the COMSEC Team, Mr. Stanislas Nkhata and Mr. Ernest Adjei. He expressed gratitude and commendation to COMSEC for staying committed to WAIFEM and remaining responsive to the needs of our member countries amidst the changing global financial environment.

On the course, the Director-General emphasized the fundamental role a comprehensive debt database and accurate statistics could play in effective public debt management operations. He noted that in order to enhance the transparency and accountability of public debt management operations, reliable debt data enables the conduct of debt sustainability analysis (DSA), design of medium-term debt strategy (MTDS), and putting in place durable debt monitoring and risk management frameworks.

The Director-General said that the Commonwealth Meridian is a cutting-edge, state-of-the-art debt management technological platform developed by COMSEC to enhance developing countries' public debt recording, analysis, monitoring and reporting capabilities. It replaced the widely known CS-DRMS with enhanced functionalities that capture the rapid changes in the debt management landscape while meeting user needs. Moreover, he indicated that the Meridian serves as a bridge for information exchange between various institutions involved in public debt management operations, ensuring that real-time data is always accessible via remote access.

In his remarks, Stanislas Nkhata expressed COMSEC's joy to be collaborating with WAIFEM to train debt managers on concepts related to debt data compilation and the use of Commonwealth Meridian. He affirmed that the workshop was a testimony of the long-standing partnership between COMSEC and WAIFEM that dated to the early 2000s which had contributed significantly to building capacity and provided advisory services in public debt management in member countries especially in debt data records management and reporting. He stated that the workshop had been organised at a time when countries in the West African region were in the process of migrating their debt databases from CS-DRMS to the new system, namely Commonwealth Meridian. He also stressed that there is the need for a comprehensive and high-quality debt data, whether at the national, regional, and global levels.

The Adviser informed the workshop that at international level, there had been growing calls for creditors and borrowers to be transparent in the lending and borrowing operations, respectively. He stressed that from an investor perspective, regular, timely and accurate disclosure of information was one of the key variables used in country risk assessment and credit rating. He assured that the Commonwealth Secretariat would continue to ensure that it responds to the needs and requirements of member countries through the provision of a robust debt management system and encouraged participants to make full use of the training to learn not only from the experts but also from each other's experiences through information sharing.

The training was designed to equip participants on

using Commonwealth Meridian for debt data compilation, reporting, and monitoring. It will also showcase the recommended configuration of the system to support debt management better and prepare users for the transition from CS-DRMS to Meridian.

The training covered key areas such as: Focus on how Commonwealth Meridian can be used to record and manage debt instruments to conform to best practices as recommended in the 'Public Sector Debt Guide-Guide for Compilers and Users; Introduce participants to the various concepts in debt data collection, compilation, and dissemination for effective fiscal debt reporting; Introduce participants to the various features in Commonwealth Meridian designed to assist countries in effectively collecting, compiling, and disseminating debt data with a high degree of confidence in the quality of data generated; and Provide participants with the opportunity to share their experiences and challenges in debt data collection, reporting and monitoring and explore broader issues related to the Commonwealth Meridian implementation process/technical assistance to address some of the challenges. There was a session on country experience sharing in terms of the issues and challenges confronting member countries for compilation, reporting, and monitoring of fiscal debt data. There were also hands-on exercises on how to record and manage loans which made it interactive.

The course was facilitated by four (4) highly seasoned and experienced experts from the Commonwealth Secretariat and WAIFEM faculty. They included: Mr. Stanislas Nkhata, Adviser, Debt Management Unit, Economic, Youth & Sustainable Development Directorate, COMSEC, Mr. Ernest Adjei, Test Analyst, Debt Management Unit, Economic, Youth & Sustainable Development Directorate, COMSEC, Mr. Yakubu Aliyu, WAIFEM and Dr. Gabriel Y. Asante, WAIFEM.

The course was attended by twenty-nine (29) participants consisting of six (6) females and twenty-three (23) males drawn from all member countries namely; The Gambia (1), Ghana (3), Nigeria (22) and Sierra Leone (3).

Communiqué

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

Key Lessons

- A comprehensive debt database and accurate statistics are critical for effective public debt management operations.
- In-depth understanding of the various concepts

in debt data collection, compilation, and dissemination is essential for effective fiscal debt reporting.

- The Commonwealth Meridian, a cutting-edge, state-of-the-art debt management technological platform enhances developing countries' public debt recording, analysis, monitoring and reporting capabilities and offers an enhanced functionality that captures the rapid changes in the debt management landscape compared to the widely used CSDRMS.
- The massive features in Commonwealth Meridian can assist countries in effectively collecting, compiling, and disseminating debt data with a high degree of confidence in the quality of data generated.
- The most benefit can be achieved by a country using the Commonwealth meridian if the platform is accessed by all institutions involved in public debt management operations. This ensures that real-time data is always accessible via remote access.
- The Commonwealth Meridian can be used to record and manage debt instruments to conform to best practices as recommended in the 'Public Sector Debt Guide-Guide for Compilers and Users.
- The presentations made on participating countries' experiences and challenges in debt data collection, reporting and monitoring did not only illustrate the similarities within the participating countries, but also provided the facilitators the opportunity to demonstrate and explain how the Commonwealth Meridian can address some of the challenges.

Observations

- COMSEC and WAIFEM conduct of the training in-person was compatible for such a hands-on and demonstrative training.
- The training was highly educative and exhaustive.
- The sessions were very interactive and country experiences enriched the interactions between member countries.
- The presenters/facilitators were very knowledgeable on debt management and the Commonwealth meridian, and the course was delivered with tact.
- Participants, including those from countries not using the Commonwealth meridian got in-depth understanding of the value addition the system brings to debt management.
- The training objectives were achieved.

- Most of the challenges faced in the usage of the CSDRMS are being resolved.
- There was a need for a continuous practice in better appreciating the commonwealth meridian.
- The participants were excited practising live on the meridian platform.
- The facilitators were patient and thorough in their presentations.

Recommendations

To Member Countries:

- There should be Technical/ financial advisory to governments and chief executives from the West African Sub-region to speed up the process of migrating from the use of CSDRMS to MERIDIAN in its Debt Management operations for efficiency and accountability.
- There is the need for capacity building on Loan Interpretation Skills for debt managers of WAIFEM member countries.

To WAIFEM

- There is the need to provide audio/visual software that can aid personal practice.
- Access to the Commonwealth Meridian that has been granted to the participants during the training should be made available for up to three months to enable participants improve their understanding of the platform.
- The workshop schedule should have allocated time for breaks, and or communicate such changes accordingly, to maintain participants' attentiveness all through the day.
- Housekeeping logistics needs to be upgraded to ensure the caterers prepare different meals for coffee break and lunch on the training days.

To Participants

- Participants should serve as ambassadors to explain the vastness and value-addition of the commonwealth meridian in their respective countries and utilize the system to improve public debt recording, analysis, monitoring, and reporting.

Appreciation and Conclusion

The participants expressed sincere appreciation to the Director-General and the entire management staff of WAIFEM and to the Commonwealth Secretariat for successfully organizing this significant training. Similarly, they commended the superb logistic provided for the success of the workshop.

They also expressed special gratefulness to COMSEC for staying committed to WAIFEM and remaining

responsive to their training needs. They showed gratitude to the facilitators for sharing their great wealth of professional knowledge, practical experiences and global practices in debt management and the use of the Commonwealth meridian.

Finally, the course representative congratulated fellow professional colleagues for their active participation and their valuable contributions through their respective country experience-sharing, without which this training would not have been complete. He encouraged all participants to share the knowledge gained with other colleagues in their various places of work.

The participants remain optimistic that WAIFEM will ensure that the observations and recommendations in this communique receive adequate attention for their respective member countries.

1.2.11 Joint World Bank-WAIFEM Workshop on International Bond Issuance, Abuja, Nigeria, November 6-10, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint World Bank/WAIFEM Regional Workshop on International Bond Issuance. The training was conducted at Bolton White Hotel, Abuja, Nigeria, from November 6 - 10, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, Debt Management Offices, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, who was ably represented by Mr. Yakubu Aliyu, Director, Fiscal Policy, Debt Management and Regional Integration (FPDMRI) Department, WAIFEM, the Honourable Governor of the Central Bank of Nigeria (CBN), Olayemi Michael Cardoso, who was unavoidably absent and ably represented by Dr. Yusuf Bulus, Deputy Director, Monetary Policy Department, CBN, distinguished resource persons from the World Bank, and other WAIFEM officials.

In his welcome remark, Mr. Yakubu Aliyu on behalf of the Director-General warmly welcomed the Representative of the Honourable Governor of the Central Bank of Nigeria, Honourable Mr. Olayemi Cardoso, the distinguished facilitators from the World Bank and esteemed participants for the course. He expressed WAIFEM's deep appreciations to the Government of Nigeria and the Honourable Governor, CBN, Mr. Olayemi Cardoso through his representative, Dr. Yusuf Bulus. He expressed WAIFEM's sincerely appreciations for the unwavering support of the Honourable Governor and the CBN, which had been the backbone of the Institute for the past two and a half decades.

The DG also thanked the World Bank for its invaluable contributions in providing the necessary resources and expert facilitators for the training. He noted that their commitment to enhancing the capacity of public officers in the West African sub-region is unparalleled and deserving of commendation. He specifically applauded the team of experienced resource persons, namely Leandro, Bill, and Patrick, who generously offered extensive knowledge amidst their busy schedules. Similarly, he acknowledged the enthusiastic response of WAIFEM member countries for their response to the call for nominations.

On the course, the DG noted that the past decade had witnessed numerous low- and middle-income nations exploring international bond markets, commonly referred to as sovereign bonds, as a means to raise funds from foreign investors. He stated that these debt securities were issued by governments outside their borders and served as a critical source of capital for vital sectors such as development, infrastructure projects, and other sectors vital to a robust economy. This change towards international bonds had allowed countries to overcome domestic financial constraints and tapped into commercial debt financing options.

The DG further underscored the important role international bond issuance had played in shaping economic landscapes and fostering cross-border collaborations in the global economy. He empathized that as public officers and professionals, it was imperative to remain updated on the latest developments, techniques, and best practices in this field. He mentioned that the rise in Eurobond issuances had been significant, with nearly 100 developing countries engaging in this practice since 2004. On average, around 60 countries per year had participated, issuing bonds with an approximate value of \$1 billion each. According to the Director-General, the trend could be attributed to the prolonged period of low global interest rates and the diversification strategies of developed markets, where investors were drawn to higher yields.

In his keynote address the representative of the Honourable Governor of CBN, Dr. Yusuf Bulus, warmly welcomed everyone to Abuja, Nigeria's melting pot and capital city. Dr. Bulus on behalf of the Honourable Governor of CBN sincerely appreciated Dr. Baba Y. Musa, the Director-General, the dedicated team at WAIFEM, and the reliable partners from the World Bank Group. He noted that their steadfast commitment to enhancing capacity-building efforts in our sub-region was highly commendable. The collaboration between WAIFEM and the World Bank in providing pertinent and high-quality programmes was equally commendable.

On the course, the Honourable Governor stated that in this modern era the international financial landscape remained open to borrowers with many funding choices. He highlighted that concessional

financing was attractive, with its long repayment periods and low-interest rates, although, it had limitations in terms of funding size, currency risks, and conditionalities. On the other hand, local currency domestic bond markets offered stability and flexibility but had higher rates, crowding out effects, and refinancing risks. Thus, while diversifying funding sources and bolstering sovereign credibility, international bonds (commonly known as Eurobonds) introduced their challenges of market-imposed restrictions, currency risks, and long-term commitments. Dr. Bulus stressed that the critical task remaining was to align the funding choices with long-term macro-stability and growth objectives.

The Honourable Governor indicated that international sovereign bonds were issued outside the domestic market and denominated in foreign currencies to target international investors, thus, there were opportunities and risks involved. In terms of the opportunities, international bond marketed opportunity to expand countries' financing horizons to market-based debt financing in the context of domestic resource constraints. They thus served as powerful tools, establishing benchmarks for global corporate bond pricing and enabling private sector entities to access international capital. Moreover, these bonds subjected countries to global investor scrutiny, catalysing macroeconomic and structural reforms. Crucially, they facilitated financing for long-term infrastructure projects, which might otherwise remained unrealised, and enabled effective public debt management.

Conversely, they also posed significant risks. These bonds were large, usually over \$500 million, making repayments or refinancing difficult, especially for smaller economies. Market uncertainties also affected borrowing costs. The bond-associated obligations were governed by laws in key jurisdictions, like the US and EU, constraining the way in which the debt could be managed in extraordinary times. Moreover, access to these markets depended on country's credit rating, typically a minimum rating of B- influencing interest rates. As a result, many developing countries had been unable to access tenors longer than 5-7 years, resulting in spikes of maturities, relative to advanced economies who could have above 15 years. Other challenges included changes in the monetary policies of advanced economies and shifts in investor perceptions as well as on the domestic front - poor public debt management, limited administrative capabilities, and weak fiscal institutions posed risks, potentially leading to poorly executed projects financed through international bonds.

The Honourable Governor advised that whether a country was a debut issuer, re-entering the market after a long break or a second timer, issuing

international bonds demanded detailed planning and analysis. Countries must consider long-term broader economic and financial implications, not only when the debt bonds were issued but when the debt needed to be repaid, ensuring they could manage the debt responsibly. He noted that in such situation, debt sustainability assessments and medium-term debt strategies were critical towards guiding decisions on bond size and minimising the risk of overstraining the country's finances. In the long run, it was also crucial for the issuer governments to put in place robust economic and fiscal plans. Working with the central banks was also vital, as issuing bonds might require managing liquidity in the market.

In view of the foregoing, WAIFEM organised this Joint World Bank/WAIFEM Regional Workshop on International Bond Issuance to build capacity of member countries.

The training was designed to provide participants with invaluable insights, skills, and practical knowledge of the processes, challenges, and strategies for issuing international bonds. Moreover, it sought to give participants insights into the reasons for countries issuing international bonds, different financing instruments, roles of issuers, investors, intermediaries, and the steps required in the entire bond issuance process.

The workshop covered key areas such as: Introduction (setting the scene, objectives and scope); Structure of Capital Markets; Pre-phase (establishing a taskforce, detailed preparation and bond structure; Selecting Advisors and Executors; Documentation; Investor Communication and Relations; Pricing and execution; After the issuance; and international bond issuance: peer learning. There was also practical exercises and discussions based on real-world experiences to enhance participants' ability to apply theoretical knowledge in practical scenarios. Additionally, the experiences of WAIFEM countries in issuing international bonds was also shared and discussed.

The course was facilitated by four (4) highly experienced resource persons/experts from the World Bank and WAIFEM in the persons of, Leandro (World Bank), Patrick (World Bank Consultant), Bill Northfield (World Bank Consultant); and Dr. Gabriel Y. Asante (WAIFEM).

The course was attended by twenty-two (22) participants consisting of seven (7) females and fifteen (15) males drawn from all WAIFEM member countries namely, The Gambia (5), Ghana (4), Liberia (3), Nigeria (8), and Sierra Leone (2).

Communiqué

The following key lessons, observations, and recommendations were made in the communiqué

presented by the participants at the end of the course:

Key Lessons

- The participants learned how best to prepare their countries for venturing into the complex terrain of the international bond markets.
- The workshop exposed participants to all the processes required for the issuance of Eurobonds.
- The workshop also showed the need for continuous capacity-building to enhance the skills of debt management professionals to support international bond issuances.
- The participants were equipped with the relevant documentation and their contents for issuance of Eurobonds.
- The participants were fortified with the need to be mindful of currency fluctuations, maintain transparent communication and prioritize a solid credit profile in issuing Eurobonds.
- Again, the workshop provided the participants with the requisite knowledge to understand market trends for pricing Eurobonds.

Observations

- Despite the short training period of 5 days, the lectures were adequately covered given the experienced team of facilitators.
- The training aligned with international best practices, with countries experiences provided by participants who have issued multiple times on the international capital market.
- The training sessions promoted interpersonal relationships, knowledge sharing, and interaction among participants especially on class group exercise.
- Participants gained insight on what is to be considered first before getting involved in issuing Eurobond: Which involves careful considerations such as consulting financial experts, assessing market conditions, understanding regulatory requirements, and ensuring a solid credit rating for favourable terms.
- Knowledge gained on how to issue Eurobond; focus should be on thorough due diligence, establish a clear communication strategy, consider currency risk and collaborate with experienced underwriter.

Recommendations

To WAIFEM

- The need to retain the training facilitators in subsequent programs cannot be

overemphasized.

- The building of capacity of debt management officers should be extended to key decision makers to enhance their knowledge and skills in the field.

To Participants

- Participants should replicate or domesticate knowledge gained from the training on their job schedules to ensure sound debt management practices in their respective countries.

Appreciation and Conclusion

The participants remained grateful to the Director-General of WAIFEM, his team, and the World Bank for organizing such an impactful training towards capacity building in WAIFEM member countries. They appreciated the expert facilitators for the excellent delivery of the course in a simple and practical manner.

Finally, the participants congratulated themselves for being part of this team and sharing debt-related experiences among WAIFEM member countries.

1.2.12 Regional Course on Economic Issues in Regional Integration: Africa Continental Free Trade, Online, November 20-24, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Economic Issues in Regional Integration: Africa Continental Free Trade. The training was conducted Online/Virtual from November 20 - 24, 2023, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region.

The opening ceremony was attended by the Director-General of WAIFEM, Dr. Baba Y. Musa, Directors of WAIFEM, distinguished resource persons, other WAIFEM officials and esteemed course participants.

In his welcoming remarks, the Director-General on behalf of the Institute, warmly welcomed everyone to the opening ceremony of the Regional Course on Economic Issues in Regional Integration: Africa Continental Free Trade (AfCTA). He extended the Institute's profound appreciation to the pool of distinguished resource persons for accepting the invitation on such short notice to share their extensive and invaluable knowledge. He also acknowledged the positive response of WAIFEM member countries on the call for nominations for this course and congratulated the participants for been nominated for this course.

On the course, the Director-General started with a

brief background on issues in regional economic integration in Africa. He mentioned that since 2020, African economies, including those in our sub-region, had battled significant challenges, primarily due to the COVID-19 pandemic and regional conflicts that ensued. He said the crisis had severely impacted trade, foreign investment, and remittances, hindering economic recovery. These challenges persisted, compounded by ongoing disruptions in the supply chain that limited international trade and caused substantial inflationary pressures, an unprecedented scenario in decades. Consequently, many countries found themselves pushed to the brink with limited options.

The Director-General also underscored the importance of the African Continental Free Trade Area (AfCFTA) to our sub-region, Africa, and the global economy in general. He posited that in light of the mentioned hurdles, numerous studies propose that Africa's economic rebound could be accelerated by implementing far-reaching reforms, notably in trade liberalisation and fostering regional economic integration. He went further and noted that economic integration, a collaborative effort among nations within a defined geographic area, aims to reduce trade barriers and drive cross-border movement of goods and services. He highlighted that historical data and economic theories demonstrate that deeply integrated countries prosper by tapping into regional and global markets. Economic integration cultivates an environment conducive to progress by enhancing factor efficiency, expanding markets, and fostering competitiveness.

The Director-General stated that the anticipated benefits of AfCFTA were extensive. He cited that estimates by the UNECA suggested that by 2040, it could boost intra-African trade by 15 percent to 25 percent. The World Bank projected that its implementation could uplift an additional 30 million Africans from extreme poverty and substantially raise the income of over 60 million above the poverty line. The potential increase in real income could reach 7 percent, approximately \$450 billion, with a marked surge in African trade, especially intra-regional manufacturing trade. Total exports might escalate by nearly 29 percent by 2035, with intra-African exports soaring by approximately 81 percent and exports to non-African nations surging by 19 percent.

Additionally, the Director-General indicated that it was in 2018 that 44 African nations signed the AfCFTA agreement, officially launched in 2021. Modelled after the European Union, this agreement outlines a framework for liberalising trade in goods and services to establish an African economic community. Upon full implementation, AfCFTA would encompass all 54 African nations, boasting an estimated combined GDP of \$2.5 trillion and a population exceeding 1.2 billion, positioning it as the world's largest trading bloc.

Concluding his remarks, the Director-General stressed that African nations, especially within ECOWAS, hold a pivotal role in AfCFTA's success. He asserted that extensive work lied ahead in deepening capital market integration, ensuring regional currency convertibility and trading, harmonising banking and financial sector regulations and legislations, and integrating cross-border payment systems. Implementing these reforms remained crucial to fostering a robust financial sector capable of funding trade transactions under the AfCFTA platform, thereby leveraging it for African prosperity.

The course was designed to empower public officials in economic integration and advancing intra-Africa trade for the sub-region and the continent. It was also intended to enrich participants' understanding of economic, monetary, and financial integration within the sub-regional context. The knowledge gained would further equip them to formulate the requisite policy responses to some of the barriers and challenges that have hampered the REI process over the years.

The training covered key areas such as: Conceptual, theoretical and empirical frameworks and perspective on regional economic integration (REI); Instruments and institutions for strengthening REI: Role of regional member countries; ECOWAS Trade in Service Policy; Cooperation and trade arrangements: ECOWAS in the context of AfCFTA, Economic Partnerships Agreements (EPAs), African Growth Opportunity Act (AGOA), China/India trade pacts; ECOWAS and the role of the Regional Economic Communities (RECs) in AfCFTA implementation; The Role of the Offices of Trade Negotiations; Trade liberalization dynamics in Africa: Overview/Analysis of new trends, opportunities and policy issues; Policy options for maximizing benefits of and mitigating challenges of AfCFTA; Trade policies and procedures, regulatory barriers and integration of services in ECOWAS; and Regionalization and globalization: Political economy impact of trade liberalization and REI: Case studies.

The course was facilitated by four (4) highly seasoned and experienced experts from the sub-region. They included: Professor Jonathan Aremu (Professor of International Economic Relations at the Covenant University (CU), Ota, Nigeria and a Consultant at Economic Community of West African States (ECOWAS) on Common Investment Market (ECIM), Abuja); Dr. John-Hawkins Asiedu (Technical Adviser, Ministry of Trade and Industry, Ghana); Dr. Sule Danjuma Muhammad, FCA, FCNA (Director at the Office of Trade Negotiations, Nigeria); and Dr. Fareed Arthur (National Coordinator, Ghana AfCFTA Office, Ministry of Trade and Industry, Ghana).

The course was attended by twenty-five (25) participants consisting of ten (10) females and fifteen (15) males drawn from WAIFEM member countries

namely; The Gambia (5), Ghana (8), Liberia (3), Nigeria (7) and Sierra Leone (2).

Communiqué

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

Key Lessons

- Trade is an essential component for any economic integration;
- There is the need to have mutual recognition agreement for trade in services among member states;
- For integration to become a reality there should be sharing on intelligence and security related matters among ECOWAS member states;
- ECOWAS should as a matter of urgency set in motion a process to enhance free movement of goods and services in a common customs union;
- Countries should take a second look at the services liberalization sector as the sector is worth billions if the necessary support is given to it because develop countries benefit a lot from it;
- There is the need to call for all stakeholders' conference of experts to have a high-level of consultative assembly of professionals and policy-makers to discuss the way forward to harmonize policies, laws and trade regulations within the ECOWAS region; and
- The volume of trade creation in trading among yourself should be more if there is no economic integration.

Observations

- The facilitators/presenters were very knowledgeable on the subject matter and course delivery was excellent;
- Participants found the training very relevant;
- The sessions were interactive, and participants shared their country experiences on the subject matter;
- Delivery medium posed some challenges due to

internet connectivity fluctuation and power outage;

- The facilitators allowed questions from participants right through their presentations;
- The question-and-answer sections were very interactive because it allows both the facilitators and the participants to share their personal experiences relating to their work; and
- Lack of full concentration due to participants combining office work and training simultaneously.

Recommendations

To WAIFEM

- The participants recommended an in-person training to ensure maximum concentration by participants and a more hands-on exercises;
- They encouraged WAIFEM to organize a face-to-face training to enhance more efficiency and participation from participants; and
- WAIFEM to conduct more trainings of such to enhance more knowledge and understanding on the subject matter.

Appreciation and Conclusion

The participants deeply expressed their sincere appreciation to the Director-General and the entire management staff of WAIFEM for successfully organizing this training. They thanked the distinguished facilitators for sharing their great wealth of professional knowledge, practical experiences on the Course. They also remain appreciative to their nominating institutions in various Countries for the opportunity to benefit from this important training.

Finally, the Class Governor congratulated his fellow participants for the active participation and valuable contributions through the respective countries experience-sharing. He entreated all his colleagues to share the knowledge gained with other colleagues in their various workplaces.

The participants hoped that WAIFEM will ensure that the suggestions, recommendations, and observations in the communiqué would receive adequate attention.

1.3 FINANCIAL SECTOR AND PAYMENT SYSTEMS DEPARTMENT

1.3.0 Introduction

The Financial Sector and Payment Systems Department organised a total of twelve (12) regional capacity building programmes during the year 2023. Ten (10) were executed in-person, while the remaining two (2) were done virtually (online). A total of three hundred and thirty-three (333) officials from Central Banks, Ministries of Finance and Economic Planning as well as other public and private sector agencies from the WAIFEM member countries benefited from the programmes.

A country-wise distribution of the participants indicated that 69 participants were from Ghana (20.7 percent) followed by 63 from Nigeria (18.9 percent); 42 from Sierra Leone (12.6 percent); 32 from Liberia (9.6 percent); 29 from The Gambia (8.7 percent). There were 97 participants from other countries, representing 29.1 percent.

A breakdown of participation according to institutions shows that central banks accounted for 260 participants representing 78.1 percent; other public sector agencies accounted for 65 participants (19.5 percent); Ministry of Finance and Economic Planning, 5 participants representing 1.5 percent and the private sector accounted for 3 participants (0.9 percent). In terms of participation by gender, 205 participants were male, representing 61.6 percent while 128 were female representing 38.4 percent of the participants.

The details of the courses conducted by the Financial Sector and Payment Systems Department are as follows:

1.3.1 Regional Course on Banking Supervision and Resolution (Level 1), Lagos, Nigeria, March 27 - April 6, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Banking Supervision and Resolution (Level 1), in collaboration with the College of Supervisors of the West African Monetary Zone, from March 27 - April 06, 2023.

In his keynote address, Dr. Musa reiterated the need for effective banking supervision and resolution especially in the current dispensation of rapid technological advancement. He also emphasized the need for regulators/supervisors to have a firm grasp of the different risks associated with the various banking activities such as credit/default risk, foreign exchange risk, interest rate risk, and liquidity risk.

The course was designed to enhance the knowledge and skills of bank supervisors to appreciate the need for financial stability and strengthen their ability to

mitigate the risk of systemic failure. The course further aimed at providing understanding of bank resolution process to ensure effective implementation when the need arises.

The broad themes covered included the following:

- i. Bank licensing process;
- ii. Bank failure: causes, prevention and resolution;
- iii. Capital and capital verification;
- iv. Consolidated supervision;
- v. Forex operations and forex examination process;
- vi. Bank accounting;
- vii. Financial statement analysis;
- viii. Bank investment and liquidity management;
- ix. On-site examination process;
- x. Off-site examination process;
- xi. Fraud and forgeries;
- xii. Corporate governance principles;
- xiii. Money laundering, financial crime
- xiv. Framework for prompt corrective action; and
- xv. International Financial Reporting Standards (IFRS) principles.

The course was attended by twenty-four (24) senior and middle level staff of the central banks of The Gambia, Ghana, Liberia, and Nigeria, with two (2) participants from the National Deposit Insurance Corporation (NDIC), Nigeria and a participant from the West African Monetary Agency (WAMA).

The course was facilitated by well-informed and experienced resource persons and practitioners drawn from the central banks and other professional bodies in the sub-region.

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

- i. All the participants were of the view that the course deepened their knowledge and understanding of the basics in banking supervision and resolution;
- ii. Over 88 percent of the participants agreed that the course contents in terms of the topics covered were appropriate;
- iii. 92 percent of the participants affirmed that the course would assist them in performing their job functions;
- iv. 83 percent of the participants were of the opinion that the quality of facilitation assisted them in understanding the concepts;

- v. The course materials were found to be very useful by 93 percent of the participants;
- vi. The overall administration and coordination of the course was rated as 'very effective' by 82 percent of the participants; and
- vii. Overall, the participants unanimously concurred that the course met their expectations.

In compliance with the directive of the Board and Management of WAIFEM, two sets of Quizzes were administered to the participants. The overall performance was good.

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

Observations

- i. The adoption of sound corporate governance principles by member countries in the supervision of banks and other financial institutions has led to relatively safe and sound financial institutions in their respective jurisdictions.
- ii. Countries within the sub-region have incorporated Prompt Corrective Actions (PCAs) Framework in their Acts or guidelines. This has enabled them to intervene early to prevent capital erosion to enhance the stability of their banking systems, which is fundamental for economic growth
- iii. The concept of consolidated supervision has enabled member countries to cooperate, learn and share best supervisory practices among themselves and has allowed financial sector supervisors to understand the relationships between the legal entities and how to effectively monitor the group and recognize incipient risks/problems.
- iv. Specific insights into important International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) gave the participants an opportunity to understand the substance and, most importantly, the hidden information contained in annual reports prepared by financial institutions.
- v. The Anti-Money Laundering and Financial Crime module availed the participants the opportunity to understand that financial institutions are required to implement the FATF recommendations, and that regulatory authorities should take measures particularly during the licensing of financial institutions to prevent criminals and their associates from holding shares or controlling interest or in management roles in the financial institution.
- vi. Prudential Indicators for banks differ in jurisdictions within the sub-region making cross

border examination and peer-to-peer review difficult.

- vii. Participants agreed that bank regulators and supervisors within the sub-region should minimize bank failure regardless of whether they are systemic important banks or not. This is because the failure of any bank within the region has systemic effects on the economy thereby leading to loss of confidence in the banking and financial system.
- viii. The urgency, frequency, and timing of on-site examination differed significantly across jurisdictions based on the institutional policies or country-specific laws. For most Central Banks in the sub-region, on-site Bank examinations are performed once a year.
- ix. The sessions and presentations were in-depth, engaging, and well delivered by knowledgeable facilitators amidst participants' full engagement.
- x. Some of the lecture materials were too voluminous for the time allocated making it difficult for participants to fully comprehend and internalize them.
- xi. The training program required intensive learning that saps energy and thus putting both Muslim and Christian participants fasting at a disadvantage.

Recommendations

- i. Supervisors in the sub-region should cooperate regarding the supervision of group financial institutions to avoid the contagion effect of bank failure in the region. The tools for cooperation can include a memorandum of understanding, supervisory colleges, and periodic meetings among supervisors.
- ii. Countries within the sub-region should endeavour to have effective Prompt Corrective Action (PCA) Framework to intervene early to prevent capital from falling below the minimum levels required to support the risk characteristics of a particular bank to enhance the stability of its banking system, which is fundamental for economic growth.
- iii. Central Banks in the jurisdiction should form national and regional alliances and strengthen partnerships and collaboration with security agencies, border controls, and inter-governmental agencies to effectively implement AML/CFT regime and curb the illicit flow of funds within the region.
- iv. We humbly recommend that such training programs be conducted outside the Ramadan and Lent periods to provide all participants an equal or a level playing field.

1.3.2 Regional Course on Microprudential and Macroprudential Regulation and Supervision, Abuja, Nigeria, April 24-28, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Micro-Prudential and Macro-Prudential Regulation and Supervision in Abuja, Nigeria, from April 24 - 28, 2023.

The opening ceremony was chaired by Mr. Godwin I. Emezie, Governor, Central Bank of Nigeria who was represented by Dr. (Mrs.) Omolara Duke, Deputy Director, Monetary Policy Department, Central Bank of Nigeria. Also present were the Director of the Financial Sector and Payment Systems Department, Mr. Amadou Koora, who represented the Director-General of WAIFEM, Dr. Baba Y. Musa and Dr. Setor Amediku who represented the facilitators.

In his welcome remarks, the Director-General thanked the Governor, Management, and staff of the Central Bank of Nigeria, and the International Training Institute for the warm welcome and the logistical support extended to participants and organisers of the course since their arrival. He also welcomed all participants, and urged them to make every effort to complete the course, whilst finding some time out of their crowded schedule to visit the numerous attractions of the city of Abuja.

The main objective of the course was to upgrade the knowledge and skills of participants to effectively analyse microprudential and macroprudential policies for financial stability. Specifically, the course was aimed at enhancing participants' competence in: formulating appropriate supervisory and regulatory policies and taking timely actions to promote safe, smooth and sound operations of the financial system; and analysing different microprudential and macroprudential policy options that would limit the risk contagion with the resultant possible systemic risks

The broad themes covered included the following:

- i. Macroprudential regulation: History, Theory and Policy;
- ii. Effectiveness and implementation challenges: How to deal with credit boom, credit cycles, contingencies;
- iii. Financial condition of the banking sector: Profitability, solvency, asset quality and liquidity indicators; Drivers of bank profitability;
- iv. Detecting financial vulnerabilities from macroprudential indicators;
- v. Stress testing for financial systems stability: Value at risk, balance sheet analysis;
- vi. Identification of sources of risk: Credit, operational, liquidity, financial markets and

contagion risks;

- vii. Micro and macroprudential policy approaches to regulation and supervision;
- viii. The importance of micro and macroprudential regulation in financial systems;
- ix. Conflicts and trade-offs between micro and macroprudential regulation and policies; and
- x. The role of financial regulators.

The course was attended by sixteen (16) participants made up of senior and middle level officials from central banks of The Gambia, Ghana, Liberia, Nigeria and Sierra Leone.

The course was facilitated by experts drawn mainly from central banks across the sub-region.

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

- i. All the participants concurred that the course had upgraded their skills to effectively analyse microprudential and macroprudential policies for financial stability.
- ii. The course content was adjudged as 'very good' by 100 percent of the participants.
- iii. The substantive impact of the resource persons as a team was rated as 'very good' by 96 percent of the participants.
- iv. About 85 percent of the participants affirmed that the course had enhanced their skills in analyzing various microprudential and macroprudential measures that would limit the risks and costs of systemic crises.
- v. An overwhelming majority of the participants were of the opinion that the knowledge and skills acquired from the course would improve their job performance.
- vi. Over 98 percent of the participants were of the opinion that the time allotted for the presentations was adequate;
- vii. More than 88 percent of the participants concurred that the course met their expectations.
- viii. At the wrap-up session, participants suggested that future courses should allow enough time for practical sessions like stress testing.

Following the presentations and discussions during the course, participants observed that:

Observations

- i. Some countries have inadequate existing early warning systems to detect problems in banks prior to systemic crises;
- ii. The banking systems in some countries have huge

non-performing loans beyond regulatory thresholds and these impact adversely on the financial system;

- iii. Most countries have strengthened their supervision framework with Risked based supervision;
- iv. While some Central Banks utilize microprudential approaches to banking supervision, a number of Central Banks have incorporated macroprudential policy frameworks;
- v. Data integrity and coverage remain a major challenge for the effective implementation of macroprudential policies in the sub-region;
- vi. The course is pivotal for building financial system stability in our countries and the sub-region;
- vii. Countries within the sub-region are at different stages of developing their macroprudential frameworks; and
- viii. The linkages of other relevant stakeholders such as stock exchanges, deposit insurance protection corporations, insurance and pension commissions are key in macroprudential analysis.

Recommendations

- i. There is need for early warning systems for the detection of crisis prior to its manifestation;
- ii. There should be policy coordination between the macroprudential supervision authorities;
- iii. Macroprudential policies should not focus too narrowly on insulating the larger financial institutions, while paying insufficient attention to potential vulnerabilities in the rest of the financial system;
- iv. For effective conduct of macroprudential regulation and supervision, countries in the sub-region should improve data coverage and integrity;
- v. There is the need to ensure operational independence of central banks in the sub-region to enhance the efficacy of macroprudential regulation and supervision;
- vi. Central Banks should develop and improve their stress testing tools to test the vulnerability of the system;
- vii. Central Banks that need capacity development in macroprudential analytical tools should explore the option of study visits to other Central Banks in the sub-region that have already developed these tools;
- viii. Due to the importance of this course, key stakeholders in the financial system should participate in future training programmes like

this; and

- ix. Hands-on sessions where country specific exercises are done with country data will enhance practical and in depth understanding of the course.

1.3.3 Regional Course on Combating Money Laundering and Cyber Crimes, Monrovia, Liberia, May 8- 12, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Combating Money Laundering and Cyber Crimes in Monrovia, Liberia from May 8 - 12, 2023.

The opening ceremony was presided over by the Executive Governor, Central Bank of Liberia, Mr. J. Aloysius Tarlue, who was ably represented by Mr. Michael Ogun, Special Advisor, Multilateral Relations of the Bank. Also present were Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, WAIFEM who represented Dr. Baba Y. Musa, the Director-General of WAIFEM, and some of the resource persons, Dr. Buno Nduka and Mr. Abimbola Adeyesoju.

In his keynote address, the Executive Governor of the Central Bank of Liberia, Mr. J. Aloysius Tarlue Jr. enumerated the adverse effects of money laundering on the health and development of the financial system, such as inexplicable changes in money demand, prudential risks to bank soundness, contamination effects on legal financial transactions and increased volatility of international capital flows and exchange rate due to unanticipated cross-border asset transfers, as well as dampening effect on foreign direct investment.

The course was aimed at developing critical skills in combating money laundering and financial crimes perpetrated through the financial system in the sub-region.

The specific objectives of the course were:

- i. To enable participants understand the concepts and techniques of money laundering and its effects on the financial system;
- ii. To enhance the knowledge of participants in AML/CFT supervision and regulation;
- iii. To expose participants to current developments and trends in global initiatives to combat money laundering and other financial crimes;
- iv. To expose participants to the threats posed by cybercrime to organizations, and measures to mitigate these threats; and
- v. To evaluate different approaches for securing complex computer networks, and discuss the risks and threat prevention measures, in the different layers of services in the financial

services industry.

The following broad themes were covered:

- i. Overview of Money Laundering, Economic and Other Financial Crimes;
- ii. Procedures, Monitoring Tools and Investigative Techniques for Combating Money Laundering;
- iii. Designing Anti-Money Laundering Compliance systems for Enforcement in Financial Institutions;
- iv. International/ Regional Initiatives: The Revised FATF Standards- Implications for Robust AML/CFT Regime in west Africa;
- v. Risk Based Approach in Implementing AML/CFT Compliance;
- vi. Customer Due Diligence: The Link to Robust AML/CFT Framework;
- vii. Overview of cyber-security concepts and drivers in the financial services industry;
- viii. The role of regulators in relation to existing vulnerabilities: tools for identifying cyber-security hygiene;
- ix. Legal initiatives relating to cyber security and cybercrimes;
- x. Best practices in cyber security frameworks and optimization of disaster recovery strategies to ensure business continuity;
- xi. Establishing effective mechanism for sharing intelligence for cybercrimes prevention, and learning lessons on cyber incidents across the financial services industry;
- xii. Cyber-security issues in digital transformation: Crypto currencies, electronic banking services, Mobile financial services, cheque truncation services; online stock trading services through the central security clearing system; and
- xiii. Future outlook: cyber-security and the financial services industry.

The course was attended by nineteen (19) senior/middle level officials from the Central Banks of The Gambia (4), Ghana (3), Liberia (8), Nigeria (1), Sierra Leone (2) and the West African Monetary Agency (1) respectively.

The faculty comprised of retired AML/CFT experts from the Inter-Governmental Action against Money Laundering in West Africa (GIABA), DataPro Consultancy, and a Cyber-Crimes expert from Deloitte and Touché, Nigeria, respectively.

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

- i. All the participants concurred that the course had broadened their knowledge of techniques for combating money laundering and other financial crimes;
- ii. The participants unanimously affirmed that the course provided a good platform to share experiences on regional initiatives in prevention and combating money laundering and other financial crimes;
- iii. 99.6 percent of the participants rated the content of various topics included in the course as 'very good' and appropriate;
- iv. In terms of the usefulness, all the participants acclaimed that the course would enhance their job performance;
- v. 99 percent of the participants confirmed that the quality of facilitation assisted them in understanding the concepts;
- vi. Over 94 percent of the participants asserted that the documents or lecture materials distributed were useful;
- vii. About 95 percent of the participants declared that the course had upgraded their knowledge in the role efficient cyber security and strategies could play in the financial services industry;
- viii. All the participants maintained that the course had exposed them to the threats posed by cyber crimes to organizations and measures to mitigate the threats;
- ix. Overall, the participants affirmed that the course met their expectation;
- x. The administration of the course by WAIFEM was rated as 'very effective' by 95 percent of the participants; and
- xi. During the wrap up session, participants commended WAIFEM for its effort in building capacity in the sub-region, and suggested the need to extend the duration of the course to two weeks.

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

Observations

- i. The course has highlighted the need for supervisors to constantly look out for issues regarding anti-money laundering and terrorism financing in order to adequately deal with the issues surrounding both menaces.
- ii. Cybercrime is and will continue to be a major global challenge. The course highlighted the emergence of Fintech, Blockchain, Cryptocurrency and their implications.
- iii. There is inadequate sensitization of Senior

Management on the issues of cybercrime and their participation in the fight against cybercrime;

- iv. Legislation and other regulations in most of the countries in the sub region failed to deal with cyber-crimes and their perpetrators, thus, creating some level of legislative heterogeneity within the region.
- v. Only few countries among the member states have been able to establish a layered approach for sharing real-time financial institutions and general public cyber-attacks and threat information through cyber threat sharing centres (there is, therefore, no existing regional body that coordinates and monitors the cyber landscape within the West African sub-region);
- vi. Cyber security is no longer a technical problem for the IT professionals alone, but a matter of great concern to the entire organization;
- vii. Not all the member central banks have fully adopted an information and cyber security framework and fully implemented them; and
- viii. The upsurge of Fintech in the region creates opportunity for unbanked to access financial services. However, it increases the cyber-risk to the region's financial information infrastructure.
- ix. There is little or no regulation on disruptive technologies from an ethical and risk point of view.

Recommendations

- i. There should be a constant look out for traces of Terrorism Financing in addition to Anti-Money Laundering to adequately deal with issues surrounding both threats.
- ii. Awareness and vigilance are vital as malicious actors are getting organised, growing smarter and becoming more sophisticated in light of emerging technologies such as Artificial Intelligence (AI).
- iii. Continuous training and capacity building of staff in member Central Banks and other organizations is important. As the famous saying goes - 'You are only as strong as your weakest link'.
- iv. Regulated Financial Institutions should maintain information security management systems; develop, implement, test, evaluate and maintain business continuity or disaster recovery plans.
- v. There should be intelligence sharing amongst regulators, policy makers and other stakeholders in educating and sharing information to protect against data breaches and security incidents.

1.3.4 WAIFEM-MEFMI Joint Regional Workshop on Strengthening the Role of Deposit Insurers in Supporting Financial Stability, Virtual, June 5-8, 2023

The Joint Virtual Regional Workshop on Strengthening the Role of Deposit Insurance in Supporting Financial Stability was organised by the West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), from June 5 - 8, 2023. The workshop was held with the support of the Toronto Centre. It was conducted in English and Portuguese.

The workshop was officially opened by Dr Louis Kasekende, MEFMI Executive Director and Mr Amadou Koora, WAIFEM Director for Financial Sector and Payment Systems who represented the WAIFEM Director-General, Dr. Baba Y. Musa.

The workshop aimed at enhancing the participants' understanding of the important role played by deposit insurers in the financial safety net framework and the measures that may be implemented to make deposit insurance schemes more effective. It targeted junior, and middle-level officials from deposit protection authorities, resolution authorities and supervisory authorities, Central Banks and Ministries of Finance and / or Economic Planning of WAIFEM/MEFMI member countries.

The following broad themes were covered:

- i. Overview of IADI Core Principles for Effective Deposit Insurance Systems;
- ii. Mandates, Governance Structures, Risk Management, Funding Structures, and Investment Portfolios of deposit insurance schemes in the WAIFEM/MEFMI Regions;
- iii. The key activities of a deposit insurer (premium rates, cover level, target fund, resolution tools, and investment management);
- iv. Long-term sustainability of deposit insurance schemes;
- v. Early Warning Systems: stress testing banking system resilience, deposit insurance scheme funding, liquidity and operational capabilities;
- vi. Navigating the investment universe in a low-yield, shallow market, and/or high inflation jurisdiction; and
- vii. Emerging challenges arising from the ongoing digital revolution.

A total of 95 officials from nine (9) MEFMI member countries and four (4) WAIFEM countries participated

in the workshop. Forty-three (45 percent) of the participants were female while the remainder, 52 participants, (55 percent) were male. Sixty-nine (69) of the participants were from MEFMI member countries while the remainder of twenty-six (26) came from WAIFEM member countries.

Five resource persons namely Ms Julie Nkirote Kinoti from Kenya Deposit Insurance Corporation (KDIC), Mr Geoffrey Mortlock, an international consultant and Dr Abdulrasheed Abdulkareem, Dr Kabir Katata and Dr Salisu Garba all from Nigeria Deposit Insurance Corporation (NDIC), facilitated at the workshop.

The workshop covered a number of topics on deposit insurance and bank resolution. In line with the theme, the topics focused on the need to nurture robust and sustainable deposit insurance schemes that can play a key role in crisis management and resolution of weak banks. The workshop was designed such that two sessions of a one and a half hours each were conducted each day between 09:00 AM and 13:00 PM Central Africa Time. Each presentation was led by one or two of the resource persons and ended with a question-and-answer (Q&A) segment.

The workshop was conducted using the Zoom Meetings platform and all sessions were recorded on cloud. The video recordings, powerpoint presentations and reference materials shared with the participants. Participants were also required to take pre- and post-course assessment quizzes.

The workshop equipped the participants with practical guidance on strengthening deposit insurance and resolution frameworks using examples from the region and across the globe. The officials were expected to utilise the knowledge gained from the workshop to support efforts to strengthen deposit insurance and resolution arrangements in their respective jurisdictions.

A survey conducted at the end of the workshop to obtain feedback from the participants revealed that the workshop was well organised, and effective in imparting new knowledge which has practical value and relevance to the participants and their institutions.

Below is a list of the topics that participants indicated for consideration by the Institute in its future capacity building activities:

- i. Investment of deposit insurance scheme funds including risk analysis and hedging strategies;
- ii. Bank recovery planning;
- iii. Board processes, governance and funding of deposit insurance funds;
- iv. Stress testing and early warning systems modelling;
- v. Payout management;

- vi. Resolution planning and processes (including resolution tools in detail, resolution of DSIBS, group resolution processes, and how to do a resolvability assessment);
- vii. Premium assessment;
- viii. Banking system resilience
- ix. Emerging risks (climate and cybersecurity); and
- x. Challenges of setting up a Deposit Protection Scheme in small economies.

With respect to areas for improvement, the participants raised some issues which have been duly noted for consideration in future activities. The issues can be summarised into the following themes:

- i. Inclusion of case studies and breakout sessions to do practical exercises.
- ii. Review of the workshop times to accommodate countries on different time zones. The commencement time of 07:00 a.m. (GMT) for the West African sub region except for Nigeria which is 08:00 a.m. was rather too early.
- iii. Considering in-person sessions for effective participation.
- iv. Allocating longer time to discuss the IADI Principles and more time for each presentation.

Recommendations

- i. More participants should be given the opportunity to attend the course.
- ii. Advance level of the course should be considered.
- iii. Both the regulators and insurance companies should subscribe to increasing awareness of the benefits of insurance in the society in order to increase insurance penetration in the region.
- iv. The Insurance Regulators in Africa should implement compulsory insurances that will promote large scale Insurance Business in Africa.
- v. The regulators in Africa should ensure that the current scope of Micro Insurance in Africa be increased so that small scale business owners could be reached by insurance service providers.
- vi. The capacity building of the regulators in Africa should be a priority and also be included in the strategic plans of the organization, for proper understanding of regulation and supervision of Insurance companies, Insurance Brokers and Insurance Agents.
- vii. The regulatory and supervisory frameworks of the regulators of member countries should be upgraded to the current standards of best practice.

1.3.5 Regional Course on Reserves Management (Level II), Lagos, Nigeria, June 26-30, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Online Course on Reserves Management Level II in Lagos, Nigeria, from June 26 - 30, 2023.

The opening ceremony was presided over by the Director-General of WAIFEM, Dr. Baba Y. Musa. Also present were Mr. Amadou Koor, Director, Financial Sector and Payment Systems Department, WAIFEM, Mr. Euracklyn V. Williams, Director, Admin and Finance, Dr. Alvin Johnson, Director, Governance & Institutional Development, Mr. Aliyu Yakubu, Director, Fiscal Policy, Debt Management and Regional Integration, and Mr. Babangida Alhaji Sabo, the lead resource person.

In his keynote address, Dr. Musa echoed that the importance of prudent reserves management could not be overstated, especially in a democratic setting where prudence, accountability and transparency are legitimate expectations of the public. He additionally emphasized that good reserves management would build confidence and support for macroeconomic policy management. Specifically, efficient management of reserves can result in significant foreign exchange earnings by way of interest on investments without impairing safety of such reserves.

The course was designed to acquaint participants with critical skills required to effectively play their roles in treasury/foreign reserves management. Specifically, the course was to improve participants' understanding and skills in analysing market information and to be able to review portfolios, and make decisions on which specific instruments to use, when and with whom.

The following broad themes were covered:

- i. Overview of Reserves Management
- ii. Reserves Management Framework
- iii. Risk in External Reserves Management and Risk Management Framework
- iv. Risk management applications of Derivative Instruments (Futures, Swaps, Options, etc.)
- v. Strategic Asset Allocation Process
- vi. Managing Reserves through External Asset Managers
- vii. Active versus Passive Management in Reserve Management
- viii. Fixed income Portfolio Management
- ix. Money Market Trading Strategies
- x. Gold as a Reserve Asset
- xi. Understanding the Balance of Payments and its

Links with Reserve Management

xii. Reserves Pooling Mechanisms (Regional Perspective).

A total of sixteen (16) senior and middle level staff from four (4) WAIFEM member countries (The Gambia, Ghana, Nigeria and Sierra Leone) participated in the course. Eight (50 percent) of the participants were male the remainder (8 participants; 50 percent) were female.

Six resource persons namely Mr. Jordan Ekow Sackey from Bank of Ghana, Mr. Molai Bangura from Bank of Sierra Leone, as well as Mr. Babangida Alhaji Sabo, Mr. Farouk Mujtaba, Mr. Bashir Ahmad and Mr. Musa Bagudu all from Nigeria, facilitated at the course.

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

- i. All the participants were of the view that the course deepened their knowledge and understanding of the basics in banking supervision and resolution;
- ii. Over 88 percent of the participants agreed that the course content in terms of the topics covered were appropriate;
- iii. 92 percent of the participants affirmed that the course would assist them in performing their job functions;
- iv. 83 percent of the participants were of the opinion that the quality of facilitation assisted them in understanding the concepts;
- v. The course materials were found to be very useful by 93 percent of the participants;
- vi. The overall administration and coordination of the course was rated as 'very effective' by 82 percent of the participants; and
- vii. Overall, the participants unanimously concurred that the course met their expectations.

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

Observations

- i. The course was educative and interactive, and the facilitators have delivered excellent presentations on their respective topics.
- ii. Given the importance of reserves in the management of an economy, a week-long training was not enough to comprehensively cover the topics.
- iii. Majority of member countries currently laid more emphasis on liquidity management than long-term investment of reserves, given the

varying levels of reserves and rise in interest rates.

- iv. More attention has been devoted to theoretical issues during the course than the practices in the member countries.
- v. Some member countries have investment guidelines but without comprehensive investment policies.
- vi. The training in specialised treasury management among some central banks is inadequate.
- vii. Development in financial markets remain shallow and trading of derivatives are absent in some countries.
- viii. The sources of generating inflow to boost reserves are few and therefore vulnerable to external shocks.
- ix. Persistent current account deficit in most of the member countries is becoming unsustainable, and this requires urgent policy consideration.

Recommendations

With respect to areas for improvement, the participants raised some issues which have been duly noted for consideration in future activities. The issues could be summarised into the following recommendations:

- i. WAIFEM to consider public holidays particularly in the host country so that the week earmarked for the program would fully be utilized.
- ii. Lectures and relevant course materials be sent to participants prior to arrival or commencement of each lecture. This would enable participants to acquaint themselves with the materials for effective class discussions.
- iii. Need to adopt stress testing in the reserve management.
- iv. Since countries are at different levels of market sophistication, country experience would be essential as part of the program.
- v. The training should be extended to two weeks to be able to cover the extensive but relevant materials.
- vi. That Central Banks within the region adopt a more transparent and appropriate ways of reporting levels of international reserves adequacy, reflecting the true external sector vulnerabilities.
- vii. There is need to adopt investment strategies that will guarantee safety and where necessary, enhance returns.
- viii. Central Banks should exercise more caution in adopting the views of the rating agencies given recent experiences.

- ix. Member countries should have investment policies as a supplement to investment guidelines authorizing the investing of reserves within risk parameters.
- x. Continuous training and refresher courses in reserve management for central bank officials should be encouraged.
- xi. There is need to intensify efforts on the regional integration process which could assist in pulling resources in terms of reserves and become stronger.

1.3.6 WAIFEM-AFRITAC West 2 Joint Regional Workshop on Improving Risk-Based Supervision for Non-Bank Financial Institutions (NBFIs), Accra, Ghana, July 3-7, 2023

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with AFRITAC West2 organised a joint Regional Workshop on Improving Risk-Based Supervision for Non-Bank Financial Institutions (NBFIs) in Accra, Ghana, from July 3 - 7, 2023.

The opening ceremony was presided over by the 2nd Deputy Governor of the Bank of Ghana, Mrs. Elsie Addo Awadzi. Also present were Mr. Vitus C. Ukwuoma, Regional Advisor, Financial Supervision at IMF/AFRITAC West 2, Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, WAIFEM, Mr. Osei Gyasi, Director, Banking Supervision Department, Bank of Ghana, and Dr. Eugene Asiamah-Boadi, the WAIFEM resource person.

In her opening remarks, Mrs. Elsie Addo Awadzie stated that Risk-based supervision was of paramount importance for non-bank financial institutions (NBFIs) as it enables regulatory authorities to effectively identify, assess, and mitigate the risks associated with these entities. She indicated that NBFIs were operating in a dynamic and rapidly changing financial landscape, which exposes them to various risks such as credit risk, market risk, liquidity risk, operational risk, and legal and regulatory risk. Risk-based supervision ensures that NBFIs have robust risk management frameworks in place to identify, measure, monitor, and control these risks effectively. For this reason, risk-based supervision is crucial for NBFIs as it focuses on Risk Management.

In his opening remarks read by Mr. Amadou Koora, the Director-General of WAIFEM, Dr. Baba Y. Musa indicated that Non-Bank Financial Institutions (NBFIs) at times found it difficult to adapt to the standard requirements of the prudential guidelines put in place for banks to ensure the safety and soundness of the financial sector. To this end, this workshop would focus on the challenges and benefits of adapting risk-based supervision processes for NBFIs in proportion to their complexity and sophistication, as well as create an environment for

the participating Banking Supervision staff to share best practices and standards with the participating NBFIs staff, given that the former had embraced risk-based supervision (RBS) long ago and built the needed capacity. He encouraged everyone's active participation in this workshop. He tasked participants to take every available opportunity to tap the knowledge and experience of the excellent faculty placed at their disposal, as well as interactions with other fellow participants in this workshop.

The course was designed to share regulatory and supervisory experiences and develop capacity to improve supervisory oversight of Specialized Financial Institutions (Micro-Finance Banks, Development Banks, Discount Banks, Primary Mortgage Banks, etc.).

The broad themes covered included the following:

- i. Overview of Regulatory and Supervisory Practices for NBFIs.
- ii. Types of NBFIs (ownership; licensing; deposit taking vs non-deposit taking; business model)
- iii. Aggregate data on key financial and performance indicators
- iv. Regulatory and Supervisory practices - risk-based vs compliance based
- v. Key issues and challenges in regulation and supervision, and supervisory response
- vi. Reserves Business Model Assessments of NBFIs and implications for financial inclusion.
- vii. Proportional Implementation of International Standards - Key Considerations
- viii. Overview of risk-based supervision (RBS)- what it is/what it isn't
- ix. Key tenets: judgement-based, dynamic, and intrusive RBS methodologies and approaches to assess risk profile of supervised institutions
- x. Importance and application of developments in the institution, economy, and industry to assess institution's risk profile and likely direction of assessment ratings
- xi. Key elements: Developing business profile of FIs and identifying significant business activities, risk assessment, and effectiveness of risk management and governance.
- xii. Importance of strong licensing function
- xiii. Core Supervisory Processes
- xiv. Planning Supervisory Work
- xv. Executing Supervisory Work (On-site Reviews and Monitoring)
- xvi. Documentation (Updating FIs' Risk Profile) and

Reporting

- xvii. Regional response/progress in adopting proportional RBS for NBFIs.

A total of twenty-two (22) senior and middle level staff from the five (5) WAIFEM member countries (The Gambia - 3, Ghana - 5, Nigeria - 3, Liberia - 3 and Sierra Leone - 3) participated in the course, with one (1) from Banco de Cabo Verde and two (2) from the West African Monetary Institute (WAMI). Ten (50 percent) of the participants were male the remainder (10 participants; 50 percent) were female.

Two expert resource persons namely Dr. Eugene Asiamah-Boadi, a Chartered Accountant and Lawyer from Ghana (WAIFEM Expert), and Mr. Vitus C Ukwuoma, the Regional Advisor, Financial Supervision at IMF/AFRITAC West 2 (Short-Term Expert (AFW2)), facilitated at the course.

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

- i. All the participants were of the view that the course deepened their knowledge and understanding of the basics Risk-based Supervision for Non-Bank Financial Institutions;
- ii. Over 91 percent of the participants agreed that the course content in terms of the topics covered were appropriate;
- iii. 92 percent of the participants affirmed that the course would assist them in performing their job functions;
- iv. 95 percent of the participants were of the opinion that the quality of facilitation assisted them in understanding the concepts;
- v. The course materials were found to be very useful by 89 percent of the participants;
- vi. The overall administration and coordination of the course was rated as 'very effective' by 91 percent of the participants; and
- vii. Overall, the participants unanimously concurred that the course met their expectations.

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

- i. The workshop content was highly relevant and applicable to participants' work.
- ii. The case studies and round-table discussions helped situate the acquired knowledge to the job functions as Supervisors and Regulators.
- iii. To facilitate networking opportunities for participants to connect and collaborate with each other, a course directory was created with details of all participants and Facilitators and shared amongst them.

- iv. A whatsapp group was created where all participants were included. This was meant to encourage ongoing communication and collaboration to foster a sense of community and also support continued learning and engagement beyond the workshop.

1.3.7 Regional Course on Financial Market Infrastructure and Payment Systems, Freetown, Sierra Leone, August 14-18, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Financial Market Infrastructure and Payment Systems from August 14 - 18, 2023 in Freetown, Sierra Leone.

Present at the opening ceremony were: Mr. Sheik Sesay, Deputy Governor Monetary Policy of the Bank of Sierra Leone, Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, Ms. Janney Jabati, Chief Operating Officer of the Bank of Sierra Leone, and a representative of the facilitators, Dr. Settor Amediku of the Bank of Ghana.

In his welcome remarks, the Director-General of WAIFEM, Dr. Baba Y. Musa who was represented by Mr. Amadou Koora, expressed his gratitude to His Excellency, Brig. Rtd. Julius Maada Wonie Bio, for the permission to hold the course in Freetown, the capital of Sierra Leone. He also thanked the Acting Governor of the Bank of Sierra Leone Dr. Ibrahim L. Steven, Management, and Staff of the Bank for the warm reception accorded WAIFEM, facilitators and participants on arrival and the excellent facilities provided for the organization of the course.

Dr. Baba Musa stated that financial systems had progressed over the past 20 years and that the landscape of financial market infrastructure and payment systems in West Africa was becoming more integrated due to the modernization of various payment infrastructure, and this had set the foundation for continent-wide payment systems integration. He, however, noted that the countries in the region faced persistent but not insurmountable challenges. He further disclosed that in view of the existing challenges in the market infrastructure and payment systems development in the ECOWAS region, and the need to increase capacity to address them, WAIFEM designed the course to equip participants with the knowledge and skills needed to navigate more effectively the complex world of financial market infrastructure and payment systems.

In his keynote address, Dr. Ibrahim L. Stevens, Acting Governor of the Bank of Sierra Leone, ably represented by Mr. Sheik Sesay, extended a warm welcome to the WAIFEM team, participants, and facilitators present at the opening ceremony. He upheld the relevance and timeliness of the course

against the backdrop of the significant change and growth in the financial market infrastructure and payment systems across the financial services ecosystem. Dr. Stevens further disclosed that the financial market infrastructure and payment systems play crucial roles in the functioning of a country's financial system by providing the necessary infrastructure for the efficient and secure transfer of funds, assets and financial instruments between various participants in financial markets. He also acknowledged the importance of the institutional systems and arrangements that facilitated the trading, clearing, settlement, and custody of financial instruments. He noted that critical components of the financial system included the Stock Exchange, Central Bank Counterparties, Central Securities Depositories, and Payment Systems. Finally, the course was declared opened by the Acting Governor, Dr. Ibrahim Stevens.

The course was designed to give participants a comprehensive understanding of the critical components that underpin the functioning of modern financial systems. It also provided participants with an understanding of the intricacies, challenges and opportunities associated with the critical components of the financial market infrastructure and payment systems.

The broad themes covered in the course included:

- i. Understanding Financial Market Infrastructure
- ii. Structure of Payment Systems;
- iii. Authorization of Payment Systems;
- iv. Role of Central Banks in the Supervision, and Regulation of Payment Systems;
- v. Money Transfer (Remittance) System;
- vi. Payment Systems Aspects of Financial Inclusion;
- vii. New Central Bank Digital Currency;
- viii. Payment and Settlement Systems Statistics;
- ix. Payment and Settlement Systems (EPSS) Project;
- x. Harmonization of Payment and Settlement Systems (PSS);
- xi. Capital Markets: Legal, Regulatory and Institutional Framework;
- xii. Development of Capital Markets;
- xiii. Role of Participants in Capital Markets;
- xiv. Interconnectedness and Interoperability;
- xv. Systemic Risk Management;
- xvi. Industry Trend and Challenges;
- xvii. Controlling Risk in the Financial systems; and
- xviii. Practical Applications

The course was attended by seventeen (17)

participants made up of senior and middle level officials from central banks, ministry of finance and economic affairs, and the West African Monetary Agency, from The Gambia, Ghana, Nigeria and Sierra Leone. Country-wise distribution indicated that three (3) participants came from The Gambia, six (6) from Ghana, two (2) from Nigeria, and six (6) from Sierra Leone.

The course was facilitated by resource persons from various Central Banks in the sub-region and the Nigerian Exchange, namely: Dr Settor K. Amediku, and Mr. Kwame Oppong, (Bank of Ghana), Dr Aisha Isa-Olatinwo, and Mrs. Temitope Akin-Fadeyi (Central Bank of Nigeria), Mr. Karamo Jawara (Central Bank of The Gambia), and Mr. Abimbola Babalola (Nigerian Exchange).

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

- i. The course content was declared 'very good' by 98.5 participants.
- ii. 94 percent of the participants affirmed that the course had increased their understanding of central banks' role in payment system.
- iii. In terms of presentation, the substantive impact of the resource persons as a team was rated as 'very good' by 98 percent of the participants.
- iv. 94 percent of the participants stated that the course had increased their understanding of issues and challenges in developing real time gross settlement (RTGS).
- v. More than 97 percent of the participants concurred that the knowledge and skills acquired from the course would improve their job performance.
- vi. 94 percent of the participants concurred that the course had increased their knowledge of risk management issues in payment and settlement systems.
- vii. 94 percent of the participants affirmed that the course had exposed them to the issues and challenges involved in cheque clearing and settlement framework.
- viii. All the participants agreed that the course had broadened their knowledge on payment system harmonization efforts in WAMZ.
- ix. 94 percent of the participants concurred that the course had broadened their knowledge on the interrelationship between money market and the payment system.
- x. The participants unanimously declared that the course had increased their understanding of the issues relating to the development of the capital markets and the participants in the market.
- xi. 94 percent of the participants posited that the course had exposed them to legal/regulatory framework for security markets in West Africa.
- xii. All the participants affirmed that the course met their expectations.
- xiii. Over 95 percent of the participants were of the opinion that the time allotted for the presentations was adequate.

From the presentations and discussions during the course, participants made the following observations and recommendations:

Observations

- i. We appreciate the presentation of the facilitators, however, the sharing of the power point presentations in advance will help in better understanding of the topics as well as the discussions.
- ii. Countries in the sub-region should adopt the comprehensive methodology for the assessment of their Financial Market Infrastructure as stipulated by the Committee of Payment and Settlement Systems (CPSS) against the Principles of Financial Market Infrastructures (PFMI).
- iii. While Ghana and Nigeria have robust payment systems, public trust and confidence in the payment systems of some countries in the sub-region are quite low due to the following reasons:
 - a. Weak regulatory and legal framework in some jurisdictions;
 - b. Intermittent illiquidity of payment channels and instruments;
 - c. Poor internet infrastructure;
 - d. Limited expertise and public awareness of benefits of available products;
 - e. Poor handling and resolution of consumer complaints; and
 - f. Low financial literacy.
- iv. Infrastructural and technological deficiencies lead to frequent incidents of downtime and power outages, which present a major obstacle to efficient payment systems operations.
- v. Most countries in the region have ineffective disaster recovery and business continuity plans.
- vi. Weak regulatory and policy regime in the capital markets of most countries in the sub-region have contributed immensely to low investor confidence, high cost of capital formation, illiquid markets, loss of wealth and sovereign bail out.
- vii. There is wide divergence in payment laws, regulations and guidelines amongst member

states of ECOWAS. The lack of harmonization has stymied efforts for a regional Financial Market Infrastructure.

- viii. Cross-border payments regulatory framework is lacking in most countries in the region, only a few Central Banks have the relevant explicit regulations/laws.
- ix. Most countries do not update their RTGS Rules as universally recommended.
- x. Some West African Countries' Vulnerability and Penetration Test (VAPT) is poor and falls below the recommended 5percent risk allowed.
- xi. Financial inclusion improved between 2011 and 2021, but challenges remain as cumbersome verification and identity management in some jurisdictions serve as barriers to consumer on-boarding.
- xii. Central Bank Digital Currency (CBDC) is an emerging technology in the region. To date, only Nigeria has launched its CBDC. Ghana is at the pilot stage, and others are yet to start.

Recommendations

- i. ECOWAS countries should perform frequent Vulnerability and Penetration Tests (VAPT) to limit their exposure to risks to their Payment Systems.
- ii. ECOWAS countries should have effective Business Continuity and Disaster Management Plans to avert disruption in case of emergencies.
- iii. There should be a balance in positioning financial services for all persons to be able to have easy access (financial inclusion).
- iv. ECOWAS countries should set up a project to harmonize their digital currencies into a uniform and acceptable currency among themselves.
- v. Countries should harmonize their identification processes to facilitate on-boarding of consumers to spur inclusion. The Financial inclusion policies should encompass 1) Access, 2) Choice, 3) Suitability, 4) Affordability and 5) Dignity.
- vi. Other West African Countries should try and digitize their currencies to complement those of their developed sister countries. The integration of West African Countries payment system would go a long way to enhance their financial market infrastructure and payment systems.
- vii. In light of the phenomenal growth in the payment service space, central banks should develop a proactive risk-based supervisory/ oversight framework for Payment Service Providers (PSPs). The main objective of the Risk-Based Assessment (RBS) would be to evaluate PSP's risk profile, risk management practices and compliance with applicable laws and regulations. This would

ensure an efficient, reliable, safe and sound payment ecosystem.

1.3.8 Regional Course on Banking Supervision and Resolution (Level II), Lagos, Nigeria, October 3-14, 2023

The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the College of Supervisors in the West Africa Monetary Zone (CSWAMZ), organised a regional course on Banking Supervision and Resolution Level II in Lagos, Nigeria, from September 25 - October 6, 2023.

In his keynote address, the Director-General of WAIFEM, Dr. Baba Y. Musa who was represented by Mr. Euraklyn Williams, highlighted the critical components of a stable and resilient financial system for effective banking supervision and resolution. These according to him, play a vital role in maintaining confidence in the banking sector, safeguarding depositors' funds, minimising systemic risks, and promoting the overall health of the financial system. Thus, it is imperative for regulators and supervisors of the financial system, as well as, those concerned with systemic stability to promote prudent behaviour by financial intermediaries and other market participants.

The course was designed to assist participants to appreciate the need for financial stability and enhance their ability to limit the risk of systemic failure through various reform measures. In addition, the course was to assist participants to understand and effectively implement the bank resolution processes.

The following broad themes were covered:

- i. Core Principles in Banking Supervision - Self Assessment Process and Procedures: The Ghana experience;
- ii. Basel II and Basel III: Issues and Challenges;
- iii. Non-Bank Financial Institutions: The Regulatory Challenges;
- iv. A Review of Prudential Indicators of the Health and Stability of the Financial System;
- v. Bank Behaviour and Vulnerability: Banking Indicators;
- vi. Stress Test of the Financial System;
- vii. Credit Risk and Credit Examination Procedure;
- viii. Contingency Planning Framework for Managing Systemic Banking Crisis;
- ix. Cross Border Supervision;
- x. Safety Nets: The Case of Deposit Insurance Schemes;
- xi. Banking and Electronic/IT Based Examination;

- xii. Macro-prudential vs Micro-prudential Supervision: Costs and Benefits;
- xiii. Risk-Based Supervisory Approach: Cost, Benefits and Implementation Challenges;
- xiv. Banking Crisis and Supervisory Responses;
- xv. Internal Controls Measures;
- xvi. Report Writing Techniques; and
- xvii. Bank Examination Processes.

The course was attended by sixteen (16) participants made up of senior and middle level officials from four (4) WAIFEM member central banks (The Gambia - 2, Ghana - 5, Liberia - 3 and Nigeria - 6). Ten (10) participants representing 62.5 percent were female whereas six (6), representing 37.5 percent were males.

The course was facilitated by resource persons from various Central Banks in the sub-region, namely: Mr. Michael Amoako-Atuobi and Dr Settor K. Amediku (Bank of Ghana), Mr. Emmanuel C. Ejianya, Mr. Abubakar B. Shebe and Mr. Nwabueze V. Orjiakor (Central Bank of Nigeria), Mrs. Halima Singhateh-Jagne (Central Bank of The Gambia), and Mr. Onyebuchi K. Ibedu (Former Deputy Director at the Central Bank of Nigeria).

An evaluation conducted at the end of the course to obtain feedback from the participants revealed that the course was well organised, and effective in imparting new knowledge which has practical value and relevance to the participants and their institutions.

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

- i. 98 percent of participants were of the view that the course deepened their knowledge and understanding of the basics in banking supervision and resolution.
- ii. In terms of presentation, the substantive impact of the resource persons as a team was rated as 'very good' by 97 percent of the participants.
- iii. 95 percent of the participants stated that the course had increased their understanding of issues and challenges in banking supervision and resolution.
- iv. More than 98 percent of the participants indicated that the knowledge and skills acquired from the course would improve their job performance.
- v. 94 percent of the participants concurred that the course had increased their knowledge of core principles in bank supervision, stress tests of the financial system and risk-based supervisory approach amongst others.
- vi. 95 percent of the participants affirmed that the course had exposed them to the issues and challenges involved in Basel II and Basel III
- vii. 98 percent participants agreed that the course had broadened their knowledge on the regulatory challenges of non-bank financial institutions.
- viii. 95 percent of the participants specified that the course had broadened their knowledge on the prudential indicators of the health and stability of the financial system.
- ix. 96 percent of the participants stated that the course had increased their understanding of the issues relating to bank behaviour and vulnerability: banking indicators.
- x. The course materials were found to be very useful by 93 percent of the participants.
- xi. The overall administration and coordination of the course was rated as 'very effective' by 95 percent of the participants.
- xii. Over 88 percent of the participants were of the opinion that the time allotted for the presentations was adequate.

In compliance with the directive of the Board and Management of WAIFEM, two sets of quizzes were administered to the participants. The overall performance was good.

From the presentations and discussions during the course, participants made the following observations and recommendations:

Observations

- i. The adoption of a robust and effective Risk-based supervision by WAMZ member countries in the supervision of banks and non-bank financial institutions increases the effectiveness of supervision through improving supervisory practices whilst also increasing the efficiency through improved resource allocation.
- ii. Supervisory authorities and central banks continue to devote more resources to enhance the quarterly stress test of regulated institutions. This results in significant progress on how the exercise is performed and incorporated into the banking supervision process.
- iii. The stress test of the financial system module availed participants the opportunity to understand the vulnerabilities of financial institutions and the financial system in severe but plausible scenarios to assist in decision making.
- iv. Participants observed that the regulatory frameworks in WAMZ prior to the global financial crisis of 2008, were deficient because they were

largely micro-prudential in nature and failed to consider the impact of systemic risk on the financial system stability. However, the adoption and harmonization of macro and micro prudential supervisory processes has insulated and safeguarded the financial system as a whole.

- v. Participants have observed that the lecture modules did not contain practical case study sessions to relate courses to emerging and evolving supervisory issues in the financial system.
- vi. The sessions and presentations were in-depth, engaging, and well delivered by knowledgeable facilitators amidst participants' full engagement.
- vii. Some of the lecture materials were too voluminous for the time allocated making it difficult for participants to fully comprehend and internalize them.

Recommendations

- i. The stress test of financial system module should expose participants to end-to-end practical scenarios of stress test assessment for better understanding.
- ii. There is need for participants to be fully exposed to various computations in Basel III for effective regulation and supervision of financial institutions.
- iii. The regulation and supervision of Fintech companies should be introduced as a module or incorporated in the e-banking curriculum.
- iv. Time should be allocated for practical case study sessions.
- v. Supervisory authorities should have sufficient resources to run stress test and improve data quality.

1.3.9 Regional Course on International Financial Reporting Standards (IFRS), Accra, Ghana, October 16-20, 2023

A Regional Course on International Financial Reporting Standards (IFRS) was organised by the West African Institute for Financial and Economic Management (WAIFEM) from October 16 - 20, 2023 in Accra, Ghana.

In his welcome remarks, the Director-General of WAIFEM, Dr. Baba Y. Musa who was represented by Mr. Yakubu Aliyu, emphasized the significance of universal accounting standards. He intimated that adopting International Financial Reporting Standards (IFRS) by countries and institutions was a beacon of financial and accounting harmonisation in our sub-region and worldwide. He stressed that the course was meticulously designed to equip participants with

the necessary knowledge and skills to successfully implement IFRS provisions, particularly in the ongoing WAMZ programme.

The course was designed to better acquaint participants with the provisions of International Financial Reporting Standards, and equip them with the necessary knowledge and skills to advise and guide the process of migration to IFRS and its practical implementation in the preparation of financial statements.

The following broad themes were covered:

- i. Introduction to IFRS and Financial Reporting - The Conceptual Framework;
- ii. Preparation and presentation of IFRS financial statements - SFP, SOCI, SOCE and SCF;
- iii. IFRS Updates (Conceptual framework & Upcoming Standards Amendment to IFRS 3, IAS 1, IAS 8 & IAS 16);
- iv. Introduction to Financial Instruments - Presentation, Classification and Measurement IAS32:IFRS9
- v. Impairment of Financial Assets [ECL] -IFRS9
- vi. Interest rate benchmark reform: Amendment to IFRS 9, IAS 39 and IFRS 7
- vii. Financial Liabilities including hybrid instruments -IFRS9 - Financial Instruments- Disclosures -IFRS7
- viii. IAS 38: Intangible assets (Accounting for cryptocurrency) and Fair Value Fair Value Measurements: IFRS13
- ix. IFRS 15: — Revenue from Contracts with Customers
- x. Accounting for Leases -IFRS16
- xi. Accounting for Non-Financial Assets & Liabilities
- xii. IFRS conversion issues and concerns - impacts on inventory and valuation
- xiii. Impact of Climate Change on Financial Reporting - An insight of ISSB Standards- IFRS s1 and s2.

The course was attended by fifteen (15) participants made up of senior and middle level officials from three (3) WAIFEM member countries and other public and private institutions. Institution-wise distribution shows that 5 participants came from Bank of Ghana, 1 from Ghana Statistical Service, 3 from Ministry of Finance and Planning, Sierra Leone, 3 from SIB Ltd Liberia, 2 from WAIFEM, and 1 from WAMI. Nine (9) participants representing 60 percent were males whereas six (6), representing 40 percent were females.

The course was facilitated by a team of expert resource persons from Ernst and Young Nigeria namely: Mr. Samuel Agbevem, Mrs. Chiaka Ibekwe-Adesanya, Mr. Olawale O. Akande and Mr. Abdullahi

Yusuf.

An evaluation conducted at the end of the course to obtain feedback from the participants revealed that the course was well organised, and effective in imparting new knowledge which has practical value and relevance to the participants and their institutions.

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

- i. 96 percent of participants concurred that the course has upgraded their skills to effectively prepare and present financial statements;
 - ii. 97 percent of the participants stated that the course had increased their understanding of IFRS conversion issues and concerns.
 - iii. More than 95 percent of the participants indicated that the knowledge and skills acquired from the course would improve their job performance.
 - iv. 94 percent of the participants concurred that the course had increased their knowledge of IFRS updates (Conceptual framework & Upcoming Standards Amendment to IFRS 3, IAS 1, IAS 8 & IAS 16).
 - v. 96 percent of the participants affirmed that the course had exposed them to the presentation, classification and measurement of financial instruments.
 - vi. 94 percent participants agreed that the course had broadened their knowledge on the Impairment of financial assets [ECL] IFRS 9
 - vii. 95 percent of the participants specified that the course had exposed them to financial liabilities including hybrid instruments - IFRS 9 and Financial Instruments - Disclosures IFRS 7
 - viii. 96 percent of the participants stated that the course had increased their understanding of the issues relating to fair value measurements: IFRS 13.
 - ix. The course content was adjudged as 'very good' by 100 percent of the participants.
 - x. The overall administration and coordination of the course was rated as 'very effective' by 97 percent of the participants.
 - xi. Over 84 percent of the participants were of the opinion that the time allotted for the presentations was adequate.
- From the presentations and discussions during the course, participants made the following observations and recommendations:
- Observations:**
- i. The course was successful in refreshing and enhancing the knowledge of participants in International Financial Reporting Standard (IFRS), its framework, concepts, some technical application and current implementation trends.
 - ii. The duration of the course was short considering the loaded content some of which were very technical especially in the area of Impairment of Financial Assets - Expected Credit Loss, hedging and cryptocurrencies.
 - iii. The course content did not have enough practical and relevant case studies which were necessary to help appreciate the practical application of IFRS.
 - iv. Climate change issues and the pivotal role to be played by Accountants in reporting on sustainability information to aid in filling a void in the market by improving transparency and accountability was very insightful.
 - v. The enormous responsibility placed on Accountants to respond to the paradigm shift in embedding sustainability dimensions within financial disclosures to enhance the quality of decision making and better risk assessments by investors cannot be understated.
 - vi. As the roll out date beckons for the Sustainability standards, the issue of whether Africa (ECOWAS) will be ready for this challenge will linger on most minds.
 - vii. Areas of conflicts still exists between IFRS and national laws, regulations, directives and prudential guidelines in the implementation of the standards.
 - viii. There is capacity gap in the accountancy profession in ECOWAS to meet the challenges of full IFRS adoption and implementation. The issue has been exacerbated by the early adoption of the sustainability standards by some ECOWAS countries.
 - ix. Central banks and the Banking industry are now grappling with the effects of the implementation of full IFRS due to the complexities involved and the impact on foreign reserve assets
 - x. Africa needs to be properly represented at the IASB in order to contribute meaningfully and articulate for provisions to be made for the peculiar needs of the continent in the issuing of standards.
 - xi. The small and medium accounting/auditing firms in ECOWAS lack the technical capacity in IFRS to support their clients for the full adoption in the region.
 - xii. Apart from the inadequacy of knowledge in IFRS by qualified accountants within the sub-region, the worsening economic situation in the sub-

region is driving young professionals to other jurisdictions in search of greener pastures further widening the skill gap in the region.

Recommendations:

- i. Considering the success of the course, and in view of the importance of IFRS and the looming sustainability standards, WAIFEM should organize more of such technical training programs for Accountants and other related professionals in the sub-region to get them adequately prepared for the future.
- ii. Considering the technical nature of the course, the duration should be extended to two weeks.
- iii. The course should be expanded to include more technical and practical applications sections.
- iv. A joint committee of all mandated accounting standard setting bodies in West Africa and other parts of Africa should be formed to have a common voice on issues relating to comments on exposure drafts which have significant impact on their accounting and financial environment.
- v. Professional accounting/auditing service providers should be encouraged to train their clients on specific standards of IFRS that have specific complex technical presentation which relate to their specific industry.
- vi. Professionals in accountancy should be encouraged to update their knowledge in the IFRS.

1.3.10 Regional Course on FINTECH, Artificial Intelligence and Disruptive Technologies, Virtual, November 6-10, 2023

A Regional Course on Financial Technology (FinTech), Artificial Intelligence (AI), and Disruptive Technologies was organised virtually by the West African Institute for Financial and Economic Management (WAIFEM) from November 6 - 10, 2023.

The opening ceremony was presided over by Mr. Euraklyn Williams, Director for Administration and Finance, who read the keynote address on behalf of the Director-General of WAIFEM, Dr. Baba Y. Musa. Also present were Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, Dr. Alvin Johnson, Director, Governance and Institutional Development Department, Dr. Patricia Adamu, Assistant Director, and Mr. Gabriel Asante, Senior Programme Manager, both of Financial Sector and Payments Systems Department and facilitators from Deloitte and Touché, Nigeria, Messrs Olutimilehin Oyesanya, Abiodun Shomoye, Ms. Blessing Olayiwole, Jania Okwechime, Ada Ndukwe, and Ebunoluwa Jetawo.

In his keynote address, Dr. Baba Y. Musa highlighted the role of Financial Technology (FinTech) and

Artificial Intelligence (AI) in an organisation. He further threw more light on the potential benefits of Fintech in our ecosystem. Dr. Musa also touched on the potential risks that come along with the emergence of Fintech and the relationship between Artificial Intelligence and FinTech in our era. He added that Fintech was a catalyst for digital financial services, providing affordable and efficient solutions for both consumers and businesses. He noted that FinTech services were breaking down the barriers that once excluded a significant portion of the world's population from the formal financial system. Thereafter, Mr. Euraklyn Williams, officially declared the course opened.

The overall aim of the course was to introduce participants to the concepts of FinTech, AI and disruptive technology and their application in the financial industry.

The following broad themes were covered:

- i. Overview of FinTech and its applications.
- ii. Introduction to AI and machine learning (ML);
- iii. Types of products and services delivered through FinTech, including: Crypto currency, Block chain technology, Electronic payment services, Mobile financial services, Cheque processing services;
- iv. Products and services delivered through AI and ML, including: Big data analytics;
- v. Technological challenges in Africa inhibiting adoption of disruptive technologies;
- vi. The role of the regulator in relation to FinTech, AI and ML;
- vii. FinTech and AI in relation to the future of the financial industry; and
- viii. Challenges of supervision of disruptive technologies (FinTech, AI) in the financial industry.

The course was attended by fifty-two (52) middle/senior/executive level officials from WAIFEM member countries and other public institutions. Institution-wise distribution shows that 3 participants came from Bank of Ghana, 3 from Economic and organised Crime Office of Ghana, 3 from Central Bank of The Gambia, 6 from Bank of Sierra Leone, 8 from Central Bank of Liberia, 26 from Central Bank of Nigeria, and 3 from Nigeria Deposit Insurance Corporation (NDIC).

Thirty-six (36) participants representing 69.2 percent were males whereas sixteen (16), representing 30.8 percent were females.

The course was facilitated by a team of expert resource persons from Deloitte and Touché, Nigeria namely: Messrs Olutimilehin Oyesanya, Abiodun Shomoye, Ms. Blessing Olayiwole, Ada Ndukwe, Ebunoluwa Jetawo and Jania Okwechime.

An evaluation conducted at the end of the course to obtain feedback from the participants revealed that the course was well organised, and effective in imparting new knowledge in the subject area, which has practical value and relevance to the participants and their institutions.

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

- i. 88 percent of participants concurred that the course has enhanced their understanding of the concepts of FinTech, AI, and disruptive technologies.
- ii. 76 percent of the participants stated that the blend of plenary sessions and group exercises were effective.
- iii. More than 80 percent of the participants indicated that the knowledge and skills acquired from the course would improve their job performance.
- iv. 88 percent of the participants concurred that the course had increased their knowledge of types of products and services delivered through Crypto currency, Block chain technology, and electronic payment services.
- v. 86 percent of the participants affirmed that the course had exposed them to the role of the regulator in relation to FinTech, AI and ML
- vi. 94 percent participants agreed that the course had broadened their knowledge on the Technological challenges in Africa inhibiting adoption of disruptive technologies
- vii. 95 percent of the participants specified that the course had exposed them to challenges of supervision of disruptive technologies (FinTech, AI) in the financial industry.

From the presentations and discussions during the course, participants made the following observations and recommendations:

Observations

- i. The topics covered were very insightful and interesting.
- ii. The course was well structured with highly experienced experts in the field; the materials were comprehensive, and the deliveries were robust.
- iii. The facilitators are experienced and made the course exciting and insightful.
- iv. The course was participatory and allowed for different views to be shared (country experience).
- v. Most countries in West Africa do not have regulations in place to supervise and oversee

Fintech operations.

- vi. Crypto currencies cannot be regulated outside the interface from which they are initiated and received.
- vii. There is little or no regulation on disruptive technologies from an ethical and risk point of view.
- viii. There is a substantial amount of fear of technology taking over jobs in the next few decades.
- ix. Concerns have been raised about data breaches and data security with respect to Big Data and cloud storage.
- x. There is inadequate capacity in regulating Fintech.
- xi. Although, the online training is cost effective in bringing larger number of participants, it is not very effective in terms of personal interactions and contributions. It is also prone to connectivity failures and other forms of distractions.

Recommendations

- i. Policy makers should be sensitized to set up strategic policy frameworks for the acquisition and use of disruptive technology for social and economic growth.
- ii. Government bodies should be briefed on the need to bridge the gap of providing the requisite infrastructure and training resources to diffuse the knowledge of Information Technology.
- iii. Trainings such as these, organised by WAIFEM should be encouraged further to enlighten and broaden the scope of knowledge in Fintech, and other emerging disruptive technologies.
- iv. Further knowledge dissipation on cyber security and the adoption of the ISO 270001 as well as 20022 frameworks should be encouraged to allay fears on the breach of data and data security regarding big data and cloud storage.
- v. Traditional banks in our sub-region should be entreated to look beyond the traditional ways of providing services and begin to adapt to more modern approaches like the use of AI to enhance customer service provision and relations.
- vi. Banks and Fintech companies should be encouraged to leverage on each other's strengths to provide the best services in the financial sector.
- vii. In-person training should be encouraged to allow for greater impact for the participants.
- viii. There should be continuous collaboration among member states in the harmonization of Fintech and emerging disruptive technologies.

1.3.11 High-Level Seminar and 47th Meeting of the College of Supervisors of the West African Monetary Zone (CSWAMZ), Koforidua, Ghana, November 27- December 1, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a High-Level Seminar on Practical Guide to the Implementation of Basel II and III for the College of Supervisors, West African Monetary Institute (CSWAMZ) in Koforidua, Ghana, from November 27 - December 1, 2023.

The opening ceremony was presided over by Mr. Osei Gyasi, Director of Banking Supervision Department of the Bank of Ghana and Chair of the CSWAMZ. He equally represented the Governor of the Bank of Ghana, Dr. Ernest K. Y. Addison. Also in attendance were members of the College, the Secretariat of the Commission Bancaire de l'Union Monétaire Ouest Africaine (hereafter referred to as Commission Bancaire), the West African Institute for Financial and Economic Management (WAIFEM), the West African Monetary Agency (WAMA) and the West African Monetary Institute (WAMI). WAMI served as the Secretariat.

In his opening remarks, Mr. Osei Gyasi welcomed Members and delegates to the 47th meeting of CSWAMZ and thanked WAMI for the commitment to organising the meeting for the delegates.

He reminded members of some of the issues discussed during the 46th Meeting, which included among other things, self-assessment of compliance with Basel Core Principles; adoption of the Model Act for Banks and Financial Holding Companies; timelines and mechanisms for the implementation of supervisory and regulatory standards; Report of the Expert Committee on the Development and Implementation of Basel II/III framework in the WAMZ.

He indicated that some members of the College were yet to adopt the Model Act, yet to implement the International Regulatory Standards and some recommendations from the Committee of Governors (CoG) were also yet to be fully implemented. He therefore urged members of the College and WAMI to ensure the full implementation and adoption of these directives and recommendations.

The Chairman seized the opportunity to appreciate WAIFEM for consistent progress on capacity building within the sub-region. He mentioned that the two-day high-level seminar on "Climate-related Financial Risks Regulation and Supervision" was timely as it would serve as a platform for members to learn and share their experiences.

In his keynote address, Dr. Ernest K.Y. Addison highlighted that high inflation rates continued to remain a major challenge in the sub-region, following a slow recovery from the pandemic, rising food and energy prices and high levels of public debt. External

developments such as, sharp spikes in global commodity prices, swings in the exchange rate, global supply-chain disruptions and natural disasters have shaped the path of inflation in the sub region after the pandemic. He, thus posited that supervisors and regulators of the banking sector needed to look at how best banks within the respective jurisdictions could be supported in this era of economic crisis, by implementing policies and regulations that would ensure that banks operate in a prudent and efficient manner.

The objective of the meeting was to acquaint members of the Zone with emerging trends as far as climate-related financial risk regulation and supervision is concerned. It was also aimed at providing a platform for member countries to share reports on banking sector developments/update on AML/CFT within their jurisdictions.

The Seminar had plenary sessions on Climate-Related Risks and Global Efforts at Addressing the Risks. Other sessions undertaken included Work by Standard-Setters on Climate-Related Financial Risks Financial Stability Board (FSB) - Task Force on Climate-Related Financial Disclosure (TCFD); Network of Central Banks and Supervisors for Greening the Financial System (NGFS) Guidance for Supervisors; BCBS Principles for the Effective Management and Supervision of Climate-Related Financial Risks; Sub-Saharan African Country-Case: Nigeria & Ghana - Implementing a Supervisory Framework for Climate-Related Financial Risks.

The Meeting was attended by twenty-four (24) officials from member countries of the College. Breakdown per country/institution participation are as follow:

The Gambia - 1, Ghana - 8, Guinea - 1, Nigeria - 2, Sierra Leone -2, WAIFEM - 2, WAMA - 1, WAMI - 5 and Commission Bancaire - 2. Nineteen (19) participants representing 79.2 percent were males whereas five (5), representing 20.8 percent were females.

The seminar was facilitated by Dr.Chikelu E. Oballum, an experienced Deputy Director from the Banking Supervision Department of the Central Bank of Nigeria and Mr. Stephen Armah, a Deputy Chief Manager at the Banking Supervision Department of the Bank of Ghana.

In the course of the presentations and discussions, the following resolutions were adopted:

- i. WAIFEM was identified as the key training institutions for the College.
- ii. WAIFEM should communicate programme of activities outline far in advance to enable college members to factor in nominations in their budgets for the ensuing year.
- iii. WAIFEM should send copies of calls for nomination to Directors of departments whose

staff are expected to benefit directly from various courses to ensure that the right nominations are made for the courses.

- iv. Member countries, which have advanced, like Nigerian and Ghana, to work with other members to come to speed in implementing the climate related financial regulations and policy
- v. CBN has special committee on climate change with dedicated budget. Other member countries are encouraged to emulate same.
- vi. Guinea has partnered AFRITAC West2 to build capacity in climate related risks.
- vii. WAIFEM should include in its training programmes, courses on climate related financial risks supervision and regulation for member countries.

1.3.12 WAIFEM-IMF Regional Course on Financial Soundness Indicators (FSIs), Accra, Ghana, December 4-8, 2023

A Regional Course on Financial Soundness Indicators (FSIs) was organised by the West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the Statistics Department of the International Monetary Fund (IMF), from December 4 - 20, 2023 in Accra, Ghana.

The opening ceremony was chaired by Dr. Ernest K.Y. Addison, Governor, Bank of Ghana who was represented by Dr. Kwasi Osei Yeboah, Acting Head, Financial Stability Department, Bank of Ghana. Also present were the Director-General of WAIFEM, Dr. Baba Y. Musa, Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, Dr. Mahmut Kutlukaya and Dr. Pawel Pisany both from the IMF Statistics Department, who facilitated the course.

In his welcome remarks, the Director-General of WAIFEM, Dr. Baba Y. Musa expressed sincere gratitude to the management and staff of the Bank of Ghana for the hospitable reception accorded WAIFEM, facilitators, and participants on arrival and the excellent facilities provided for the organization of the course. He also registered profound gratitude to the International Monetary Fund (IMF) and the Statistics Department of the IMF for joining WAIFEM to build capacity in the West African sub-region.

The course was designed to acquaint participants with the fundamentals of compiling and using FSIs in support of macroprudential analysis. It covered methodological and technical issues in the construction of FSIs, as discussed in the 2019 Financial Soundness Indicators Compilation Guide (2019 FSI Guide) to enable the participants to:

- i. Prepare the sectoral financial statements and compile FSIs for deposit takers under the

methodology of the 2019 FSI Guide;

- ii. Prepare or update FSIs meta-data using the concepts acquired on accounting principles and regulatory framework for deposit takers; and
- iii. Interpret FSIs for macro-financial surveillance.

The broad themes covered included the following:

- i. Overview and introduction to Financial Soundness Indicators (FSIs);
- ii. Institutional Sectors and Financial Markets;
- iii. Sectorization of Financial Institutional Units;
- iv. Consolidation Basis and Reporting Populations for Different Consolidation Bases;
- v. Sectoral Financial Statements for FSIs;
- vi. Regulatory Framework for Deposit Takers (DTs) - Key Points for Compilers, Overview of the Basel Capital Accords;
- vii. Leverage FSIs;
- viii. Core and Additional FSIs for Deposit Takers;
- ix. FSIs for Other Financial Corporations, Non-financial Sectors, and Markets;
- x. Uses of FSIs for Financial System Supervision; and
- xi. Interactive Session on Country Experiences with FSIs Compilation.

The course was attended by twenty (20) participants made up of senior and middle level officials from four (4) WAIFEM member countries and other public institutions. Institution-wise distribution showed that 6 participants came from Bank of Ghana, 2 from National Insurance Commission of Ghana, 2 from Ministry of Finance and Economic Planning, Ghana, 1 from Central Bank of The Gambia, 4 from Central Bank of Nigeria, 3 from Bank of Sierra Leone and 2 from Ministry of Finance and Planning, Sierra Leone. Eight (8) participants representing 40 percent were males whereas six (12), representing 60 percent were females.

The course was facilitated by two experts from the IMF Statistics Department namely, Dr. Mahmut Kutlukaya and Dr. Pawel Pisany.

The course acquainted participants with the fundamentals of compiling and using FSIs in support of macroprudential analysis with examples from the region and across the globe. The officials were expected to utilise the knowledge gained from the course to support efforts to strengthen Financial Soundness and Stability in their respective jurisdictions.

A survey conducted at the end of the course to obtain feedback from the participants revealed that the course was well organised, and effective in imparting new knowledge which has practical value and

relevance to the participants and their institutions.

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

- i. 80 percent of participants concurred that the course had broadened their knowledge of techniques of financial soundness indicators.
- ii. 80 percent of the participants stated that the topics covered at the course were appropriate.
- iii. More than 95 percent of the participants indicated that the quality of facilitation assisted them in understanding the concepts.
- iv. 85 percent of the participants concurred that the course had increased their knowledge of Overview and Introduction to Financial Soundness Indicators (FSIs).
- v. 80 percent of the participants affirmed that the course had exposed them to understanding Institutional Sectors and Financial Markets.
- vi. 90 percent participants agreed that the course had broadened their knowledge in Sectoral Financial Statements Part I - Accounting Principles for FSIs, and Part II - Income Statement, Balance Sheet and Supervisory Series.
- vii. 90 percent of the participants stated that the course had increased their understanding of Regulatory Framework for Deposit-Takers- Key Points for Compilers, Overview of Basel Capital Accords
- viii. 95 percent of the participants concurred that the course had increased their knowledge about core and Additional FSIs for Deposit-Takers.
- ix. The course content was adjudged as 'very good' by 100 percent of the participants.
- x. The overall administration and coordination of the course was rated as 'very effective' by 75 percent of the participants.
- xi. Over 87 percent of the participants were of the opinion that the time allotted for the presentations was inadequate.

With respect to areas for improvement, the participants raised some issues which have been duly noted for consideration in future activities. The issues were summarised into the following themes:

Observations

- i. The topics delivered in the course were deemed very relevant;
- ii. The facilitators' performance in the lecture delivery and interactive discussions was excellent as they demonstrated good mastery of the topics, gave practical examples that brought out fruitful discussions, and ensured that participants had adequate time to go through the workshop exercises with sufficient feedback from the facilitators;
- iii. The one-week duration of the course appeared to be grossly inadequate;
- iv. The course materials supplied were considered very adequate and supplying these materials before the start of the course was hugely applauded by the participants as it allowed them to prepare before the lectures were delivered;
- v. Some WAIFEM member countries are yet to fully adopt Basel II & III; and
- vi. The facilitators and WAIFEM officials were friendly and supportive, and this provided a pleasant atmosphere during the lectures to facilitate learning.

Recommendations

- i. The duration of the program should be extended to two weeks, as the one week assigned to the course was not enough to exhaustively cover all the topics and their contents;
- ii. Individual countries must continuously update their metadata to aid compliance with the FSIs;
- iii. Cross-border consolidation of financial institutions should be highly encouraged in the sub-region and beyond, where applicable;
- iv. Countries in the West African region that are yet to adopt Basel II or III should be encouraged to do so;
- v. For effective use of FSIs, member countries are urged to share data and information amongst themselves;
- vi. Member countries are encouraged to move towards full implementation of the BASEL II and III as it aids comparability; and
- vii. Other countries in the sub-region yet to submit FSIs to the IMF are encouraged to do so.

1.4 RESEARCH AND MACROECONOMIC MANAGEMENT DEPARTMENT

1.4.0 Introduction

The Research and Macroeconomic Management Department organised a total of eight (8) programmes (consisting of 1 virtual and 7 face-to-face programmes) during the year 2023. A total of 241 participants benefited from the course, out of which 43 were online participants and 198 were in-person participants. With regard to participation by countries, The Gambia accounted for 15.8 percent, Ghana 43.2 percent, Liberia 5.4 percent, Nigeria 24.9 percent, whilst Sierra Leone accounted for 10.8 percent.

Institutional distribution of course participants indicated that staff of Central Banks accounted for 57.7 percent (139 participants), those of Ministries, Departments, and Agencies accounted for 22.8 percent (55 participants) whilst other public and private sector agencies were represented by 19.5 percent (47 participants). With respect to the distribution of participants by gender, 153 were male (64.3 percent) and 86 were female (35.7 percent). Thus, there was a significant improvement in female participation by 7 percentage points, compared to the previous year.

1.4.1 Regional Course on Intermediate Modelling and Forecasting for Policy Analysis for Senior Economists and Directors of Research (Maximum Likelihood and Bayesian DSGE Modelling), Virtual, March 6-24, 2023

The West African Institute for Financial and Economic Management (WAIFEM) solely organised a 15-day Regional Virtual Course on Intermediate Modelling and Forecasting for Policy Analysis for Senior Economists and Directors of Research (Maximum Likelihood and Bayesian DSGE Model) for the period, March 6-24, 2023.

The opening ceremony of the course began with the introduction of dignitaries by Dr. Okon Joseph Umoh, Principal Programme Manager of Research and Macroeconomic Management Department, WAIFEM. The dignitaries in attendance were Dr. Baba Y. Musa (the Director-General of WAIFEM and the Chairperson of the Opening Ceremony), Dr. Emmanuel Owusu-Afriyie (Host Director, Research and Macroeconomic Management Department, WAIFEM), Mr. Euracklyn Williams (Director of Administration and Finance Department, WAIFEM), Dr. Alvin Johnson (Director of Governance and Institutional Development Department, WAIFEM), Mr. Amadou Koora (Director, Financial Sector and Payment Systems Department, WAIFEM), Mr. Yakubu Aliyu (Director, Fiscal Policy, Debt Management and Regional Integration Department, WAIFEM), Dr. Mrs. Patricia Adamu

(Assistant Director, Financial Sector and Payment Systems Department, WAIFEM), Prof. Afees A. Salisu (Course Facilitator from the Centre for Econometrics & Applied Research, University of Ibadan), Prof. OlaOluwa Simon Yaya (Course Facilitator from the Department of Statistics, Faculty of Science, University of Ibadan), Dr. Jamaladeen Abubakar (Course Facilitator from the Central Bank of Nigeria), Mr. Ogbonnaya Agu (Senior Programme Manager, Governance and Institutional Development Department, WAIFEM), Dr. Gabriel Asante (Senior Programme Manager of Fiscal Policy, Debt Management and Regional Integration Department, WAIFEM), Mr. Gabriel Yaw Asante (Senior Programme Manager of Financial Sector and Payment Systems Department, WAIFEM), Mr. Linus Gimoh (Principal Accountant, WAIFEM), Mrs. Josephine Robert (Executive Assistant to the Director-General of WAIFEM), Mrs. Helen Anjorin (Administrative Assistant, Research and Macroeconomic Management Department, WAIFEM) and Dr. John Owusu-Afriyie (Programme Manager, Research and Macroeconomic Management Department, WAIFEM).

Dr. Okon Joseph Umoh, the Moderator of the ceremony, invited the Director-General of WAIFEM, Dr. Baba Y. Musa, to give the opening remarks. The Director-General warmly welcomed the participants to the course and expressed his gratitude to Prof. Afees A. Salisu, Prof. OlaOluwa Simon Yaya and Dr. Jamaladeen Abubakar (facilitators of the course) for their short-term technical support. He then laid emphasis on the importance of econometric modelling and forecasting to an economy. He stated that the course would help in understanding the operations of an economy and enhance the policy and decision-making process both at the macro and micro levels. He also stated that in the implementation of monetary and fiscal policies, econometric methods helped to quantify how the economy was impacted. Thus, a useful tool to monitor the progress of an economy and to make short- and long-term projections in order to determine the path to be followed by policy-makers. In addition, the Director-General implored policy makers to apply econometric techniques and models to make decisions, when sufficient data are available. In concluding his remarks, the Director-General thanked the course facilitators and entreated the participants to freely interact with one another to deepen the course of regional integration. After his opening remarks, he officially declared the course open.

Dr. Okon Joseph Umoh (the Moderator) then called on Dr. Emmanuel Owusu-Afriyie (the Host Director) to give his remarks and make relevant announcement. In his brief remarks, Dr. Owusu-Afriyie entreated the

participants to be fully committed to the course and install all the relevant statistical software packages for the course. He thanked the Director-General of WAIFEM, Dr. Baba Y. Musa and the directors of WAIFEM for gracing the Opening Ceremony with their presence.

The course was intended to expose participants to the Maximum Likelihood (ML) and Bayesian Dynamic Stochastic General Equilibrium (DSGE) Models. The course also aimed at exposing participants to the open economy with nominal and real frictions, as well as financial frictions in the form of liquidity constrained households. The main instructional software types were STAT 17, Octave, Dynare, and MATLAB.

The main topics discussed during the virtual regional course on Intermediate Modelling and Forecasting for Policy Analysis were: Introduction to Dynamic Stochastic General Equilibrium (DSGE) Models; Writing a DSGE in a Solvable Form; Identification Issues in DSGE Modelling; Introduction to Non-linear DSGE Models; Data Preparation for DSGE Estimation; Specifying the Non-linear DSGE Model; Dealing with Identification Problems in DSGE; Results and Interpretation of Non-linear DSGE Model; Introduction to Linear/Linearised DSGE Model; Introduction to New Keynesian Model; Specifying New Keynesian DSGE Model; Identification Problems in Linear DSGE Model; Results and Interpretation of Linear New Keynesian DSGE Model; Introduction to Non-linear New Classical Real Business Cycle (RBC) DSGE; Linearising the non-linear RBC Model; DSGE Model with Financial Frictions; Open Economy in DSGE Models; Special Considerations in DSGE Models; Including a Lag of a Control Variable; Including a Lag of a State Variable; Including an Observed Exogenous Variable and an Expectation Beyond One Period ahead.

In addition, participants were tasked to apply the knowledge gained to write and present papers regarding “Response of Monetary Policy to Productivity and Demand Shocks with Financial Frictions” in their respective countries. Representatives from the five (5) WAIFEM Member Countries successfully presented their respective draft papers. The purpose of that exercise was to ensure participants were able to independently apply the estimation techniques to analyse their respective national data. The Director of Research and Macroeconomic Management Department, Dr. Emmanuel Owusu-Afriyie suggested a special edition of the WAFER Journal (WAFER) could be published based on the standard of the final articles submitted.

The facilitators of the course were Prof. Afees A. Salisu (Director, Centre for Econometrics & Applied Research, University of Ibadan), Prof. Olaoluwa Simon Yaya (Senior Lecturer, Department of Statistics, Faculty of Science, University of Ibadan)

and Dr. Jamaladeen Abubakar (Central Bank of Nigeria). The language of instruction of the course was English. The course's mode of delivery involved virtual lectures, interactions and discussions, workshops, as well as group presentations.

The course was attended by forty-three (43) participants from the five (5) WAIFEM Member countries. Specifically, three (3) participants were from The Gambia, sixteen (16) from Ghana, eight (8) from Liberia, eight (8) from Nigeria and eight (8) from Sierra Leone. With regard to gender participation, thirty-seven (37) were male and 6 were female. The institutional distribution of participants indicate that twenty-five (25) were from the central banks, six (6) from the ministries of finance and economic planning and twelve (12) were from other public sector institutions.

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

- i. A significant proportion of the participants (90.9 percent) agreed that the general objective of the course was achieved.
- ii. 90.9 percent of the participants agreed that the course provided them with an understanding of pertinent issues relating to Advanced Modelling and Forecasting (Dynamic Stochastic General Equilibrium Model).
- iii. Similarly, 90.9 percent of the participants agreed that the course provided capacity for formulation and implementation of good forecasting for policy analysis to yield maximum benefit for their organizations.
- iv. All the participants maintained that the substantive impact of the resource persons as a team was achieved.
- v. 81.8 percent of the participants agreed that the knowledge and skills acquired from this course would improve their job performance.
- vi. All the participants indicated that the blend of plenary and group exercises was effectively executed.
- vii. All the participants rated the training materials and documentation to be of high quality.
- viii. All the participants stated that their overall expectations about the course were met;
- ix. 99.9 percent of the participants rated the presentations as substantially acceptable.
- x. 98.8 percent of the participants rated the contents of the course as good.
- xi. 97.3 percent of the participants indicated that the course was useful to their work.
- xii. 74.9 percent of the participants indicated that

the time allotted to the course was enough.

- xiii. All the participants indicated that the presentations were very good.
- xiv. Finally, all the participants indicated that the administration and coordination of the course by WAIFEM was efficient and effective.

In the communique, the participants made the following observations and recommendations:

Observations

- i. The course materials were elaborate, and the facilitators were on top of their facilitation.
- ii. The materials presented were standard, sometimes difficult to grasp.
- iii. The Director of Research and Macroeconomic Management Department (WAIFEM) contributed and ignited meaningful discussions.
- iv. Participants from each country followed the course from their various institutions and sometimes from home, highlighting their dedication.
- v. The WAIFEM Secretariat ensured a smooth organization of the course by coordinating with the facilitators.

Recommendations

- i. That given the complexity of the course, there was a need for WAIFEM to consider organizing a virtual course on advanced micro and macroeconomics that would purely focus on enhancing the theoretical understanding of participants;
- ii. Given that the course was delivered virtually, and the complexity of the content required full attention, the participants recommended that WAIFEM should request participating institutions to organize a central location outside their respective institutions, where participants would converge to follow the course without little or no distraction(s).

1.4.2 Regional Course on Government Finance Statistics/Public Sector Debt Statistics, Banjul, The Gambia, May 15-26, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 10-day Regional Course on Government Finance Statistics/Public Sector Debt Statistics in collaboration with the Statistics Department of the International Monetary Fund (IMF), The World Bank and Commonwealth Secretariat for the period, May 15-26, 2023 at Banjul, the Gambia.

The course commenced with a brief ceremony which was anchored by Dr. John Owusu-Afriyie, Programme

Manager of Research and Macroeconomic Management Department (WAIFEM). After an introduction of the dignitaries at the high table, the host director, Dr. Emmanuel Owusu-Afriyie, read the welcome address on behalf of the Director-General of WAIFEM, Dr. Baba Y. Musa. He applauded the IMF for its impact and contributions towards the achievement of WAIFEM's mandate. He proceeded to give a brief background of WAIFEM and its activities for the benefits of participants encountering WAIFEM for the first time. He concluded his remarks by urging participants to freely interact with the facilitators and one another to deepen their professional network in order to advance the course of integration in the sub-region.

Subsequently, Mr. Noriaki Kinoshita (the leader of the IMF Facilitation Team) was invited to deliver brief opening remarks. He explained the core functions of the Statistics Department of the IMF and introduced the team of facilitators to the participants. He ended his remarks by urging participants to pay serious attention to relevant issues pertaining to their work that would be discussed during the workshop. This was then followed by the keynote address by Hon. Buah Saidy, Governor, Central Bank of The Gambia, which was read on his behalf by Mr. Shekou Touray (Director of Risk Analysis Department, Central Bank of The Gambia).

In the keynote address, Hon. Buah Saidy highlighted some global macroeconomic and domestic developments that influenced the recent monetary policy decision of the Monetary Policy Committee (MPC) of the Central Bank of the Gambia. The Governor pointed out that recession concerns were surfacing as Russia's invasion of Ukraine persisted and the adverse effects of the COVID-19 pandemic lingered. On the domestic front, the Governor stated that there was a steep contraction of 0.2 percent in 2020 due to the COVID-19 pandemic. He, however, revealed that economic growth rebounded to 5.5 percent in 2021, which was supported by supply-side factors such as construction, trade, and tourism. Mr. Saidy further remarked that in view of current global and domestic developments, the Monetary Policy Committee of the Central Bank of The Gambia increased the Monetary Policy Rate (MPR) by 1.0 percentage point to 14 percent, maintained the Required Reserve (RR) and interest on the standing deposit facility at 13 percent and 3 percent respectively as well as increased standing lending facility to 15 percent (MPR plus 1 percentage point). After these brief remarks, he formally declared the workshop opened.

The course on Government Finance Statistics/Public Sector Debt Statistics was designed for senior officials from the Central Banks, Ministries of Finance, Public Account Offices, Statistics Offices as well as other central government agencies involved with

government finance statistics. The course was designed to expose participants to the basic concepts, definitions, and accounting principles in the integrated GFS/PSDS framework. It was also designed to help participants to: classify basic government flows and stock positions as per the GFSM 2014; apply GFS principles to classify an entity in the public sector and in relevant sub-sectors, such as the general government and public corporations; record the fiscal flows and stocks associated with the activities of public sector entities, following the GFSM 2014 guidelines and classifications; explain how the main GFS/PSDS aggregates and analytical balances are calculated, and what they show about the government's impact on the economy; develop a migration plan to adopt the GFSM 2014 methodology and PSDS guide, and compile and disseminate GFS/PSDS following international guidelines; recognize the value of comprehensive, consistent, and internationally comparable GFS/PSDS, and the use of the key GFS/PSDS indicators in the design, monitoring and evaluation of fiscal policy.

The topics covered included: GFS and PSDS for fiscal policy and debt sustainability analyses; GFS Analytical Framework (GFSM 2014, Chapter 4); Institutional Units and Sectors (GFSM 2014, Chapter 2); Economic Flows, Stock Positions and Accounting Rules (GFSM 2014, Chapter 4); The Balance Sheets (GFSM 2014, Chapter 7); Revenue (GFSM 2014, Chapter 5); Expenditure (GFSM 2014, Chapter 6); Transactions in non-financial assets (GFSM 2014, Chapter 8); Transactions in financial assets and liabilities (GFSM 2014, Chapter 9); Other Economic Flows (GFSM 2014, Chapter 10); PSDS Statistical Framework and Debt Transparency; PSDS: Definitions and Accounting Principles (PSDSG 2013, Chapter 2); PSDS: Identification of Debt Instruments and Institutional Sectors (PSDSG 2013, Chapter 3); Selected Issues in Public Sector Debt (PSDSG 2013, Chapter 4); Use of a Debt Management System for Reporting of PSDS: The Case of The Meridian and World Bank Debt Reporting System.

The course was mainly facilitated by three (3) professionals; two (2) from the Statistics Department of the IMF and one (1) professional from The World Bank Group. Specifically, the facilitators were Mr. Noriaki Kinoshita (Senior Economist, Statistics Department of the IMF), Mr. Obadiah Turinawe (Economist, Statistics Department of the IMF) and Mrs. Rubena Sukaj (Chief Economist, The World Bank Group). In addition, two (2) professionals were invited from The Commonwealth Secretariat to make presentations on 'Using a Debt Management System for Reporting of PSDS: The Case of the Meridian'. They were Ms. Joanne Alin and Ms. Difie Boakye-Mensah. The course consisted of presentations, group assignments, pre- and post-quizzes. It was very practical, interactive and engaging.

The course was attended by a total of twenty-four (24) professionals from WAIFEM member countries. Out of this number, ten (10) were from The Gambia, eight (8) from Ghana, two (2) from Nigeria and four (4) from Sierra Leone. With regard to gender distribution, fourteen (14) of the participants were male whilst ten (10) were female. The institutional distribution of participants also indicated that thirteen (13) were from the central banks, seven (7) from the ministries, department and agencies whilst four (4) were from other public institutions.

The analysis of the completed evaluation questionnaire by the participants revealed the following:

- i. The average value of ranking for the statement "The knowledge/skills learned during the training will be useful for my job and my professional development" was 4.6. This suggests that the participants strongly agreed that the training would be useful for their jobs and professional development.
- ii. The average value of ranking for the statement "The content of this training will help me to produce better quality, and/or better understand, macroeconomic statistics" was 4.6. This indicates that the participants strongly agreed that the content of the training would help them produce better quality, and/or better understanding of macroeconomic statistics.
- iii. The average value of ranking for the statement "Overall, I was satisfied with the training" was 4.4. This suggests that on the average, the participants were very satisfied with the training.
- iv. The average value of ranking for the statement "The exercises covered during the workshop sessions were useful" was 4.5. This suggests that the participants strongly agreed that the exercises covered during the workshop sessions were useful.
- v. The average value of ranking for the statement "The mix of presentation methods (e.g. balance of lectures and workshops, interactive discussions) was an effective way to learn the subject" was 4.6.
- vi. The average value of ranking for the statement "Overall, I was satisfied with the administrative/logistical arrangements for the training" was 4.6. This indicates that the participants were very satisfied with the administrative/logistical arrangements for the training.
- vii. The statement, "The exercises covered during the workshop sessions were useful" had an average score of 4.5. This indicates that the participants agreed that the length of the training was averagely enough to cover all the

material.

- viii. Finally, the statement, “Conference rooms, group areas/work spaces (lecture rooms, break-out rooms) were satisfactory.” had an average score of 3.5. This suggests that the participants were satisfied with the environment within which the training was conducted.

Furthermore, on the communique issued at the end of the course, the participants made the following observations and recommendations:

Observations

- i. Global output contracted in the second quarter of 2022, owing to downturns in China and Russia, while US consumer spending undershot expectations.
- ii. Fiscal policy trade-offs are increasingly becoming difficult, especially for high-debt countries where responses to the COVID-19 pandemic exhausted their fiscal space.
- iii. Fiscal deficits fell sharply in advanced and emerging market economies in 2021 and 2022 but remain larger than pre-pandemic levels across income groups.
- iv. A worse-than-anticipated fiscal slowdown in China and further negative spillovers from the war in Ukraine have hit the already-weakened world's economy by the pandemic. These have influenced fiscal and macroeconomic developments in the sub region either negatively or positively .
- v. Therefore, understanding and using the GFS and PSDS framework for fiscal policy and debt sustainability analyses would invariably assist to a large extent accurate economic policy decisions.

Recommendations

WAIFEM/IMF may wish to consider the following:

- i. continue escalating its physical training programmes, as it aids better participation, concentration, and networking.
- ii. Regular face-to-face capacity building programmes especially for junior to mid-level group staff will better expose them to the dynamics of the GFS and PSDS framework and its use for sustainable fiscal analysis of governments.
- iii. These two-week engagements provide participants with a good grasp of GFSM 014 for accurate fiscal data compilation.
- iv. However, we would like to use this opportunity to inform WAIFEM to carry out more training on the GFSM2014 in particular, in the area of customization to enable the countries tailor the module to their respective needs as done by some east African countries.

- v. We recommend further improvements in the GFS module to allow easy interface with more systems to facilitate data capturing and analysis.

- vi. Finally, given the importance of the GFS module we advise participants to recommend it's use to their respective countries.

1.4.3 Regional Course on Econometric Methods for Policy Analysis, Lagos, Nigeria, June 19-30, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 10-day Regional Course on Econometric Methods for Policy Analysis at the Rock-view Hotel (Lagos) for the period, June 19-30, 2023. The course was very effective and beneficial to the participants.

The course commenced with an opening ceremony moderated by Dr John Owusu-Afriyie (Programme Manager, Research and Macroeconomic Management Department, WAIFEM) during which the participants and the dignitaries were introduced. Specifically the dignitaries present were Dr Baba Yusuf Musa (Director-General of WAIFEM); Mr Euracklyn Williams (Director of Finance and Administration Department, WAIFEM); Dr Emmanuel Owusu-Afriyie (the Host Director, Research and Macroeconomic Management Department); Dr Alvin Johnson (Director of Governance and Institutional Development Department, WAIFEM); Prof. William Baah-Boateng (representative of the team of facilitators) and Mrs Helen Anjorin (Administrative Assistant, Research and Macroeconomic Management Department).

In his address, the Director-General of WAIFEM, Dr Baba Yusuf Musa welcomed all the participants to the course and expressed appreciation for the commitment of the facilitators, who accepted to share their vast knowledge and experience with the participants. Furthermore, he explained the rationale for the course and mentioned that the course would help the participants to understand econometric methods to effectively manage their respective economies. The escalating sovereign debt of member countries creating less fiscal space for governments to spend on the social sectors was highlighted. He, therefore, called for prudent management of sovereign debt in the sub-region to ensure sustainable growth and development. He also lamented how climate change is most likely to increase the debt burden of countries in the sub-region. To this end he enjoined the participants to tap into the knowledge of the Econometricians assigned to facilitate the course, and seize the opportunity to enhance their respective knowledge and skills in Econometrics. Participants were equally encouraged to freely interact with the facilitators and build durable professional relationships with their fellow participants to deepen the regional integration agenda. Subsequently, the course was declared open

by the Director-General of WAIFEM.

The course on Econometric Methods for Policy Analysis was designed to enable participants to conduct basic statistical and econometric analyses and forecasting. Specifically, the course was designed to enable participants to, among others, derive multiple regression parameter estimates and perform statistical inference on regression parameters. It was also designed to enable participants to understand basic research methods and the use of econometric software (such as Eviews, R-studio, and STATA among others) for data analysis and forecasting.

The main topics discussed during the course included an Overview of the Nature and Methodology of Econometric Modelling, Forecasting; Univariate Time Series Modelling and Forecasting; Estimation of ARMA/ARIMA models for Forecasting (Example: Inflation and Exchange Rates); Multivariate Models: Vector Autoregressive Models; Quantile Regression; Modelling Long Run Relationships: Cointegration and Error Correction; Non-linear Econometric Model; Modelling and Forecasting Volatility; Probit, Logit and Ordered Logistic Models and Introduction to Panel Data Analysis.

The course was facilitated by five (5) resource persons namely Prof. William Baah-Boateng (Head of Department of Economics, University of Ghana), Dr Jamaladeen Abubakar (Central Bank of Nigeria), Dr Nafiu Bashir Abdussalam (Monetary Policy Department, Central Bank of Nigeria), Dr. Frank Agyire-Tetteh (Senior Lecturer, Department of Economics, University of Ghana) and Prof. Afees Adebare Salisu (Director, Centre for Econometrics and Applied Research, Ibadan, Nigeria). The language of instruction of the course was English. The course's mode of delivery involved face-to-face lectures, group assignments and presentations, interactions as well as in-depth discussions.

The course was attended by nineteen (19) participants from WAIFEM Member countries. Specifically, two (2) participants were from The Gambia, six (6) from Ghana, seven (7) from Nigeria, two (2) from Liberia and two (2) from Sierra Leone. However, with respect to gender distribution, thirteen (13) of the participants were male whilst six (6) were female. The institutional distribution of participants also indicate that fifteen (15) were from the central banks and four (4) from other public sector institutions.

The analysis of the completed evaluation questionnaire by the participants at the end of the course in terms of content, presentation, usefulness to their work, time allotment, general satisfaction and effectiveness revealed the following:

- i. All the participants agreed that the general objective of the course was achieved;

- ii. All the participants agreed that the course had equipped them with an understanding of pertinent information regarding econometric methods for policy analysis;
- iii. Some 90 per cent of the participants agreed that the course provided adequate capacity in econometric analyses and forecasting;
- iv. All the participants admitted that the substantive impact of the resource persons as a team was very good.
- v. All the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- vi. All the participants indicated that the blend of plenary and group exercises was effective;
- vii. About 97.8 per cent of the participants rated the presentations as good;
- viii. Similarly, 97.8 per cent of the participants rated the contents of the course as good;
- ix. Some 80 per cent of the participants indicated that the course was useful to their work;
- x. However a relatively less proportion, representing 37.8 per cent of the participants indicated that the time allotted to the course was enough;
- xi. All the participants stated that their overall expectations about the course were met;
- xii. Finally, all the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

The communique issued out at the end of the course indicated the following observations and recommendations:

Observations

- i. The course materials were rich, comprehensive, and the delivery was robust.
- ii. The multi-level Facilitators utilised the allocated time effectively.
- iii. Despite the challenge of using an outside facility (Rock View Hotels) for the whole programme, facilitators were able to effectively deliver their materials to the understanding of participants.
- iv. The coordinators for the programme were very professional and committed to the training process and contributed extensively to the discussions.
- v. The breaks were also necessary to keep participants attentive and helped to enhance the understanding of the materials delivered in line with global best practices.
- vi. The excursion, during the course period, allowed

the non-Nigerian participants to appreciate the host community. Moreover, the excursion was rejuvenating, and refreshments provided new experiences.

- vii. Also, despite the ongoing renovation of the buildings in the CBN Learning Centre, the organisers made frantic efforts to make participants comfortable.
- viii. The challenge with internet connectivity affected the delivery of some course materials to some extent, though minimal. However, an effort was made by the organisers and facilitators to fill in the gaps and follow up on issues missed earlier.

Recommendations

- i. The course was well organised and managed. Participants were however of the view that the following recommendations could help prepare for the subsequent ones.
- ii. Practical sessions and assignments are expedient for econometrics-based courses; hence we implore the organisers to allot more time for them.
- iii. The course involved long hours of sitting. The sedentary nature requires that the break periods could be increased.
- iv. The course should be sectionalised into Elementary, Intermediate, and Advanced to create continuity in knowledge acquisition.
- v. We hereby reiterate our appreciation to WAIFEM for expanding the curriculum for this course. We call for further expansion. In this light, we recommend that modelling climate change, and emerging issues be brought on board.

1.4.4 Regional Course on Exchange Rate Regimes and Policies, Accra, Ghana, July 24-28, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 5-day Regional Course on Exchange Rate Regimes and Policies in Accra, Ghana, for the period, July 24-28, 2023.

The opening ceremony was graced with the presence of some dignitaries namely; Dr Emmanuel Owusu-Afriyie (Representative of the Director-General of WAIFEM and Host Director, Research and Macroeconomic Management Department), Prof. Festus Ebo Turkson (Facilitator) and Prof. Agyepomaa Gyeke-Dako (Facilitator), both of the University of Ghana and Dr Christian Ahorator (Head of Statistics and Publications Unit, Bank of Ghana). Some members of the media and press in Ghana were also present to cover the opening session.

Dr Emmanuel Owusu-Afriyie delivered the welcome address on behalf of the Director-General of WAIFEM,

Dr Baba Y. Musa. He expressed appreciation to the facilitators for their continued commitment to providing short- and long-term technical support to the Institute. He also shed some light on the course regarding the menace of sharp exchange rate depreciation in WAIFEM member countries. He further indicated that the essence of sharing insights on exchange rate policies was reinforced by the ongoing effort by the sub-region to achieve regional integration in trade, which could be facilitated with appropriate exchange rate regimes and policies.

He finally remarked that participants should freely interact with the facilitators to derive maximum benefit from the course and also seize the opportunity to deepen their professional networking relationship with one another to further the course of regional integration.

Dr Christian Ahorator, (Head of Statistics and Publications Unit, Bank of Ghana) delivered the keynote address on behalf of the Governor of the Bank of Ghana, Hon. Dr Ernest Y. Addison. He noted that the exchange rate regime of Ghana had evolved over the years, reflecting macroeconomic dynamics and the changing global and domestic economic landscape. In addition, Ghana had moved from a fixed exchange rate regime, through periodic devaluations, to a managed float largely driven by market forces. He further remarked that Ghana had maintained a liberal foreign exchange regime where there were no restrictions on payment for goods and services being imported into the country consistent with the passage of the Foreign Exchange Act, 2006 (Act 723). He also revealed that the Bank of Ghana had introduced the multiple-price forward forex auction which aimed at improving price discovery, deepening the forex market, and reducing uncertainty about future availability of forex to meet the needs of banks' clients. This policy, according to him, was expected to ease pressure on the spot market and thus, minimize front-loading of forex purchases by economic agents. He concluded by expressing confidence in the Director-General of WAIFEM to continue to build the capacity of technical staff and policy-makers in critical areas of macroeconomic management in the sub-region.

The course was designed to introduce participants to the different exchange rate regimes and arrangements that countries and regional bodies may choose. It addressed the factors relevant to the choices and the consequences of these choices.

The main topics discussed during the regional course on Exchange Rate Regimes and Policies were: Introduction To Key Definitions and Concepts Used in Exchange Rate Analysis; Key Theories of Exchange Rate Determination; Real Exchange Rate Equilibrium and Misalignment: Implications for External Adjustment and Growth; The Choice of Optimal Exchange Rate Regime: Further Discussions on

Optimal Currency Area (OCA); Macroeconomic Policy Trade-offs of Different Exchange Rate Regimes and the Main Exchange Rate Policy Challenges in Developing and Emerging Market Economies; The Foreign Exchange Market, Financial Globalization and Capital Flows: Implications for Exchange Rate Management; Exchange Rate Dynamics and Monetary Integration in the ECOWAS countries; Economic Integration and Exchange Rate Regimes: Lessons from Other Region; Recent Developments in Exchange Rate Policies and Foreign Exchange Rate Market Operations in Sierra Leone; Monetary Policy in Managed Exchange Rate Regimes: Constraints and Challenges; Evolution of Foreign Exchange (FX) Intervention in Nigeria: Objectives, Modalities, Effectiveness, and Ways to Assess the Adequacy of Foreign Exchange Reserves, and their Management; Recent Developments in Exchange Rate Policies and Foreign Exchange Rate Market Operations in Nigeria; Evolution of Foreign Exchange (FX) Intervention in Ghana: Objectives, Modalities, Effectiveness, and Ways to Assess the Adequacy of Foreign Exchange Reserves, and their Management as well as Recent Developments in Exchange Rate Policies and Foreign Exchange Rate Market Operations in Ghana.

The course was facilitated by six (6) resource persons namely Prof. Agyepomaa Gyeke-Dako (School of Business Administration, University of Ghana); Prof. Festus Ebo Turkson (Department of Economics, University of Ghana and Monetary Policy Committee Member of the Bank of Ghana); Mr Anthony Akuamoah-Boateng (Head of Foreign Exchange Monitoring Unit, Financial Markets Department, Bank of Ghana); Dr Robert Dauda Korsu (Director, Research and Statistics Department, Bank of Sierra Leone); Dr Moses Tule (Former Director of Monetary Policy Department, Central Bank of Nigeria) and Dr. Musa Nakorji (Central Bank of Nigeria). The language of instruction of the course was English. The course's mode of delivery involved face-to-face lectures, interactions and discussions.

With respect to participation, the course was attended by thirty (30) participants from WAIFEM Member countries. Specifically, three (3) participants were from The Gambia, twenty-four (24) from Ghana, two (2) from Nigeria and one (1) from Sierra Leone. With regards to gender, fourteen (14) participants were male whilst sixteen (16) were female. Regarding institutional representation, eighteen (18) were from the central banks, six (6) were from the ministries, department and agencies and six (6) were from other public sector institutions.

The responses of participants gathered from the course evaluation revealed the following:

- i. All the participants agreed that the general objective of the course was achieved;
- ii. All the participants agreed that the course had

equipped them with an understanding of pertinent information relating to exchange rate regimes and policies;

- iii. All the participants agreed that the substantive impact of the resource persons as a team was very good;
- iv. Similarly, all the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- v. Some 84.6 per cent of the participants indicated that the blend of plenary and group exercises was effective;
- vi. About 96 per cent of the participants rated the presentations as good;
- vii. Close to 100 per cent of the participants rated the contents of the course as good;
- viii. Also, about 95 per cent of the participants indicated that the course was useful to their work;
- ix. Some 70 per cent of the participants indicated that the time allotted to the course was enough;
- x. All the participants stated that their overall expectations about the course were met.;
- xi. Finally, all the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

In addition, the communique released at the end of the course indicated the following observations and recommendations:

Observations

- i. The training attendance cuts across the staff of Central Banks, Ministry of Finance and Economic Planning, the Parliament of Ghana, and the Ghana Statistical Service.
- ii. The topics covered were very insightful and interesting.
- iii. The course was well structured with highly experienced experts in the field; the materials were comprehensive, and the deliveries were robust.
- iv. The experienced facilitators made the course exciting and insightful despite the controversy surrounding the exchange rate.
- v. The course materials which were shared before the commencement of the programme assisted us to prepare well for the training.
- vi. The course was participatory and allowed for different views to be shared (country experience).
- vii. The coordinators of the programme were very professional and committed to the training

process and contributed extensively to the discussions.

- viii. A critical look at the performance of other countries outside West Africa and extending to Western countries under various monetary policy regimes was indeed insightful in informing West African Countries' choice of exchange rate regimes and policies.
- ix. The breaks were also necessary to cool off, keep participants attentive and helped to enhance the understanding of the materials delivered in line with global best practices.
- x. The food variety served by the Restaurant was noted to be satisfactory.
- xi. However, the training hours allocated were not sufficient for the content of the course.
- xii. Due to the short one-week period, the course content was overloaded.
- xiii. We observed that Liberia was not in attendance, even though the training would have benefited them.

Recommendations

- i. The course should be streamlined and delivered over a longer period, for instance, two weeks, to allow participants to read and study other reference materials.
- ii. All participants should be residents of the hotel to avoid/minimize coming to the program late.
- iii. Subsequent/follow-up courses should be participated in by the same participants.
- iv. WAIFEM should engage the Liberian authorities to relate the importance of this course to the Liberian economy.
- v. There is a need to intensify efforts on the regional integration process which could assist in stabilizing the exchange rate and thus, foster trade.
- vi. There is a need for member countries to have and adopt a well-defined exchange rate policy and regime.
- vii. About WAIFEM's journal, it will be useful if participants are invited to take part in the journal write-up.

1.4.5 Regional Course on Monetary Policy Frameworks and Analytical Tools, Abuja, Nigeria, August 7-11, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 5-day Regional Course on Monetary Policy and Analytical Tools at the Bolton White Hotel (Abuja, Nigeria) for the period, of

August 7-11, 2023.

The opening ceremony was attended by dignitaries from the Central Bank of Nigeria and WAIFEM, namely; Dr. Isa Audu (Representative of the Acting Governor of the Central Bank of Nigeria and Deputy Director of the Monetary Policy Department, Central Bank) and Dr. Emmanuel Owusu-Afriyie (Director of the Research and Macroeconomic Management Department, representative of the Director-General of WAIFEM).

Dr. Emmanuel Owusu-Afriyie delivered the welcome address on behalf of the Director-General of WAIFEM, Dr. Baba Yusuf Musa. He conveyed the apologies and well wishes of the Director-General of WAIFEM, Dr. Baba Yusuf Musa, who could not attend the opening ceremony due to other important official commitments. He expressed the Director-General's appreciation of the commitment of the facilitators to provide technical support to participants. The Director-General noted the appropriateness of the timing and relevance of the course and urged the participants to optimise the opportunity accorded by WAIFEM to broaden their knowledge of the various monetary policy frameworks adopted in the sub-region. He also urged the participants to fraternise with one another to leverage the expertise and experience of the facilitators. He then encouraged the participants to make the course interactive as they develop professional networks with fellow participants to further the course of regional integration.

Dr. Isa Audu (Deputy Director, Monetary Policy Department, Central Bank of Nigeria) delivered the keynote address by the Acting Governor of the Central Bank of Nigeria, Hon. Folashodun Shonubi. He noted the importance of understanding the various monetary policy frameworks as well as the relevant tools used by member central banks to attain their strategic objectives. He touched on a recent review of the Nigerian economy where the Monetary Policy Committee (MPC) considered the effects of global economic developments on the short- and medium-term prospects of the Nigerian economy. He further revealed that the members of the CBN Monetary Policy Committee voted to raise the MPR to 18.5 percent from 18.0 percent; retain the asymmetric corridor of +100/-700 basis points around the MPR; retain the CRR at 32.5 percent and lastly, retain the Liquidity Ratio at 30 percent. He concluded by stating that global developments notwithstanding, the Nigerian economy remains stable and resilient.

After the keynote address, participants were allowed to introduce themselves and state their expectations from the course.

The opening ceremony ended with a vote of thanks delivered by Dr. John Owusu-Afriyie, the Programme

Manager of the Research and Macroeconomic Management Department of WAIFEM, who was the anchor for that session.

The course was designed to provide an introduction to monetary policy frameworks and an overview of different analytical tools used by Central Bankers in the process of monetary policy decision-making. The main topics discussed during the regional course on Monetary Policy Frameworks and Analytical Tools for Monetary Policy were: Evolution of Monetary Policy Implementation and Outcomes in WAIFEM Member Central Banks; Current Monetary Policy Frameworks of WAIFEM Member Central Banks; Analytical Tools and Instruments for Monetary Policy Implementation in WAIFEM Member Central Banks and Fiscal Policy and Central Bank Liquidity Management in WAIFEM Member Central Banks.

The course was facilitated by professionals from the Central Banks of Ghana, Liberia, Nigeria, Sierra Leone, and The Gambia. Specifically, they were Dr. Ibrahim Abdulai (Bank of Ghana), Mr. Jefferson S.N. Kambo (Central Bank of Liberia), Mr. Morlai Bangura (Bank of Sierra Leone), Dr. Hassan Mahmud (Central Bank of Nigeria)-represented by Dr. Ladi Bala-Keffi (Central Bank of Nigeria) and Dr. Patrick Ogi (Central Bank of Nigeria), and Mr. Ebrima Wadda (Central Bank of The Gambia). The facilitators were articulate in their delivery and effective in answering questions. The course was practical, interactive, and engaging.

In terms of participation, the course was attended by a total of thirty-six (36) professionals from member countries, out of which three (3) were from The Gambia, four (4) from Ghana, two (2) from Liberia, twenty-three (23) from Nigeria and four (4) from Sierra Leone. However, the gender distribution of participants indicated that seventeen (17) were male whilst nineteen (19) were female. With respect to institutional representation, sixteen (16) were from the central banks, sixteen (16) from ministries, departments and agencies, whilst four (4) were from other public institutions.

The analysis of the completed evaluation questionnaire by the participants at the end of the course in terms of content, presentation, usefulness to their work, time allotment, general satisfaction, and effectiveness revealed the following:

- i. All the participants agreed that the general objective of the course was achieved;
- ii. About 93.3 percent of the participants agreed that the course had equipped them with an understanding of monetary policy frameworks and different analytical tools used by central bankers in the process of monetary policy decision-making;
- iii. All the participants agreed that the course provided adequate capacity regarding the

different analytical tools used by central banks in the process of monetary policy decision-making;

- iv. All the participants agreed that the substantive impact of the resource persons as a team was accomplished.
- v. All the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- vi. Some 86.7 percent of the participants indicated that the blend of plenary and group exercises was effective.;
- vii. All the participants agreed that the quality of training materials and documentation was very good.
- viii. About 96.0 percent of the participants rated the presentations as good;
- ix. Similarly, some 96.0 percent of the participants rated the contents of the course as good;
- x. All the participants indicated that the course was useful to their work;
- xi. About 94.0 percent of the participants indicated that the time allotted to the course was enough;
- xii. Close to a similar percentage of 93.4 participants stated that their overall expectations about the course were met;
- xiii. Finally, all the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

In the communique, the participants made the following observations and recommendations:

General Observations

- i. The course content and materials were comprehensive and the delivery was apt.
- ii. The facilitators had an in-depth understanding of the theoretical and practical perspectives of monetary policy within their respective jurisdictions.
- iii. Each lecture provided a wealth of information and was delivered in an interactive manner, which enhanced our understanding of monetary policy frameworks.
- iv. The discussions encouraged knowledge sharing among the participants and facilitators.
- v. The Director of Research and Macroeconomic Management Department (WAIFEM) was present throughout the various presentations and contributed extensively to the discussions.
- vi. There were sufficient breaks during the sessions, which enabled the participants to remain energetic throughout the course.
- vii. The breaks also provided a networking

opportunity for participants and facilitators.

- viii. The meals provided were nutritious, tasty, and timely.
- ix. The participants, however, observed that due to the short (one-week) period, the course content was overloaded.

Technical Observations

- i. Monetary policy implementation in the sub-region has generally evolved, with each monetary policy regime informed by the prevailing macroeconomic fundamentals.
- ii. Excessive monetisation of the fiscal deficit by central banks creates fiscal dominance in most of the WAIFEM countries. This undermines the effectiveness of monetary policy implementation and poses a challenge to central bank credibility.
- iii. The operational independence of the central bank as well as a clearly defined governance framework, well-developed analytical tools, and sound communication strategies reinforce the effectiveness and credibility of monetary policy.
- iv. Policy coordination between the fiscal and monetary authorities was identified as a key to achieving expected inflation outcomes and macroeconomic stability.
- v. A well-informed public strengthens the transmission mechanism of monetary policy. Unfortunately, the public understanding of monetary policy issues in the WAIFEM member countries remains generally low. This reiterates the need for effective communication strategies.
- vi. Several factors including global shocks, speculative activities, expectations, and fiscal policy actions cause exchange rate movements in all of the WAIFEM countries.
- vii. The policy rates i.e., MPR set by the central banks have limited effect on the lending rates of the commercial banks, implying weak transmission of monetary policy in most of the WAIFEM member countries.

General Recommendations

- i. Given that monetary policy frameworks in the sub-region are largely similar, WAIFEM is encouraged to review the course to limit the theoretical framework and country experiences to three days. This will create time for hands-on sessions to cover the analytical tools including liquidity forecasting and near-term inflation forecasting.
- ii. Alternatively, the course could be extended to two weeks to provide enough time to extensively cover the analytical tools hands-on.
- iii. Participants recommended that an assessment

tool (appraisal form/survey) should be provided to assess the facilitators at the end of each session.

- iv. Finally, the organizers should organize a tour for interested participants to visit key areas like the CBN office.

Technical Recommendations

- i. The issue of late remittance, and in some cases, non-remittance of funds by Revenue Generation Agencies was raised during the course. It is recommended that sanctions should be imposed for non-compliance with the stipulated timing of remittance.
- ii. Fiscal authorities are also encouraged to rationalize expenditure to focus on growth-enhancing sectors of the economy.
- iii. Strengthen coordination and synergy between fiscal and monetary authorities across various areas including liquidity management, fiscal risk assessment, and budget preparation.
- iv. Countries should enforce laws and develop legal frameworks that ensure central banks are shielded from unnecessary political pressures in the pursuit of monetary policy. Central banks should intensify public engagement and sensitization on monetary policies through the mass media, communication experts, and regular training for selected journalists.
- v. On the issue of the SOEs' challenge in using funds from the TSAs, the Ministries of Finance should provide in a legal document, some shared percentage of deposits.

1.4.6 Regional Workshop on Balance of Payments Statistics/International Investment Position Statistics, Banjul, The Gambia, September 18-22, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 5-day Regional Workshop on Balance of Payments Statistics/International Investment Position Statistics in collaboration with the Statistics Department of the International Monetary Fund (IMF), for the period, September 18 - 22, 2023 at Banjul, the Gambia.

The workshop commenced with a brief ceremony which was anchored by Mr. Aniekan B. James, Assistant Programme Manager of BDCU (WAIFEM). After an introduction of the dignitaries on the high table, the host director, Dr. Emmanuel Owusu-Afriyie, of the Research and Macroeconomic Department (WAIFEM), read the welcome address on behalf of the Director-General of WAIFEM, Dr. Baba Y. Musa. He thanked the IMF for its impact and

contributions towards the achievement of WAIFEM's mandate and its immense capacity-building efforts in the West African sub-region. He proceeded to give a brief background of WAIFEM and its activities for the benefit of participants attending WAIFEM's programme for the first time. He concluded his remarks by urging participants to freely interact with the facilitators and their colleagues to deepen their professional network towards enhancing the regional integration agenda.

Ms. Rita Mesias (the leader of the IMF Facilitation Team), in a brief opening remarks, explained the core functions of the Statistics Department of the IMF and introduced her partner, Mr. Bderi Zymeri, to the participants. She noted that new data challenges had arisen due to climate change, fintech, and digital trade that put additional pressure on national data producers and Statistical Technical Assistance (STA). Ms. Rita, however, added that STA had responded to these challenges by developing and adjusting current statistical standards/methodologies and compilation practices by updating BPM6, which would be shared during the workshop.

According to the IMF team leader, Ms. Rita, the main purpose of the workshop would be to assist participants in building their capacity to produce a high-quality balance of payments and IIP with a thorough understanding of the conceptual framework of external sector statistics (ESS) and to provide practical guidance for addressing current collection and compilation challenges as well as for recording of specific transactions. She ended her remarks with assurance to participants that the training would help in building synergies in the compilation of the BOP and IIP among data producers, which underscores the importance of institutional collaboration.

This was then followed by the keynote address by Hon. Buah Saidy, Governor, Central Bank of The Gambia, which was read on his behalf by Mr. Babucarr-Chams (Director of Human Resources Department, Central Bank of The Gambia).

In the keynote address, Hon. Buah Saidy, welcomed the participants and thanked IMF and WAIFEM for bringing the workshop to Banjul. On the importance of the workshop on Balance of Payments Statistics, he noted that external statistics, which consisted of the balance of payments and other statistics, were among the primary statistics on which policy-makers and markets rely as a basis for their decisions in globalised economies. The Governor further noted that external sector statistics assist economic agents to determine the link between the domestic and external economy, and the sustainability of the factors influencing external transactions.

Honourable Saidy pointed out that Balance of Payments statistics were among the important economic indicators used in analysing the

performance of an economy. He said that various Central Banks in member countries were at varied stages in the implementation of the Balance of Payments Manual VI and are adapting their data collection methodologies to the new Guide as well as broadening the scope of the collection. The Governor cited recent changes like institutional units, the nature of current account transactions, and an increase in cross-border financial activity among others, as some of the challenges facing compilers of external statistics. He however revealed that lessons from the global financial and economic crises lend support to the fact that the provision of data by borrowing countries should meet global standards for the dissemination of data, hence international institutions should enhance the provision of comprehensive balance of payments data which, together with other external data should be made public. The Governor hoped that the workshop would contribute to the efforts towards the development of a harmonized balance of payments statistics in the ECOWAS sub-region. After these brief remarks, he formally declared the workshop opened.

The workshop was designed for senior officials from the Central Banks, Ministries of Finance, Public Account Offices, Statistics Offices as well as other central government agencies involved with balance of payments statistics. The workshop was designed to get participants abreast with the revised system of national accounts (SNA) and Balance of Payments (BOP) compilation. It exposed participants to basic concepts, accounting principles, and methods of compilation/classification within the context of the new Balance of Payments Manual VI.

The topics covered included: BPM6 Conceptual Framework and Core Accounting Principles; Goods Account; Services Account; Primary Income Account; Secondary Income and Capital Accounts; Direct Investment and CDIS; Other Investment and Reserve Assets; Portfolio Investment and Financial Derivatives; International Investment Position (IIP) and External Debt; International Investment Position (IIP) and External Debt; Collecting Data on Positions; Consistency within ESS and Across Macroeconomic Datasets; Digitalization and Globalization and BPM Update; and Workshops on Current Account Transactions; Financial Account Transactions and IIP; and Countries' Experiences and Challenges.

The workshop was mainly facilitated by two (2) experts from the Statistics Department of the IMF. They were Ms. Rita Mesias and Mr. Bderi Zymeri. The workshop consisted of presentations, group assignments, and pre-and post-quizzes. It was very practical, interactive, and engaging.

Regarding participation, the workshop was attended by a total of twenty-nine (29) professionals drawn from WAIFEM member countries. Out of this number, ten (15) were from The Gambia, six (6) from Ghana,

four (4) from Nigeria, three (3) from Sierra Leone and one (1) from Liberia. The gender distribution of participants indicated that seventeen (17) were male whilst twelve (12) were female. With respect to institutional participation, sixteen (16) were from the central banks, 11 from the ministries, departments, and agencies and 2 from other public sector institutions

The analysis of the completed evaluation questionnaire by the participants revealed the following:

- i. The average value of ranking for the statement “The knowledge/skills learned during the training will be useful for my job and my professional development” was 4.4. This suggests that the participants strongly agreed that the training would be useful for their jobs and professional development.
- ii. The average value of ranking for the statement “The content of this training will help me to produce better quality, and/or better understand, macroeconomic statistics” was 4.4. This indicates that the participants strongly agreed that the content of the training would help them produce better quality, and/or better understanding of macroeconomic statistics.
- iii. The average value of ranking for the statement “Overall, I was satisfied with the training” was 4.1. This suggests that on average, the participants were very satisfied with the training.
- iv. The average value of ranking for the statement “The exercises covered during the workshop sessions were useful” was 4.4. This suggests that the participants strongly agreed that the exercises covered during the workshop sessions were useful.
- v. The average value of ranking for the statement “The mix of presentation methods (e.g. balance of lectures and workshops, interactive discussions) was an effective way to learn the subject” was 4.4. This indicates participants strongly concurred that the mix of presentation methods was very effective in learning the subject.
- vi. The average value of ranking for the statement “Overall, I was satisfied with the administrative/logistical arrangements for the training” was 3.7. This indicates that the participants were satisfied with the administrative/logistical arrangements for the training.
- vii. The statement, “The training website (OneDrive) was helpful for your preparations and for during the training” had an average score of 3.4. This indicates that the participants agreed that the training website was on average helpful for

preparations for and during the training.

- viii. The statement, “The IT setup (laptops, projectors, etc.) was adequate” had an average score of 3.1. This suggests that the participants were averagely satisfied with the IT setup during the training.
- ix. The statement, “Conference rooms, group areas/work spaces (lecture rooms, break-out rooms) were satisfactory.” had an average score of 3.5. This suggests that the participants were satisfied with the environment within which the training was conducted.
- x. The statement, “the programme officer/administrative staff supporting the training.” had an average score of 2.6. This suggests that participants were rather neutral on the staff supporting the training.
- xi. The statement, “Accommodations and services at hotel/residence were satisfactory”. This had an average score of 2.9. This suggests that participants were neutral on the accommodation and services rendered at the hotel.
- xii. The statement, “The coffee and/or lunch breaks, social activities organised (e.g. welcome or farewell reception/dinner) were satisfactory.” This had an average score of 3.3. This suggests that participants rated this to be average.
- xiii. Finally, the statement, “I was satisfied with the simultaneous interpretation services provided.” This had an average score of 4.0. This suggests that participants were very satisfied with the simultaneous interpretation services provided during the training.

The commune revealed the following observations and recommendations:

Observations

- i. The balance of payments manual is revised almost every two decades, this practice is done to keep it in tune with evolving changes in economic and financial activities especially in the context of globalization.
- ii. That work needed to be done to design the necessary statistical questionnaires and surveys that would provide the statistics required by the BPM6, particularly about enterprise and household statistics.
- iii. The Statistics Department was urged to foster closer ties with regional capacity-building institutions like WAIFEM to have a greater reach in Africa, in line with current economic and financial events.
- iv. Special consideration should be given to the need for short-term Taylor-made workshops for specific topics (e.g. migrant remittances,

treatment of derivatives) within the BPM6 especially for compilers in central banks of West African countries.

- v. To consider increasing the duration of the workshop and the need for the inclusion of more numerical examples in workshop delivery and to make workshop materials available in advance to participants before the commencement of the workshop.
- vi. Therefore, understanding and using the BOP and IIP framework for policy analyses would invariably assist to a large extent accurate economic policy decision-making.

Recommendations

- i. Participants wish to encourage WAIFEM to continue escalating its physical training programmes, as it aids better participation, concentration, and networking.
- ii. Regular face-to-face capacity-building programmes especially for junior to mid-level group staff will better expose them to the dynamics of the Balance of Payments framework and its use for sustainable policy analysis of governments.
- iii. These one-week engagements provide participants with a good grasp of BPM6 compilation principles for accurate BOP and IIP data compilation.
- iv. However, we would like to use this opportunity to inform WAIFEM to carry out more training on the external sector statistics to enable the countries to tailor the module to their respective needs as done by some East African countries.
- v. We recommend further improvements in the time in delivering the module to allow a thorough understanding of the principles in the compilation of credible BOP and IIP statistics.
- vi. Finally, given the importance of the BPM6 module, we advise participants to recommend its use to their respective countries.

1.4.7 Regional Course on Monetary Policy, Accra, Ghana, November 6-17, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 10-day Regional Course on Monetary Policy in collaboration with the Institute for Capacity Development (ICD) of the International Monetary Fund (IMF), for the period, November 6 - 17, 2023 in Accra, Ghana.

The workshop commenced with a brief ceremony which was anchored by Dr. John Owusu-Afriyie, Programme Manager, Research & Macroeconomic Mgt. Dept. (WAIFEM). After introducing the

dignitaries at the high table, the Director-General of WAIFEM, Dr. Baba Y. Musa, read the welcome address. He welcomed the team of facilitators from the ICD of the IMF, and participants from WAIFEM member countries to the course. He expressed his appreciation on behalf of WAIFEM to the President of Ghana and his good people for accepting to host the training program in Accra. He also expressed his gratitude to the Governor of the Bank of Ghana and his management team for their unwavering support and encouragement to WAIFEM. He proceeded to give a brief background of WAIFEM and its activities for the benefit of participants attending WAIFEM's programme for the first time.

Reflecting on the course, Dr. Musa noted that the history of monetary policy had been shaped by a constant influence between monetary theory and practice with close mutual reinforcement. The Director-General maintained that the overarching objective of monetary policy had been that of price stability which was a key feature in the monetary policy frameworks of all major central banks. He stressed that the policy instruments and various anchors, ranging from money growth targets, and exchange rate targeting to inflation targeting as well as the frameworks employed by various central banks to address the core objectives of monetary policy, differed from country to country due to varying degrees of financial development and integration and economic peculiarities. He further noted that, in recent times, the conduct of monetary policy by using the inflation targeting framework had become fashionable with explicit inflation targets set as nominal anchors for monetary policy implementation. Continuing, the Director-General stated that in the implementation of the inflationary targeting framework, issues such as fiscal dominance and low financial development, with particular reference to developing countries and low-income countries had been raised as possible constraints. He however noted that, due to the multiplicity of challenges facing economies in the sub-region, monetary policy should focus on deploying a mix of appropriate instruments to deliver price stability, exchange rate stability, financial stability, and economic growth. He concluded his remarks by urging the participants to endeavour to complete the course, interact meaningfully with one another to expand their networking contacts, and further the goal of regional integration in West Africa.

The ICD team was led by Dr. Klakow Akepanidaworn, followed by Prof. Marco Terrorones and Dr. Rodrigo Cubero. After a brief self-introduction, they expressed their pleasure to be with the participants. They maintained that the course in monetary policy was very timely, and added that the course would be delivered with some case studies, using in-built systems to analyse different country scenarios using economic theory, econometric analysis, and data,

with international best practice. In his remarks, Marco Terrones said that the training would enhance participant's knowledge and exposure to monetary policy transmission mechanisms, and how monetary policy fits into various policy regimes in the process of improving their operational frameworks. He urged participants to ask pertinent questions to enhance their knowledge and make the course an interactive one.

The keynote address was delivered on behalf of Dr. Ernest Y. Addison, Governor of the Bank of Ghana, by Dr. Phillip Abradu-Otoo (Director of Research, Bank of Ghana). The Hon. Governor welcomed the participants and thanked the ICD for the capacity-building collaboration with WAIFEM over the years. He expressed deep appreciation to the Director-General of WAIFEM, Dr. Baba Y. Musa, for making WAIFEM a renowned capacity-building institution in the sub-region and beyond. On the importance of the course on Monetary Policy, he noted that Monetary policy was one of the two broad sets of macroeconomic policies (with the other being fiscal policy) employed by central banks to manage economic fluctuations with the view to achieving price stability, largely in the medium to long term. The Governor further mentioned full employment, interest rate stability, exchange rate stability, and stability of financial markets as additional goals of monetary policy. He charged member countries to strike a balance between fiscal and monetary policies to respond to emerging global and domestic macroeconomic situations. He noted that monetary policy could not be conducted successfully in isolation from fiscal policy, thus to maximize the objectives of monetary policy, it must be complemented with a sound fiscal policy mix, even when in reality in most Central Banks of African countries, fiscal dominance persisted.

He further noted that in the conduct of monetary policy, it was customary for monetary authorities to resort to some rule-based policy framework, instead of applying discretion that was susceptible to the problem of time inconsistency and inflation bias. The Governor maintained that a policy rule regime should equally be complemented with a clear commitment to explicit goals, in conjunction with policy transparency and clear communication that allows the public to understand how the central bank's policy actions relate to its goals.

He then highlighted some of the global and domestic conditions that underpinned the recent policy deliberations of the Monetary Policy Committee of the Bank of Ghana and the policy decision. He hinted that the Monetary Policy Committee of the Bank of Ghana decided to maintain the policy rate at 30.0 percent at its recent meeting in September 2023. He assured that while the expectation was for continued disinflation, the MPC stood ready to respond

appropriately should inflation deviate from broad expectations.

He concluded that the course on monetary policy was very timely, particularly as most economies in the sub-region were grappling with price stability. After these brief remarks, he formally declared the IMF-WAIFEM Regional Course on Monetary Policy opened.

The main objective of the course was to enhance participants' knowledge on how to analyse monetary policy decisions taken under various regimes to deliver price stability and identify how these decisions are transmitted to the real economy. Lastly, the course sought to identify how the economy and monetary authorities respond to macroeconomic shocks under various monetary policy frameworks.

The topics covered included: Introductory Lecture; Institutional Framework, Goals and Links with Other Policies; Main Concepts and Measurements Used in Monetary Policy Analysis; Monetary Policy Frameworks; Operational Framework; Monetary Policy Transmission Mechanism (MTM); Role of Central Bank Communications; Role of Forecasting and Policy Analysis System; A Quantitative Framework for Monetary Policy Analysis; Monetary Policy in Hard Pegs; Monetary Policy in Inflation Targeting (IT) Regimes; Monetary Policy in Managed Exchange Rate Regimes; Monetary Policy in Reserve Money Targeting and Evolving Regimes; Unconventional Monetary Policies; Monetary Policy, Financial Stability and Macroprudential Policy; Monetary Policy in the Age of COVID-19; and Workshops on main Concepts and Measurements Used in Monetary Policy (Plenary session); Introduction to Model-based Monetary Policy Analysis (Plenary session); Monetary Policy in Hard Pegs (Case study of Latvia); Monetary Policy in IT Regimes; Monetary Policy in Managed Exchange Rate Regimes (Case Study of Malaysia); Monetary Policy in Money Targeting and Flexible Money Targeting Regimes; and Countries' Experiences and Challenges.

The workshop was facilitated mainly by three (3) experienced experts from the Institute for Capacity Development (ICD) of the IMF. They were Dr. Klakow Akepenidaworn, Prof. Marco Terrones, and Dr. Rodrigo Cubero. The workshop consisted of presentations, group assignments, and pre- and post-quizzes assignments. The training was very practical, interactive, and engaging.

With regard to participation, the workshop was attended by a total of thirty-two (32) professionals drawn from WAIFEM member countries. Out of this number, seventeen (19) were from Ghana, nine (9) from Nigeria, and four (4) from Sierra Leone. The gender distribution of the participants indicated that twenty-five (25) were male whilst seven (7) were female. On the other hand, the institutional distribution of the participants indicated that twenty (20) were from the central banks, five (5) from the

ministries, departments, and agencies whilst seven (7) were from other public sector institutions.

Course evaluation was conducted using the Likert Scale framework. On a scale of 1 to 5 (with 1=strongly disagree and 5=strong agree), participants were asked to rank the extent to which they were satisfied with its administration, usefulness, effectiveness as well and the counsellors. The analysis of the completed evaluation questionnaire by the participants revealed the following:

- i. The average value of ranking for the statement “The knowledge/skills learned during the training will be useful for my job and my professional development” was 4.6. This suggests that the participants strongly agreed that the training would be useful for their jobs and professional development.
- ii. The average value of ranking for the statement “Effectiveness of the lectures” was 4.6. This indicates that the participants strongly agreed that the lectures were effectively delivered.
- iii. The average value of ranking for the statement “The programme officer/administrative staff supporting the course was helpful” was 4.6. This indicates that the participants were satisfied with the organizational abilities of WAIFEM Staff.
- iv. The average value of ranking for the statement “Overall, I was satisfied with the administrative/logistical arrangements for the training” was 4.4. This indicates that the participants were very satisfied with the administrative/logistical arrangements for the training.
- v. Finally, the statement, “Conference rooms, group areas/work spaces (lecture rooms, break-out rooms) were satisfactory.” had an average score of 4.3. This suggests that the participants were satisfied with the environment within which the training was conducted.

Observations

- i. Recognizing the impact of global economic shocks, it became evident that controlling inflation was imperative to mitigate external pressures on the economy. Hence, against the backdrop of global economic challenges, participants underscored that the primary objective of monetary policy should be price stability.
- ii. Participants delved into the intricacies of macroeconomic concepts, considering the potential influence of global economic challenges. The training highlighted the importance of understanding how these concepts interact within the context of external shocks, such as fluctuating global commodity prices and

trade disruptions.

- iii. The training explored various monetary policy frameworks, acknowledging the need for flexibility in response to global economic challenges. Understanding the Monetary Policy Transmission Mechanism (MTM) gained significance as participants recognized its role in navigating the impact of external shocks on the African economy.
- iv. The training emphasized adaptability in the face of global economic challenges, particularly through the exploration of unconventional monetary policies. Practical workshop sessions, featuring case studies from Latvia, Chile, Malaysia, and Tanzania provided participants with a nuanced understanding of applying unconventional strategies in response to real-world economic shocks.
- v. Therefore, understanding monetary policy, its frameworks, and the transmission of monetary policy actions through the economy is now more relevant than ever.
- vi. The course underscored the importance of effective communication of central banks' actions to help shape the expectations of agents in the economy. The importance of the hierarchy of objectives of central banks needs to be clear to avoid conflicting objectives, especially when countries face shocks like supply shocks.
- vii. Instructors noted the importance of the central bank's independence in helping to achieve the price stability mandate. This institutional feature will help to insulate central banks from political pressures and possible fiscal dominance.

Recommendations

- i. Participants encouraged the IMF and WAIFEM to continue providing in-person training programmes to member countries, as it aids better participation, concentration, and networking.
- ii. Regular face-to-face capacity-building programmes, especially for junior to mid-level staff of member countries, will better expose them to the dynamics of the macroeconomic policies, and their application to Central Banks and other government parastatals.
- iii. Finally, given that many Central Banks in the sub-region are still practising the monetary targeting approach to monetary policy, discussing the monetary targeting framework in more detail will be very useful.

1.4.8 Regional Course on Currency Management and Forecasting, Accra, Ghana, November 27-December 1, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a 5-day regional course on Currency Management and Forecasting for Central Banks, Ministries of Finance and other institutions that are involved in currency management. The course was organised in Accra, Ghana from November 27 - December 1, 2023.

The opening ceremony was chaired by the Honourable Governor of the Bank of Ghana, Hon. Dr. Ernest Y. Addison, who was represented by Mr. Emmanuel Quao, Head of Centre for Capacity Development, Bank of Ghana. In his welcoming remarks the Director-General of WAIFEM, Dr. Baba Yusuf Musa, who was ably represented by Dr. Emmanuel Owusu-Afriyie, Director of Research and Macroeconomic Management Department WAIFEM, welcomed the audience to the opening session of the Regional Course. On behalf of the Board of Governors and Management of WAIFEM, he expressed utmost appreciation to the President, the Government and the good people of Ghana for accepting the conduct of the training in Accra. He also especially welcomed those visiting Accra for the first time and entreated them to relax and enjoy the iconic and serene city.

The Director-General also extended the profound appreciation of the Institute to the Honourable Governor of the Bank of Ghana, Dr Ernest Y. Addison, for his steadfast support and constant encouragement to WAIFEM, noting that his personal and official commitment to WAIFEM had continuously invigorated the pursuit and achievement of WAIFEM's vision, mission, and mandate.

The Director-General gave a brief overview of the Institute which was established in 1996 by the central banks of the five Anglophone West African countries namely, The Gambia, Ghana, Liberia, Nigeria and Sierra Leone. He said the principal mandate of the Institute was to strengthen the capacity for improved macroeconomic and financial management in the constituent member countries. Since its inception in 1997 to date, the Institute had successfully executed nine hundred one (901) courses, which had benefited a total of twenty-five thousand, one hundred and seventy-seven (25, 177) participants from the sub-region and beyond. WAIFEM, according to the Director-General, collaborated with several reputable international institutions to ensure high-quality standards in the discharge of its programmes. These include the International Monetary Fund, the World Bank, the Commonwealth Secretariat, Debt Relief International, the United Nations Institute for Training and Research (UNITAR), the African Capacity Building Foundation (ACBF) and the United Nations Economic Commission for Africa (UNECA). The Institute had extended its operations to the private

sector by establishing the Business Development and Consultancy Unit (BD&CU). Although the Unit targets the private sector in the sub-region, some of its programmes may also benefit the Central Banks and relevant public sector institutions.

In his keynote address, the Governor of the Bank of Ghana, who was represented by the Head for Capacity Development, Mr. Emmanuel Quao, warmly welcomed the WAIFEM team and the participants on behalf of the management and staff of the Bank of Ghana, to the nation's capital, Accra, Ghana. He thanked the West African Institute for Financial and Economic Management (WAIFEM) for choosing Accra as the venue for the course and for inviting him to deliver the keynote address. He also appreciated Dr. Baba Y. Musa and his team for their continuous efforts in building capacity for Debt, Macroeconomic and Financial management as well as Governance and Institutional Development across the sub-region.

He briefly touched on the historical evolution of the Ghana "cedi". According to him, before independence in 1957, the sole issuer of currency was the West African Currency Board (WACB). The West African pound, shillings, and pence, were the then currency issued by the board and was in circulation in Ghana until July 1958. He further revealed that after independence, the monetary authority, the Bank of Ghana, issued its currency known as the Ghana pounds, shillings, and pence on 14th July 1958. Thus, the Bank of Ghana formally took over the issue of currency notes and coins from the WACB. To date, the Bank of Ghana remains the sole issuer of The Ghanaian "cedi". The Governor also revealed that since the Bank took over, the currency had undergone several exercises of demonetization and redenomination.

The keynote address also focused on counterfeiting and Central Bank Digital Currencies (CBDCs). On digital currencies, the Governor revealed that the Bank of Ghana announced the development of its CBDC (known as the E-Cedi) in June 2021. According to him, the pilot stage of the E-Cedi began in September 2021. He hinted that if fully implemented, the E-Cedi will have products and services to bridge the gap between the banked and the unbanked public. The benefits that the BoG envisaged from the introduction of the E-Cedi included increased cross-border trade, accelerated financial inclusion, cheaper and faster remittance inflows, easier targeted social interventions, as well as improvements in monetary policy effectiveness, payment systems efficiency, and tax collection. He mentioned that the E-Cedi would serve as both a medium of exchange and a store of value, offering better payment prospects in retail transactions when compared to cash payments. On the issue of counterfeiting, he cautioned that Central Banks need to safeguard the reputation and the value of the

currency by initiating policies to enhance the security features of their currencies.

In conclusion, the Governor expressed his excitement about the objectives of the course and declared the course opened.

The main objective of the course was to explore key challenges that confront Central Banks in currency management and the efforts they are making to overcome such challenges. Specifically, the course was designed to deepen the knowledge and upgrade the analytical skills of staff in performing currency management functions. It was also designed to expose participants to contemporary issues in banknote and currency management.

The main topics covered during the course included the Life Cycle' of Modern Day Currency: Features and Benefits of Paper Currency; Managing Low Denomination Notes: The Modern Approach to Currency Management; Cash centre Efficiency and Optimization: A Case Study of Ghana; Technological Foundation in Currency Management and Threats; Analyzing the Role of Central Banks in Digital Currencies: The Case of Nigeria; Analyzing the Role of Central Banks in Digital Currencies: The Case of Ghana; Technological Platforms for Central Bank Digital Currencies (CBDCs) and How to Keep Pace with New Technologies in the Presence of CBDCs: The Case of Nigeria; How to Keep Pace with New Technologies in the Presence of CBDCs: The Case of Ghana; Clean Note Policy Implementation and Re-cycling of Currency; Modelling the Cash Cycle: The Case of Nigeria; Guarding against Counterfeit/Anti-counterfeit Measures; Trends in World Wide Currency Developments; Currency Management: Commercial Banking Perspective; ATM Developments in Africa and Worldwide and The Role of CITs in Processing Coin and Notes.

The course was facilitated by regional experts drawn from WAIFEM faculty, the Central Bank of Nigeria, the Bank of Ghana, and private sector practitioners. Specifically, the facilitators were Dr Emmanuel Owusu-Afriyie (WAIFEM), Mr Frank Adjei Antwi (Bank of Ghana), Mr Kwame Oppong (Bank of Ghana), Dr Mrs Elizabeth Kwaghe (Central Bank of Nigeria), Ms Rukayat Mohammed (Central Bank of Nigeria), Mr Dickson K. Tsidi (Ghana Commercial Bank) and Mr Uche Ugbor (Ark Technologies Group).

The participants also had a tour of the Bank of Ghana Vault to obtain a first-hand view and information on currency processing, storage and distribution.

The course was attended by twenty-eight (28) participants made up of middle/senior officials from Ghana, Nigeria and The Gambia. Out of the twenty-eight participants, ten (10) were female and eighteen

(18) were male.

Two (2) middle/senior/executive officials were from The Gambia, twenty-one (21) from Ghana, and five (5) were from Nigeria. The institutions represented at the course were the Central Bank of Nigeria, Bank of Ghana, Central Bank of the Gambia, Central Bank of Sierra Leone and Ministry of Finance, Sierra Leone. Specifically, sixteen (16) participants were from Central Banks, four (4) from ministries/departments/agencies and eight (8) were from the other public and private sector agencies.

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

- i. About 80 per cent of the participants agreed that the general objective of the course was achieved;
- ii. Similarly, 80 per cent of the participants agreed that the course had upgraded their skills and knowledge in banknote and currency management;
- iii. There was unanimity in participants' agreement that the course provided an overall framework and techniques for the design of Banknotes and the battle against Counterfeiting;
- iv. About 80 per cent of the participants agreed that the substantive impact of the resource persons as a team was very effectively established;
- v. About 80 per cent of the participants indicated that the knowledge and skills acquired from this course would immensely enhance their job performance;
- vi. Again, about 80 per cent of the participants indicated that the blend of the plenary sessions and exercises was effective;
- vii. In a similar vein, 80 per cent of the participants indicated that the quality of training materials and documentation was of the appropriate standard;
- viii. Furthermore, all participants (100) rated the presentations as excellent;
- ix. All the participants (100 per cent) rated the contents of the course as very good;
- x. All the participants (100 per cent) indicated that the course was useful to their work;
- xi. All the participants (100 per cent) indicated that the time allotted to the course was enough;
- xii. All the participants stated that their overall expectations about the course were met;
- xiii. Finally, all the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

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

Observations

Strength:

- i. The Course was well-structured and organised.
- ii. Facilitators were experts with in-depth knowledge and experience in their assigned topics.
- iii. Participants showed great interest during the course. They exhibited a participatory rather than an observatory attitude.
- iv. Participants demonstrated their knowledge gained through engagements and discussions.
- v. The guided tour to the Bank of Ghana Currency Centre was astounding.
- vi. The coffee and lunch breaks were adequate, and the meals served were satisfactory.

Concerns:

- i. The training period exceeded 4:00 p.m. (lectures were scheduled to end at 5:30 p.m.) and it was a

cause of concern for all participants.

- ii. Some lecture materials were not available on the shared Google Drive on time.
- iii. Internet connectivity was sometimes poor for facilitators who did a virtual presentation. This interrupted the discussions.

Recommendations

- i. WAIFEM should continue to maintain the use of experts in their future programmes.
- ii. Organizers are encouraged to re-consider the duration period for similar programmes.
- iii. Participants applaud the demeanour of facilitators and recommend that it should be maintained in future programmes.
- iv. Participants recommend that WAIFEM use a time survey questionnaire for future programmes to get the views of potential participants regarding specific time preferences.

WAIFEM should maintain the guided tour to the Bank of Ghana Currency Management Department as part of the curriculum whenever the programme is held in Ghana.

1.5 GOVERNANCE AND INSTITUTIONAL DEVELOPMENT DEPARTMENT

1.5.0 Introduction

The Governance and Institutional Development Department organised a total of eight (8) capacity-building programmes during the year 2023. These programmes benefited two hundred and thirty-three (233) participants from Central Banks, Ministries of Finance and Economic Planning, and other public and private sector agencies in WAIFEM member countries.

A breakdown of the participation according to institutions shows that Central Banks accounted for 94 participants (40.3 percent); Ministries of Finance accounted for 25 participants (10.7 percent), other public sector agencies accounted for 112 participants (48.1 percent) while private sector agencies accounted for 2 participants (0.9 percent). Moreover, 47 participants (20.2 percent) of the participants were from Liberia; 58 participants (24.9 percent) of the participants were from Sierra Leone; 55 participants (23.6 percent) were from Nigeria, 39 participants (16.7 percent) were from Ghana, while 34 participants (14.6 percent) were from The Gambia.

In terms of gender, 118 participants (50.6 percent) were males while 115 participants (49.4 percent) were females.

The details of the courses conducted by the Governance and Institutional Development Department are as follows:

1.5.1 Virtual High-Level Seminar on Corporate Governance and Regulatory Compliance, April 25 - 28, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Virtual High-Level Seminar on Corporate Governance and Regulatory Compliance from April 25 - 28, 2023.

The welcome address was delivered by Dr. Alvin Johnson, Director, Governance and Institutional Development Department, on behalf of the Director-General of WAIFEM, Dr. Baba Y. Musa. In his address, Dr. Musa welcomed all participants and facilitators to the opening session of the course and thanked the institutions for nominating participants to attend the course.

Speaking on the importance of corporate governance and regulatory compliance, the Director-General highlighted that good corporate governance was the foundation for a healthy and functional organisation and that the course could not have come at a better time than then when most countries and institutions were grappling with governance and regulatory compliance issues. He referenced the 2007 - 2008

financial crisis which saw the global economy experience an unprecedented financial and economic crisis that many commentators attributed to failures in corporate governance, such as lax board oversight; flawed executive compensation practices; lack of internal controls; and failure to keep up with regulatory compliance requirements, among others. Dr. Musa emphasized that one of the most obvious reasons for corporate failure at the time was the lack of an effective board and cited the importance of an effective corporate governance structure in organisations. The Director-General further pointed out that another crucial corporate governance issue that led to organisations' failure was "risk blindness" which is the inability to tackle emerging risks when they are in their formative stage.

He concluded his remarks by urging participants to engage the excellent and experienced facilitators to build an ethical culture and establish acceptable corporate governance standards and mitigation of compliance risks in their respective organisations. Dr. Musa assured the participants that the course would provide the right forum for the exchange of ideas towards ensuring that good corporate governance practices are strengthened in organisations within the sub-region.

The main objective of the course was to provide practical and theoretical insights that would help participants and organisations build an environment of trust, transparency, and accountability necessary for fostering long-term investment, financial stability, and business integrity, thereby supporting stronger ethical culture, growth, and more inclusive societies. The participants were expected to develop core operational skills that focus on best-fit practices in risk management, create regulatory compliance culture, and strengthen relationships with key stakeholders.

The main themes covered included:

- Concepts and Imperatives of Corporate Governance & Regulatory Compliance;
- Regulatory Reporting and Operating Models;
- Governance Framework;
- OECD and ISO Principles of Corporate Governance;
- Anti-Corruption Policy, Conflict of Interest and Whistle Blowing Policy; and
- Effective Risk Management Procedures and Corporate Governance, among others.

A total of twenty-eight (28) participants from Central Banks, Core Policy Ministries, Regulatory Agencies, Revenue Authorities, Regional Institutions, and other

public sector organisations in The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone attended the course. The course was delivered by a team of experienced facilitators from both the public and private sector institutions in the sub-region.

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

- i. About 90 percent of the course participants averred that the course enhanced their understanding of Corporate Governance, Risk Management, and Regulatory Compliance;
- ii. On the role of executive management in an accountable corporate organisation, 85 percent of the participants agreed that the course increased their knowledge in this area;
- iii. About 90 percent of the participants believed the course improved their skills concerning the code of corporate governance framework and building a culture of compliance;
- iv. About 83 percent of the participants agreed that the course would assist them in detecting corruption, bribery, and conflict of interest in a corporate environment;
- v. About 97.6 percent of the participants confirmed that the topics covered in the course were appropriate;
- vi. Over 82 percent of the participants agreed that the group presentation sessions were effective in showcasing participants' understanding of the topics discussed;
- vii. About 90 percent affirmed that the quality of facilitation assisted them in understanding the different concepts of Corporate Governance, Risk Management, and Regulatory Compliance;
- viii. On the documents (lecture materials, case studies, etc.) distributed, over 92 percent of the participants agreed that they were useful;
- ix. More than 87 percent of the participants agreed that the administration of the course was very effective; and
- x. Overall, 85 percent of the participants agreed that the course met their expectations.

The following observations and recommendations were recorded by the participants at the end of the course:

Observations

- i. That corporate failure occurs mainly due to lack of managerial oversight by the Board of Directors;
- ii. That whistleblowers are not adequately protected by institutions and the State after

providing critical information on corruption and other vices;

- iii. That shareholders and investors are often unaware of their roles and responsibilities in a corporation;
- iv. That board members and managers of corporations should be very transparent and accountable in their oversight functions; and
- v. That there is a need to provide training continuously for board members and managers on corporate governance and regulatory compliance, among others.

Recommendations

- i. That regulators and supervisors of corporate institutions should be more proactive in preventing institutional failures via early intervention strategies;
- ii. That whistle-blowing in corporate institutions be encouraged and adequate protection provided for whistle-blowers.
- iii. That shareholders, stakeholders, and investors be made aware of their responsibilities through training and capacity building;
- iv. That board members and management of institutions be diligent, accountable, and fair in dealing with the affairs of the institutions; and
- v. That the training and re-training of the board, management, and staff of corporate institutions on corporate governance be mandatory and frequent, among others.

The participants expressed their profound gratitude to the Director-General of WAIFEM, Dr. Musa and his staff, the facilitators, and all stakeholders for the successful organization of the training. They also extended their heartfelt appreciation to the respective institutions and organisations that allowed them to attend the course.

1.5.2 Regional Course on Human Resource Analytics: Tools and Techniques for Effective Human Resource Decision-Making, Abuja, Nigeria, May 8 - 12, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Human Resource Analytics: Tools & Techniques for Effective Human Resource Decision Making, in Abuja, Nigeria, from May 8-12, 2023. The opening ceremony was chaired by the Governor, Central Bank of Nigeria, Mr. Godwin Emefiele, who was represented by Dr. Omolara Duke, Deputy Director, Monetary Policy Directorate.

In his keynote address, Governor Emefiele welcomed the participants and the facilitators to Nigeria,

especially those visiting Abuja for the first time. He thanked WAIFEM for organising this important course on human resource analytics.

Governor Emefiele indicated that human resource management functions had changed over time as the world became connected through globalization and technology. He informed the participants that human resource functions had gone beyond the traditional duties of recruitment, retention, and management towards a more strategic one. He further provided that the human resource focus was then directed at aligning organisational goals with human resource strategies for enhanced organizational performance.

He further highlighted that data analytics had evolved as an important factor in the development of strategic human resource management policies to facilitate the long-term integration of human resource strategies with organisational goals. The Governor maintained that to facilitate evidence-based decisions on recruitment, talent management, and other human resource related functions, data analytics and metrics were fundamental factors.

Governor Emefiele stressed that the course would enable human resource managers to leverage data in making better and more informed decisions. This would entail the gathering and synthesizing of data from a variety of sources both within and outside an organization for informed decision-making. He further added that data analytics was very important to human resource professionals; hence, there was a need to build adequate capacity to ensure high-performing human resource teams.

In conclusion, the Governor indicated that at the end of the course, participants would have acquired knowledge on how human resource analytics could improve their job performance. He, therefore, encouraged participants to make their participation in the course rewarding. Mr. Emefiele reiterated his confidence in WAIFEM's capability to continue building capacity in human resource analytics to transform the human resource functions in organisations across the sub-region.

The main objective of the course was to produce highly skilled, competent, and confident Human Resource Managers and officials to drive the growth of their organisations through HR analytics and strategic thinking. The training specifically aimed at enhancing participant's competencies in the following areas:

- New Tools and Techniques in HR Analytics;
- New Terminologies, Theories in HR Analytics;
- Employee Engagement Analytics; and

Data-driven HR Decision-making.

The main themes covered in the course included:

- Introduction to HR Analytics; Concepts;
- Terminologies, Tools, and Theories in HR Analytics;
- HR Analytics: Structure and Journey;
- HR Decision Application: Talent Acquisition Analytics; and
- Talent Development Analytics, among others.

The course was attended by twenty-eight (28) participants from various institutions from The Gambia, Ghana, Nigeria, and Sierra Leone. Experienced Human Resource experts and consultants drawn from the sub-region and WAIFEM Faculty delivered the course.

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

- i. Over 92 percent of the course participants thought that the course enhanced their understanding of the use of data and use of metrics for HR decision-making;
- ii. More than 96 percent of the participants agreed that the course increased their Knowledge of the concepts of HR Analytics and achieving strategic goals;
- iii. All the participants affirmed that the course allowed them to acquire new tools and techniques required for HR data mining;
- iv. Over 92 percent agreed that the course improved their knowledge of HR Dashboard and reporting HR data;
- v. All the participants thought that the topics covered in the course were appropriate;
- vi. About 92 percent of the participants agreed that the case studies and exercises were relevant and effective in further re-enforcing some of the topics discussed;
- vii. All the participants agreed that the quality of facilitation assisted them in understanding the HR Analytics concepts;
- viii. Over 96 percent of the participants agreed that the documents distributed (lecture materials, exercises, etc.) were useful;
- ix. Overall, all the participants agreed that the administration of the course was effective;
- x. Over 96 percent of the participants agreed that the course met their expectations.

The following observations and recommendations were recorded by the participants:

Observations

- i. Participants found the course well-coordinated and the facilities adequate;
- ii. Participants affirmed that the course created awareness and relevance of HR Analytics;
- iii. The time allocated for the sessions was insufficient;
- iv. The sessions and presentations were engaging and well-delivered by knowledgeable facilitators; and
- v. Institutional investments in the area of HR Analytics were inadequate, among others.

Recommendations

- i. The presentations should be recorded and distributed to participants to keep them abreast of the discussions;
- ii. That WAIFEM develops the HR Analytics training programme in modules/levels for participants to fully grasp the HR analytics concepts;
- iii. That institutions should invest in HR Analytics with adequate technical and technological infrastructure;
- iv. That institutions should provide more training for staff in HR analytics; and
- v. That WAIFEM should organise a high-level conference to sensitize senior management on the need to support and invest in Human Resource Analytics.

The participants expressed their sincere gratitude to the West African Institute for Financial and Economic Management (WAIFEM) for providing them the opportunity to attend the course. They noted that the training enhanced their awareness and knowledge of Human Resource Analytics, which would enable them to reposition their organisations to face the current global challenges with hope and optimism. They also expressed gratitude and appreciation to their various institutions for sponsoring their participation in the course. The participants further extended their heartfelt thanks and appreciation to the able and experienced facilitators who delivered the course.

1.5.3 Regional Course on Communication Skills and Team Building for Effective Organisational Development, Lagos, Nigeria, June 19 - 23, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Communication Skills and Team Building for Effective Organizational Development in Lagos, Nigeria, from 19th - 23rd June 2023. The opening ceremony was chaired by the Director-General of WAIFEM, Dr. Baba Y. Musa.

In his keynote address, the Director-General welcomed all participants to the training and expressed his deepest appreciation to all esteemed facilitators for accepting the Institute's invitation to lead and facilitate the training. He also extolled the various institutions for nominating participants for the course. He indicated that for organisations to thrive in a competitive environment, they must foster strong communication and collaboration efforts among employees, which are not only vital for smooth internal operations but also reflect on the organisation's engagements with external stakeholders.

Dr. Musa highlighted that effective communication, whether verbal or non-verbal, could break down barriers that exist within the workplace and allow employees to build stronger bonds with each other, their direct managers, and supervisors. He further noted that good and competent employees were essential for the success of any organisation and team building was the most important investment that organisations could make for their employees.

The Director-General maintained that efficiency, conflict mitigation, and effective and increased collaboration were some benefits that could be derived from team building. He added that effective team building meant more engagement with employees, which improves organizational culture and development which in turn boosts productivity.

Dr. Musa concluded his keynote address by expressing optimism that the course would provide the right forum for the exchange of ideas on effective communication skills and team building from organisational development perspectives and encouraged participants to make their participation rewarding by making use of the opportunity to tap into the knowledge and experience of the carefully selected and excellent faculty placed at their disposal.

The main objective of the course was to train participants in communication skills and team building, geared towards fostering a stronger relationship and cohesiveness in the workplace; igniting the spirit of achievement; enhancing performance and excellence; and identifying the components and strengths of a winning team.

Specifically, the course was designed to enhance participants' competencies in:

- a. Written and verbal communication;
- b. Non-verbal and visual communication;
- c. Team leadership and understanding of team dynamics;
- d. Team communication processes and relationships; and
- e. Addressing issues of corporate values, among

others.

Key topics covered during the training included:

- Essential components of communication;
- Effective communication skills: verbal and non-verbal;
- Team communication process, types and relationships;
- Communication skills and teamwork;
- Communication and interpersonal skills;
- Team leadership and team building;
- Team dynamics, mentoring, and coaching; and
- Conflict and crisis management and resolution, among others.

The course was attended by thirty-four (34) participants from various institutions from The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. There were also participants from the ECOWAS Commission and ECOWAS Parliament. Knowledgeable and experienced resource persons drawn from the West African sub-region facilitated the course.

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

- i. All the participants agreed that the course enhanced their understanding of different techniques for enhancing communication skills and team building;
- ii. More than 96 percent of the participants agreed that the course increased their knowledge of corporate values and improved team communication;
- iii. Over 96 percent of the participants agreed that the course improved their competence in written, visual, verbal, and non-verbal communication;
- iv. All the participants agreed that the course would assist them in improving team leadership and understanding team dynamics.
- v. All the participants agreed that the topics covered in the course were appropriate.
- vi. About 93 percent of the participants agreed that the practical exercise sessions were effective in helping them understand the topics discussed.
- vii. Above 96 percent of the participants agreed that the quality of facilitation assisted them in understanding effective communication and team building.
- viii. All the participants agreed that the documents (lecture materials, exercises, etc.) distributed were useful.

- ix. The participants also agreed that the administration of the course was effective.
- x. The participants overwhelmingly agreed that the course has met their expectations.

The following observations and recommendations were recorded by the participants:

Observations

- a. The facilitators displayed expert knowledge and mastery of their respective disciplines and delivered their assigned topics with utmost precision and authority.
- b. Most participants related to the issues discussed and shared practical experiences that enhanced a good appreciation of the course content.
- c. Participants found the topics to be highly relevant to their respective professional duties and affirm to deploy the knowledge acquired.
- d. While team-building activities proved to be extremely relevant to advancing the course objectives, time allocation for those activities was limited.
- e. The five days allocated for the training were inadequate to allow for a comprehensive presentation of all course materials by the facilitators.

Recommendations

- a. WAIFEM should endeavour to develop and implement a rigorous training plan in communication and team building for more institutions across the sub-region.
- b. Training materials be provided to participants on day one of the training before the commencement of lectures to enhance active participation.
- c. Sufficient time be allocated for the training to facilitate hands-on demonstration and full coverage of the course outline. A minimum of eight (8) days would be required for the full coverage of the topics.
- d. WAIFEM should develop a mechanism to expand the training on communication skills and team building at the institutional level to allow for the participation of more employees.
- e. WAIFEM should identify certified trainers in member countries with the capacity to transfer knowledge to colleagues through institutional-level training.
- f. WAIFEM should develop a follow-up mechanism to assess the impact of the training on participants.

The participants expressed their sincere gratitude to the West African Institute for Financial and Economic Management for providing them the opportunity to attend the training course on Communication Skills and Team Building for Effective Organisational Development. They expressed their appreciation to the various institutions for the sponsorship.

1.5.4 Regional Course on Effective Report Writing Skills and Presentation Techniques, Monrovia, Liberia, July 3 - 7, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Effective Report Writing Skills and Presentation Techniques, from July 3 - 7 2023 in Monrovia, Liberia. The opening ceremony was chaired by the Deputy Governor for Economic Policy, Central Bank of Liberia - Dr. Musa Dukuly.

In his keynote address, the Deputy Governor for Economic Policy of the Central Bank of Liberia welcomed participants to the course and encouraged them to enjoy the warm hospitality and available tourist attractions in the city of Monrovia. He recognised WAIFEM's efforts in enhancing human resource capacity across West Africa over the past two decades.

The Deputy Governor highlighted the importance and relevance of the course in the day-to-day operations of participants both in the professional and private spheres. He noted the importance of report writing and presentation skills as crucial to effective information and idea exchange. Regarding report writing, the Deputy Governor noted the following as some of the functions of a report:

- i. The provision of consolidated and updated information - especially in the business context;
- ii. A means of internal communication within an organization; and
- iii. A medium to facilitate planning and decision-making processes.

Concerning presentations, Dr. Dukuly reminded participants of the importance of public speaking as fundamental to success in professional and public circles. While concluding, he specifically called on participants to use the opportunity to improve their existing skills in writing and presentation, noting that “while most leaders and managers may possess the quantitative skills for policy formulation and analysis, these alone remain insufficient in modern economic management as data gathered and analysed, if not effectively reported or communicated and utilized for decision-making, would fall short of inspiring the target audience”.

In his welcome remarks, the Director-General of WAIFEM, represented by Dr. Alvin Johnson, warmly welcomed dignitaries and participants to the course, specifically urging participants to take advantage of the opportunity to enhance their existing skills in writing and presentation. He emphasized the importance of effective communication as imperative to organisational success. The Director-General highlighted the mandate of WAIFEM specifically noting that the Institute had delivered up to 891 capacity-building interventions, benefiting about 24,931 participants across West Africa and beyond.

The main objective of the course was to produce competent and confident communication practitioners in writing and presenting relevant reports in a structured and understandable manner. More specifically, the course aimed at enhancing participants' competencies in the following areas:

- The use of correct grammatical structures in the English language clearly and concisely relating to specific purposes, audience, and readership;
- The organisation of information in logical forms in both written and oral presentations; and
- Writing and presenting better technical reports, i.e., economic, financial, etc.

The main themes covered in the course included:

- § The impact of English in diverse contexts on the communication and writing process;
- § Grammar in writing;
- § Introduction to report writing;
- § Structuring and formatting reports; and
- § Writing styles and content creation for reports, among others.

The course was attended by thirty-four (34) participants from various institutions from Cote d'Ivoire, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. Experienced writing and presentation experts facilitated the course drawn from the Lagos School of English and Mathematics (LASEM), Jones and Jones Attorney and Counselors-At-Law, and WAIFEM Faculty.

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

- i. About 88.9 percent of the participants agreed that the course enhanced their competence in writing and presenting technical reports.
- ii. More than 85 percent of the course participants believed the course increased their knowledge of the use of correct grammatical structures in

the English Language clearly and concisely.

- iii. Over 88 percent of the participants affirmed that the course improved their competence in the organisation of information in logical forms for both oral and written presentations.
- iv. On whether the course will assist them to improve their skills on how to present technical reports, over 88 percent of the participants agreed.
- v. About 88.9 percent of the participants agreed that the topics covered in the course were appropriate.
- vi. Over 81 percent of the participants agreed that the group presentation session was effective in showcasing their understanding of the topics discussed.
- vii. Over 89 percent of the participants thought that the quality of facilitation assisted them in addressing issues of modern and digital communication techniques.
- viii. On the usefulness of the documents (lecture materials, group exercises, etc.) distributed, over 92 percent of the participants agreed that they were useful.
- ix. Over 92 percent of the participants agreed that the administration of the course was effective.
- x. Overall, 88.9 percent of the participants agreed that the course met their expectations.

The following observations and recommendations were recorded by the participants:

Observations:

- i. Participants found the course very relevant to their daily operations both in the professional and private spheres;
- ii. Participants found the course content useful;
- iii. Participants found the course delivery very interactive and engaging; thus, ensuring a high degree of participation;
- iv. The facilitators demonstrated an in-depth knowledge of the subject matter; and
- v. Participants were generally pleased with the course, among others.

Recommendations

- i. WAIFEM should include more practical sessions to afford practice opportunities for future participants;
- ii. Increase the duration of the to ensure a holistic coverage of course content;
- iii. Refinement of certain aspects of content to ensure practicability in participant's business

operations; and

- iv. Provision of resource materials for practical sessions ahead of training/ course/ sessions.

At the end of the programme, the participants expressed thanks to the West African Institute for Financial and Economic Management (WAIFEM) for the training. They were also grateful to their various sponsoring institutions for providing them the opportunity to participate in the course. Their heartfelt thanks and appreciation also went to the experienced facilitators and trainers who took them through the course.

1.5.5 Regional Course on Retirement Planning, Personal Finance Management, and Managing New Beginning, Freetown, Sierra Leone, July 24 - 28, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Retirement Planning, Personal Finance Management Skills, and Managing New Beginning, from July 24 - July 28, 2023, in Freetown, Sierra Leone. The Director-General of WAIFEM, Dr. Baba Y. Musa welcomed all participants to the course and congratulated all participants who were selected by their various organisations.

Dr. Musa stated that retirement was a significant milestone in employees' lives, and it marks the start of a new chapter filled with opportunities, personal growth, and the chance to pursue lifelong dreams. He said retirement was unique to everyone. It is not just about financial planning but also about envisioning a fulfilling future and making the most of a new-found freedom. He indicated that the lectures would cover discussions on strategies for managing personal finances, creating a retirement budget, exploring investment options, and ensuring financial security in the years to come.

The Director-General further stated that retirement was not all about money but also a time for personal reflection, self-discovery, and pursuing new passions. He also spoke about the emotional aspect of retirement, including transitioning from a structured work routine to a more flexible and self-directed lifestyle. Dr. Musa encouraged participants to explore ways to maintain a sense of purpose, stay socially connected, and find fulfilment in various activities and hobbies.

The Governor of the Bank of Sierra Leone, represented by Mr. Crispin Denison George, Assistant Director, Office of the Governor, delivered the keynote address. The Governor stated that there was a changing landscape of retirement. In the past, retirement was often viewed as a short period of rest after a lifetime of work. However, as life expectancy has increased and societal norms have evolved,

retirement now spans several decades for many individuals. With a longer retirement period, proper planning becomes paramount. He indicated that a retirement course, such as the one organised by WAIFEM, would help individuals make informed decisions about financial matters, health care, lifestyle choices, and overall well-being during this extended phase of life.

The Governor further stated that retirement required careful planning and preparation. According to him, many people make the mistake of assuming that their pension or social security benefits would be sufficient to cover all their expenses. In reality, it is crucial to have additional savings and investments in place. He encouraged participants to take time off their busy schedules to visit some of the tourist attractions in the beautiful city of Freetown.

The main objective of the course was to expose participants to issues of accountability and responsibility for their retirement planning and personal finance management. Additionally, the course was aimed at enhancing participants' competencies in the following areas:

- Help participants make sound investment decisions to create, protect, and distribute their wealth to achieve their financial well-being;
- Assist participants to live a renewed life and create a fulfilling retirement lifestyle; and
- Assist participants in identifying talents and personal capabilities that can be utilized elsewhere after retirement, including starting a business that will assist retirees live a renewed and fulfilled life.

The course also introduced participants to developing business plans, barriers to good life post-retirement, employment continuity, and professional enhancement as well as Will and Testament Planning for post-retirement.

The broad themes covered included the following:

- Retirement Psychology Mind-Set Management;
- Retirement Planning & Setting Retirement Goals;
- Entrepreneurial Development;
- Financial Management in Retirement; and
- Investment Options in Retirement, among others.

A total of twenty-nine (29) participants comprising 10 males and 19 females from central banks, core policy ministries, regulatory agencies, revenue authorities, and other public sector organisations in The Gambia, Ghana, Liberia, and Sierra Leone attended the course. The course was delivered by a

team of experienced facilitators from both the public and private sectors in the sub-region and WAIFEM faculty.

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

- i. Over 87 percent of the course participants agreed that the course exposed them to the retirement phases and the critical changes to prepare for before retirement.
- ii. All the participants thought that the course enhanced their knowledge and skills in entrepreneurial development, financial planning, and management to ensure a financially independent life after retirement.
- iii. All the participants agreed that the knowledge gained from the course would facilitate better entrepreneurial and investment decisions.
- iv. All the participants agreed that the course increased their understanding of setting retirement and health goals, identifying their talents, and developing personal capabilities in preparation for retirement.
- v. All the participants agreed that the topics covered were appropriate.
- vi. All the participants agreed that the discussions and experience-sharing sessions were effective and facilitated understanding of the topics.
- vii. All the participants agreed that the quality of facilitation assisted them in understanding the different concepts of retirement planning, personal finance management, and managing new beginning.
- viii. All the participants agreed that the documents (lecture materials, videos, etc.) distributed were useful.
- ix. All the participants agreed that the administration of the course was effective.
- x. Overall, the participants agreed that the course met their expectations.

The participants recorded the following observations and recommendations at the end of the course:

Observations

- i. That WAIFEM initiative in rolling out the regional course on retirement planning is laudable, especially at a time when most employees think that retirement is a death sentence;
- ii. The course content was well articulated, elaborate and tailored toward real-life situations;
- iii. Facilitators demonstrated vast knowledge of topics covered.

- iv. The time allocated was inadequate as participants could not cover some topics in-depth; and
- v. The sessions were interactive with both facilitators and participants sharing practical knowledge; real-life examples and experiences regarding their own situation which enhanced and brought more insight into the discussions, among others.

Recommendations

- i. Organisations in the sub-region are urged to put in place policies that would benefit retirees (healthcare/insurance for employees/spouses);
- ii. Organisations (public and private) should introduce robust Retirement Planning Programmes during on-boarding to enable employees better understand, prepare, embrace, and get ready for their retirement;
- iii. Relevant laws and policies should be enacted for the establishment of private pension managers in countries where they are non-existent;
- iv. There is a need for employees to start planning for retirement early enough to avoid the pitfalls of late planning (Financial Planning); and
- v. Given the importance of retirement planning for the family and not just the employees, WAIFEM should consider inviting the spouses of employees to attend the course in future, among others.

The participants expressed their profound gratitude to the Director-General of WAIFEM, Dr. Baba Y. Musa, his staff, and all stakeholders for the successful organisation of the course. They also expressed their heartfelt appreciation to their various sponsoring institutions and organisations for the opportunity accorded them to attend the course.

1.5.6 Virtual Regional Course on Procurement and Contract Management, October 2 - 6, 2023

The West African Institute for Financial and Economic Management (WAIFEM) organised a Virtual Regional Course on Procurement and Contract Management from October 2 - 6, 2023. This course was organised to promote accountability and transparency in procurement and contract management in terms of its influence and value-addition.

The opening ceremony was chaired by the Director-General of WAIFEM, Dr. Baba Y. Musa. In his keynote address, the Director-General welcomed both participants and esteemed facilitators to the opening session of the course and expressed the Institute's deepest appreciation to various organisations for nominating participants to attend the course. The Director-General indicated that the

large number of participants nominated for the course was a clear sign that participating organisations were concerned about developing the capacity of procurement officials in acquiring the principles and methods of improving procurement and contract management. He emphasized that this was imperative to strategically position organisations to face the evolving challenges in the ever-changing business landscape.

The Director-General further highlighted that procurement, including contract management, was an essential component of the budget implementation or execution, which ensures that funding is available in a timely manner and used for the intended purposes. He opined that adherence to the procurement and contract processes would help organizations to get value for money and avoid disputes and other unethical issues.

Dr. Musa stressed that procurement and contract management must be guided by effective strategies and policies. He mentioned that the course would address three (3) important areas of responsibility for procurement and contract managers. Firstly, the key issue of managing procurement and contract performance - a process of measurement against deliverables to achieve the procurement and contract objectives; Secondly, the complex areas of contract negotiation and contract drafting - two topics that often go hand in hand; and finally, the question about what happens when things go wrong, leading to claims for compensation, damages, early termination, etc.

He concluded by encouraging participants to make their participation in the course rewarding by taking every available opportunity to tap the knowledge and experience of the faculty placed at their disposal.

The main objective of the course was to enhance participants' understanding of the tools and techniques required for successful execution of contracts and procurement processes. The training specifically aimed at enhancing participant's competencies in the following areas:

- Understanding the importance and relevance of procurement and contract management.
- Constructing structurally sound contractual agreement, i.e., creation, execution, and analysis of contracts; and
- Understanding and upholding integrity in the procurement process to maintain standard procurement policies.

The main themes covered in this course included:

- procurement management and project implementation cycle;
- building procurement integrity-common pitfalls

and documentation build-up;

- bid opening, evaluation, and award of contracts;
- managing contract change and value engineering;
- bidding and evaluation of tenders (case studies); and
- preparing procurement reports for selection of consultants, among others.

The course was attended by thirty-eight (38) participants from various institutions from Ghana, Liberia, Nigeria, and Sierra Leone. A team of expert resource persons with proven records in procurement and contract management from Africa Project Management Experts facilitated the course.

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

- i. About 88 percent of the participants agreed that the course enhanced their understanding of procurement management and project implementation cycle.
- ii. Over 92 percent of the participants affirmed that the course increased their knowledge on bid opening, evaluation, and award of contracts.
- iii. 78 percent of the participants agreed that the course improved their understanding of managing contract change and value engineering.
- iv. 81 percent of the participants agreed that with the knowledge they acquired at the course would enhance their skills in preparing procurement reports.
- v. On the appropriateness of the topics covered at the course, 90 percent of the participants are of the opinion that the topics were appropriate.
- vi. Over 90 percent of the participants agreed that the quality of facilitation assisted them in understanding procurement and contract procedures.
- vii. 98 percent of the participants agreed that the documents (lecture materials, etc) distributed were useful.
- viii. Over 91 percent of the participants agreed that the administration of the course was effective.
- ix. Overall, 88 percent of the participants agreed that the course met their expectations.

The following observations and recommendations were recorded by the participants:

Observations

- i. Corruption is one outstanding issue confronting

public procurement in the sub region leading to the lack of transparency and accountability;

- ii. The lecture sessions were interactive and practical as participants were given the opportunity to ask questions and make contributions;
- iii. The time of commencement of the training programme was not suitable for all participants;
- iv. The internet connectivity was a major problem for some participants and in some occasions, the facilitators; and
- v. Although procurement practices are generally standard, the type of institution (size and structure) could affect how the process plays out; among others.

Recommendations

- i. There is an urgent need for reforms and well-crafted procurement laws to regulate procurement processes and methods to ensure accountability and transparency in procurement processes in the sub region;
- ii. In future, the entire training materials, including powerpoint presentations, be developed into a single booklet, and distributed as a package to participants before the start date of the training;
- iii. Organizations in the sub-region were encouraged to put in place proper procurement systems and structures to minimize corruption;
- iv. Procurement officers should not singularly appropriate gifts but should channel same to the organisation for distribution; and
- v. Procurement officers should build database of suppliers and regularly update same for use to minimize personal contact; among others.

The participants thanked the West African Institute for Financial and Economic Management for the training opportunity in procurement and contract management to transform the procurement departments in their organisations. They further stated that the training had no doubt increased their knowledge to reposition their organisations through appropriate procurement policies and strategies to face the current global challenges with hope and optimism. The various nominating institutions were also acknowledged for selecting participants to attend the course.

1.5.7 Regional Course on Developing Leadership and Management Skills for Middle-Level Officers and Senior Executives, Banjul, The Gambia, October 16 - 20, 2023

The Regional Course on Developing Leadership and

Management Skills for Middle-Level Officers and Senior Executives was organised by the West African Institute for Financial and Economic Management (WAIFEM) from October 16 - 20, 2023 at the Paradise Suites Hotel in Banjul, The Gambia.

The Director-General of WAIFEM, Dr. Baba Y. Musa who was represented by the Director of Governance and Institutional Development Department, Dr. Alvin Johnson, officially welcomed participants to the opening ceremony of the course. He extended a warm welcome to all participants and expressed his gratitude to the President of The Gambia for allowing WAIFEM to organise the course in Banjul. Dr. Musa also acknowledged the support of the management and staff of the Central Bank of The Gambia for the warm reception since the arrival of the WAIFEM team, participants, and facilitators in the country.

The Director-General emphasized that in today's fiercely competitive business environment, the development of leadership and management skills was crucial for achieving organizational success. He further mentioned that organizations had the opportunity to nurture the necessary skills and competencies needed to address intricate challenges, foster a positive work atmosphere, and motivate their workforce to reach their full potential.

He elaborated on the primary aim of the course, which was to equip participants with essential skills and competencies related to leadership and management principles and concepts in both the public and private sectors. In his concluding remarks, Dr. Musa gave a brief history of WAIFEM and outlined some of the achievements of the Institute in its more than two and a half decades of capacity building in the subregion and beyond, especially for those having their first formal interaction with the Institute. He also mentioned that the Institute was founded on July 22, 1996, by the Central Banks of the five English-speaking West African nations of The Gambia, Ghana, Liberia, Nigeria and Sierra Leone.

He encouraged participants to make their participation in the course rewarding by taking every available opportunity to tap the knowledge and experience of the faculty placed at their disposal.

In his keynote address, the Governor of the Central Bank of The Gambia, Honourable Buah Saïdy, represented by Mr. Boubakar Cham, Director of Human Resources, welcomed the facilitators and participants and wished them a pleasant stay in Banjul. He urged them to take some time off their busy schedules to visit some of the beautiful tourist sites in the country.

Referencing the course, Governor Saïdy indicated that the world had changed rapidly especially in the past three years with the advent of COVID-19 and its unimaginable consequences on corporations and

country economies alike. The COVID-19 situation had been further exacerbated by the outbreak of the Russian-Ukraine war. He stressed that the world was currently grappling with rising inflation, climate change, insecurity, food insecurity, exponential technological advancement and emerging geopolitical contours, among others, which signalled more complex challenges ahead. He pointed out that countries and organisations required good leadership - the kind of leadership skills needed to navigate these turbulent times.

The Governor referenced a popular saying that "great leaders are born and not made", but emphasized that learning to be more effective in leadership was within the grasps of everyone. It does not matter if you lead multiple teams, an entire organisation, or just a handful of staff members; there are leadership skills that can improve both managers and employees' performances, he stressed. Governor Saïdy further underscored that to succeed in the 21st century, leaders should be exposed to the methods, techniques and strategies for improved decision making in their organisations and at national levels-the reason WAIFEM was organizing this course.

Governor Saïdy indicated that being a leader in the 21st century required a shift in mindset. Managers and leaders need to connect with teams, innovate and drive change. He gave few highlights of the kind of leadership the world needs today to include the following:

- That great leadership today requires using virtual workforce to perform important tasks where physical interactions become difficult or impossible. As a leader in the 21st century, one must be able to adapt to the changing work environment and devise the appropriate responses. Thus, the leadership skill of innovation comes into play.
- Good leaders translate strategies into achieving organisational goals and objectives. A strategic leader must be able to express a strategic vision for the organization, and motivate and persuade others to acquire that vision.
- Good leadership requires the demonstration of proactive problem-solving skills and the ability to look ahead and focus on improving the status quo rather than just creating a plan based on current situation.
- Team building is another essential leadership attribute. Even the strongest leaders need dedicated teams to complete tasks. To succeed, a leader must encourage teamwork and collaboration, inspire and motivate team members to contribute their best to accomplish seemingly impossible tasks.

The Governor further informed the audience that being a manager does not always translate to being a leader, but all leaders are potential good managers. Rather than giving orders as a boss, a leader provides guidance, encourage teamwork approach to solving problems and completing work-related tasks.

In conclusion, the Governor expressed optimism that at the end of the course, participants would imbibe the attributes of effective leadership to encourage, inspire and motivate their subordinates to effect change and deliver service to their organisations and countries at large. He encouraged WAIFEM to continue the leadership capacity-building efforts for accountability and transparency in leadership in the subregion. Governor Saïdy also urged the participants to make their participation rewarding by taking every opportunity to tap the knowledge and experience of the excellent faculty placed at their disposal. On that note, he formally declared opened the Regional Course on Developing Leadership and Management Skills for Middle-Level Officers and Senior Executives.

The main objective of this course was to empower participants with the necessary skills and techniques on the principles and concepts of leadership and management in both the public and private sectors. The course was also expected to enable middle and senior level executives learn and apply advanced techniques in managing the different generations in the workplace.

The main themes covered in this course included:

- Fundamental principles of Leadership;
- Work ethics and productivity enhancement;
- The role of a leader and leading change;
- Communication and Leadership; and
- Office etiquette, professionalism, and ethical haviour, among others.

A total of Twenty-three (23) participants comprising Thirteen (13) males and Ten (10) females from Central Banks, Core Policy Ministries, and other public sector organizations in The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. The course was conducted by a group of highly experienced and well-informed facilitators from the West African sub-region.

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

- i. All the participants agreed that the course enhanced their understanding of the different leadership and management styles and concepts.
- ii. All the participants also agreed that the course increased their knowledge on building bonds with peers to accomplish tasks in the workplace.

- iii. All the participants agreed that the course had improved their knowledge on work ethics and change management in both the public and private sectors.
- iv. All the participants agreed that the course had increased their knowledge on how to apply advance techniques in managing the different generations in the workplace.
- v. The participants also agreed that the topics covered at the course were appropriate.
- vi. More than 90 percent of the participants agreed that the group exercises and interactive discussions were effective in showcasing participants understanding of the topics.
- vii. All the participants agreed that the quality of facilitation assisted them in understanding organizational challenges using effective leadership and management techniques.
- viii. The participants agreed that the documents (lecture materials, etc.) distributed were useful.
- ix. The participants rated the administration of the course as excellent.
- x. The participants agreed that the course met their expectations.

The following observations and recommendations were recorded by the participants at the end of the course:

Observations

- i. The training sessions encouraged active participation, as facilitators and participants shared their practical experiences and knowledge while addressing questions, making it an engaging and interesting experience.
- ii. Addressing workplace issues from the perspective of the different generations remain uncommon in many organizations in the subregion.
- iii. The presence of the media, print and electronic, gave the programme the needed publicity required.
- iv. The ratio of 10 females to 13 males is quite impressive and reflects the gender sensitivity of the participants nominated to attend the course.
- v. The course content was expertly delivered, comprehensive, and tailored to address the current leadership and management practices within organizations of the West-African sub-region.
- vi. The time allocated for each presentation was insufficient and facilitators either had to rush through the slides or could not end the lectures in time.

Recommendations

- Organisations should explore ways to accommodate and manage the different generations in the workplace to optimally harness the potentials of all generations.
- That WAIFEM consider facilities that would have better cooling systems, internet and power supply for ease of the delivery of the lectures during sessions to avoid disruptions.
- That the training duration and time allocation be extended to allow sufficient time for facilitators to exhaust their presentations.
- That facilitators consider re-modifying their presentations in other forms, e.g., pictorial illustrations, highlighting the bullet points and concentrating on the main topics to fit the time allotted.

The participants conveyed their deepest gratitude to the Director-General of WAIFEM along with all the dedicated staff and stakeholders for the successful delivery of this significant programme on leadership and management skill development. Furthermore, they extend their heartfelt appreciation to their respective institutions and organisations that provided them with the opportunity to participate in this highly essential course.

1.5.8 Regional Course on Work Ethics and Productivity Enhancement for Junior and Middle-Level Officers, Lagos, Nigeria, October 30 - November 3, 2023

The Regional Course on Work Ethics and Productivity Enhancement for Junior and Middle-Level Officers was organised by the West African Institute for Financial and Economic Management (WAIFEM) from October 30 to November 3, 2023. The keynote address was delivered by the Director-General of WAIFEM, Dr. Baba Y. Musa, who was represented by Mr. Euracklyn Williams, Director of Finance and Administration and Finance, WAIFEM. The Director-General warmly welcomed the participants and facilitators to the opening ceremony. He expressed his appreciation to the facilitators for accepting to facilitate the programme, and the participating institutions for their support through the nomination of participants to attend the course.

The keynote address highlighted the importance of work ethics in today's competitive world, emphasizing that work ethics, which can be cultivated and developed over time, is crucial for personal and professional development, as well as impact organizational success. The Director-General identified key attributes of strong work ethics to include integrity, professionalism, dedication, adaptability, resilience, teamwork, and maintaining

a healthy work-life balance. Dr. Musa stressed the relationship between work ethics and workplace productivity, emphasizing that a positive attitude and commitment to work play a vital role in improving productivity and reducing workplace stress.

The Director-General also provided a brief overview of WAIFEM's establishment and urged the participants to visit the Institute's website www.waifem-cbp.org for more details. In conclusion, Dr. Musa encouraged participants to make the most of the course by engaging with the experienced faculty and tapping into their knowledge and expertise.

The objective of the course was to enhance participants' work ethics and productivity, as well as increased awareness of workplace safety and security. Specifically, the course enabled the participants to:

- Improve overall ethical culture and productivity in organizations;
- Embracing workspace diversity and the impact of emotional intelligence in creating an enabling environment in the workplace;
- Understanding performance management and implementing modern performance indicators and assessment techniques in the workplace;
- Enhancing communication and report writing skills;
- Enhancing workplace safety and evaluating security hazards; and
- Improving personal effectiveness, productivity and work-life balance.

The broad themes covered included the following:

- Corporate values of an organization, its importance and types;
- Work ethics and productivity enhancement tools and techniques;
- Embracing change management and adapting to innovations;
- Workplace diversity, emotional intelligence and creating positivity; and
- Ethical conduct and codes of conduct in the workplace, among others.

A total of twenty-two (22) participants from Central Banks, Core Policy Ministries, Regulatory Agencies and other public sector organizations in The Gambia, Liberia, Nigeria, and Sierra Leone attended the course. The course was conducted by a group of highly skilled and knowledgeable facilitators who brought a wealth of expertise from both the public and private sectors within the sub-region. These facilitators were chosen based on their extensive experience and proficiency in the subject matter,

ensuring that participants received comprehensive and well-rounded instruction. Their diverse backgrounds and practical insights enriched the course, offering a balanced perspective on the topics covered and enhancing the overall learning experience.

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

- i. Overwhelming! 100 percent of the participants strongly agreed that the course had enhanced their understanding of the importance of corporate values and work ethics to the productivity of organisations.
- ii. Excellent! 100 percent of the participants strongly agreed that the course had increased their awareness of the dangers of contra values and unethical behaviours that undermines the goals and objectives of an organisation.
- iii. 100 percent of the participants strongly agreed that the course had exposed them to the importance of organisational change and how to drive and overcome resistance to change.
- iv. Impressive! All the participants strongly agreed that the course had increased their knowledge on maintaining workplace safety and security procedures in organisations.
- v. Without exception, all the participants strongly agreed that the topics covered at the course were appropriate.
- vi. 100 percent of the participants strongly agreed that the group exercises and interactive discussions were effective in showcasing participants understanding of the topics discussed.
- vii. All the participants strongly agreed that the quality of facilitation assisted them in understanding work ethics and productivity enhancement for organisational development.
- viii. It was very satisfactory for all the participants that the documents (lecture materials, etc) were useful.
- ix. All the participants strongly concurred that the administration of the course was effective.
- x. Overall, 100 of the participants strongly agreed that the course had met their expectations.

The following observations and recommendations were recorded by the participants in the communique at the end of the course:

Observations

- There were no representatives from Ghana at the course, which could potentially limit the diversity of perspectives and experiences.

- The allocated time for the course was considered insufficient. Some of the facilitators had a challenge of fully covering the topics within the limited time frame, potentially impacting the depth of learning for participants.
- The facilitators were highly engaging and shared practical, real-world experiences, and thus, enhancing the overall learning experience.

Recommendations

- i. Future training locations should consider trainees who may be physically challenged;
- ii. Organize follow-up sessions or webinars for course participants to reinforce the concepts learned and provide them with opportunities to share their experiences and challenges in implementing work ethics and productivity enhancements;
- iii. Establish mentorship programs where experienced lecturers can guide and mentor course participants in applying the principles and skills acquired during the course in their workplaces;
- iv. Conduct periodic assessments to measure the impact of the course on participants' work ethics and productivity. Use these assessments to identify areas that may require further support or refinement;
- v. Create online platform(s) or forums where participants can continue to exchange knowledge and best practices related to work ethics, productivity, and workplace safety;
- vi. Allocate more time to fully cover all course materials. Increasing the number of days to 8 days or 2 weeks would suffice; and
- vii. Have a permanent tea /coffee break table in the training room for future training, among others.

During the closing, participants expressed their gratitude to the Director-General of WAIFEM, the dedicated team, the facilitators, and all stakeholders for their remarkable contributions to the success of this vital programme. Their unwavering dedication and hard work played a pivotal role in making this initiative a success. In addition, they extended their heartfelt appreciation to the institutions and organizations they represented at the programme. They were deeply thankful for the invaluable opportunity to partake in this essential course, recognizing that the knowledge and skills acquired are indispensable for both personal and professional development.

1.6 BUSINESS DEVELOPMENT AND CONSULTANCY UNIT

1.6.0 Introduction

During the year 2023, the Business Development & Consultancy Unit organised a total of seventeen (17) demand driven capacity building programmes. These programmes benefited three hundred and six (306) participants from Central Banks, Ministries of Finance and Economic Planning as well as other public and private sector agencies from WAIFEM member countries, and republic of Guinea.

A country-wise distribution of the participants indicate that 40 participants were from Nigeria (13.1 percent); 68 participants from Guinea (22.2 percent); 68 from Liberia (22.2 percent); 63 from Sierra Leone (20.6 percent); 21 from Ghana (6.9 percent); and 46 from The Gambia (15.0 percent).

A breakdown of participation according to institutions shows that central banks accounted for 97 participants representing 31.7 percent; other public sector agencies accounted for 46 participants (15.0 percent) and Ministries of Finance and Economic Planning accounted for 147 participants (48.0 percent), and the private sector accounted for a total of 16, representing 5.2 percent. In terms of participation by gender, 202 participants were male, representing 66.0 percent, while 97 were female, representing 31.7 percent of the participants.

Details of the demand-driven courses conducted by the Business

Development & Consulting Unit (BDCU) are as follows:

1.6.1 Course on Risk-Based Auditing, Governance and Operational Risk Management, Lagos, Nigeria, April 24-28, 2023

The Business Development Unit of the West African Institute for Financial and Economic Management (WAIFEM) organised a Course on Risk-Based Auditing, Governance and Operational Risk Management in Lagos, Nigeria, from April 24 - 28, 2023.

The opening ceremony was chaired the by Director-General of WAIFEM Dr. Baba Y. Musa, ably represented by the Advisor, Business Development & Consultancy Unit (WAIFEM), Prof. Douglasson G. Omotor. Also to grace the occasion were representatives of the resource persons, Dr. Jero Ediri, Samuel Olufemi Olabanji of the Central Bank of Nigeria (CBN).

The Director-General welcomed participants and resource persons to the course and expressed his gratitude to sponsoring institutions. In his keynote address, he gave a brief history of WAIFEM and stressed that the core mandate of the Institute is to

build capacity in the fields of Macroeconomics, Governance, Debt and Financial Sectors Management among staff of Central Banks, Ministries of Finance as well as other public sector institutions with core economic management responsibilities. The Director-General, Dr. Baba Y. Musa, stressed that the course on Risk-Based Auditing, Governance and Operational Risk Management was organised by the BDCU of WAIFEM, unlike WAIFEM sponsored programmes. The Director-General, noted further that, given recent developments in markets, techniques, technologies and products, there was no gain saying the fact that effective management of operational risks had become a more critical aspect of business strategy for the survival of any business in the modern day world. Dr. Baba Musa cited the case of the collapse of the Silicon Valley Bank, Silvergate and Signature Bank of the United States of America. According to the Director-General, the BDCU courses were organised to cater for the training and capacity needs of the private sector on a cost recovery basis, even though the public sector also benefited from the BDCU programmes.

Dr. Baba Y. Musa, entreated the participants to take the course seriously as risk-based auditing was very important and key in any organization, especially in the global world in which we live today. He therefore, urged the participants to interact and feel free with the facilitators, ask pertinent questions to enrich themselves and the course. He concluded his speech by formally declaring open the course on Risk-Based Auditing, Governance and Operational Risk Management.

The objective of the course was to build understanding of the importance of operational risk management and governance within an organization, and to produce competent auditors with good knowledge of Risk-Based Auditing; increase participants' acquaintances in accomplishing the internal audit objectives of their organizations, save resources, and make audit planning easier and more interesting in the business environment.

The broad themes covered during the course include:

- Understanding the Basic Concepts of Risk, Types and Enterprise Risk Management;
- Introduction to Audit and relationship with Risk Based Audit
- Overview of Risk Based Audit Methodology;
- Contingency Planning and Resilience;
- Risk and Governance and assessing Governance and Oversight Functions;

- Risk registers and reporting tools;
- Risk Based Supervision and Risk Management Processes;
- Risk Management principles, categorization/prioritization;
- Risk Based Audit Planning;
- Methodology and Tools for Measuring Risk and Returns of Portfolios;
- Risk Based Audit Methodology, Using practical examples - Hands 1;
- Case Study/Hands on 2 (Group discussion);
- COSO Enterprise Risk Management - Integrating with Strategy and Performance;
- Early warning signals as they relate to organization;
- Compliance Risk Management: Applying the COSO ERM Framework
- Operational Risk Management and measuring inherent risk

The course was facilitated by well experienced and knowledgeable practitioners. These included Professor. Jeroh Ediri from Delta State University, Mr. Samuel Olabanji, Head, Operational Risk Department, Central Bank of Nigeria, and Dr. Jonathan Osusuakpor, Managing Director, AMJU Microfinance Bank, Delta State.

Twelve (12) participants attended the course from the sub-region, comprising 10 males and 2 females. 2 participants from the Central Bank of Liberia, 4 from Bank of Ghana, 3 from ARB Apex Bank, Ghana, 3 from Bank of Sierra Leone.

At the end of the course, participants gave their evaluation of the course as revealed by the following outcomes:

- The participants agreed 100 percent that the objectives of the course had been achieved.
- Participants also concurred 100 percent, the course upgraded their knowledge on Risk-Based Auditing, Governance and Operational Risk Management.
- Overwhelming 100 percent of the participants agreed that the course provided pertinent issues relating to Risk-Based Auditing and Operational Risk Management which is of immense benefit to the organization.
- Participants also agreed 100 percent the substantive impact of the resource persons as a team to be very good.
- The participants agreed in totality that knowledge and skills acquired from the course would greatly improve Risk-Based Auditing,

Governance and Operational Risk Management ability.

- About 92 percent of participants were of the view that the blend of plenary and group exercises was very effective.
- About 92 percent of participants also agreed the quality of training materials and documentation, to be very good.
- In terms of overall expectations about the course, participants agreed 100 percent the course met their expectations.
- All participants agreed the overall administration and coordination of the course by WAIFEM to be effective.
- In the additional comments, majority of the participants agreed that the contents, usefulness of the topics to work and presentations to be very good.
- Time allotted for the course was good, as this is confirmed by over 90 percent of participants.

Following the 5-day intensive and interactive discussions the following observations were made, that:

- Facilities including pick-up arrangements at the airport, accommodation, lecture environment, restaurant services, computers and other equipment and protocol arrangements were very appreciable.
- The programme topics were very relevant and carefully sequenced.
- The facilitators' performance and lecture delivery were excellent as they exhibited good mastery of the topics and gave practical examples that brought out exciting debates.
- Participants experiences on risk-based audit and operational risk management in their various institutions were adequately aroused.
- The planning and arrangement of the logistics for participants were very satisfactory.
- The practical sessions were both challenging and exciting.
- The lectures allowed for effective exchange of ideas among participants and between participants and the facilitators. The sessions were generally very interactive and stimulating.
- The facilitators, as well as the WAIFEM officers, were very friendly and supportive and this provided a congenial atmosphere during the lectures to facilitate learning.

Recommendations

- In the light of the observations, participants made

the following recommendations, that:

- Opportunity should be created for more staff from relevant public other Departments and from member countries to participate in this important programme.
- There should be regular outreach programmes to member countries to facilitate important programmes in the countries thus easing the financial burden on some member countries who cannot afford external sponsorship for their employees.
- Risk-based internal auditing and operational risk management approach should be adopted by all Central Banks and regulatory institutions including the adoption of suitable Enterprise Risk Management Framework.
- Internet at the Hostel should be improved upon.
- An advanced course on this should be organised for this cohort and other senior members of staff.

Appreciation

The participants expressed appreciation to their various institutions for the opportunity afforded them to attend the course. They also expressed deep sense of gratitude to the Director-General of WAIFEM, Dr. Baba Y. Musa and management of WAIFEM for excellent facilities presented and a well-organised course.

They also extended their profound thanks to the facilitators for exceeding their expectations in doing a good job on the course. They maintained that the knowledge gained from the programme would shape their approach to Risk-Based Auditing and Operational Risk Management in their various organizations.

1.6.2 Course on Management Decision-Making and Big Data Analytics for Managers and Directors, Lagos, Nigeria, July 10-14, 2023

The Business Development Unit of the West African Institute for Financial and Economic Management (WAIFEM) organised a Course on Management Decision-Making and Big Data Analytics for Managers and Directors, Lagos, Nigeria from July 10 - 14, 2023.

The opening ceremony was chaired the by Director-General of WAIFEM Dr. Baba Y. Musa. Also present during the opening session were Mr. Euracklyn Williams, Director, Administration & Finance, WAIFEM, Mr. Amadou S. Koora, Director, Fin. Sec. & Payment Systems Dept. WAIFEM, Dr. Alvin Johnson, WAIFEM, Director, Governance & Institutional Development Dept., WAIFEM and staff of WAIFEM, and Professor Douglasson G. Omotor, Advisor, Business

Development & Consultancy Unit, WAIFEM. A representative of the resource persons, Mr. Oyewole Yesuf of DBrown Consulting was also present.

The Director-General welcomed participants and resource persons to the course, especially those visiting the Institute for the first time, enjoining them to enjoy every minute of their stay in Lagos, Nigeria. In his keynote address, He gave a brief history of WAIFEM and maintained that the principal mandate of the Institute is to enhance the skills of policy-makers and practitioners in financial and economic management, with focus on Governance & Institutional Management, Fiscal Policy and Debt Management, Macroeconomic Management, and Financial Sector and Payment Systems. The Director-General, Dr. Baba Y. Musa, informed the participants that the Business Development and Consultancy Unit (BDCU) WAIFEM, which anchors the programme is a unit established by Institute to cater for the training needs of the private sector, demand-driven courses on topical issues, and consultancy programmes. Dr. Baba Musa, added that, the BDCU programmes being private sector target programmes is offered on a cost recovery basis with minimal cost fee to primarily cover the cost of conducting the courses, even though the public sector also benefits from the courses of the BD&CU., unlike WAIFEM departmental programmes which are sponsored by the Board of WAIFEM, and are free of any charges. On the importance of the training on Management Decision and Big Data Analytics, the Director-General, noted that, in the era of digital transformation and information overload where organizations are inundated with unprecedented amount of data, harnessing the power of big data through effective decision-making has become highly imperative for organizations seeking to survive in the 21st century. Dr. Baba Musa, referred to Big data analytics as the process of examining large and complex data sets to uncover hidden patterns, correlations, and insights. Dr. Baba Musa noted further that, with the aid of advanced technologies and algorithms, organizations can now extract valuable information from vast amounts of structured and unstructured data, which empowers managers to make data-driven decisions, replacing guess work with evidence based-strategies strategies.

According to the Director-General, Baba Y. Musa, management decision-making and big data analytics offers several benefits to organizations, such as enhancing decision quality, improves operational efficiency and fostering innovation and strategic agility among others. Dr. Baba Musa, however, acknowledged that, sheer volume, velocity, and variety of data requiring organizations to invest in robust infrastructure, skilled personnel, and sophisticated analytics tools are some of the challenges of the integration of big data analytics into management decision-making.

Dr. Baba Y. Musa, enjoined the participants to put in their maximum effort in the training in order to realise the objective of the course. He concluded his speech by formally declaring open the course on Management Decision-Making and Big Data Analytics for Managers and Directors open.

The main objective of this course is to upscale the skills and competencies of participants to understand the strength of big data and, most importantly, the process of getting from data to decisions using the most suitable management decision tools for the situation at hand.

The broad themes covered during the course include:

- i. Understanding Data Fundamentals
- ii. Demystifying Reporting & Analytics
- iii. Harnessing Artificial Intelligence & other tools to build report
- iv. Overview of Power BI Desktop
- v. Introduction to Management Decision Making and Big Data Analytics
- vi. Data Collection and Preprocessing
- vii. Framework for Building a Data Model
- viii. Building a Data Model in Power BI Desktop
- ix. Exploratory Data Analysis
- x. Showing the Numbers
- xi. Review of the DAX Formula Language
- xii. Time Intelligence Calculation in DAX
- xiii. Variance Calculations in DAX
- xiv. Power BI Standard & Custom Visualizations
- xv. Visualizing Your Ideas
- xvi. Introduction to Power Query
- xvii. Publishing to Power BI.com; and
- xviii. Practice - Case Studies

The course was facilitated by seasoned data science experts - Dr. Bashir Abdussalam of the Central Bank of Nigeria (CBN), Monetary Policy Department and Mr. Yusuf Adewale of DBrown Consulting.

Ten (10) participants attended the course from the sub-region, comprising 8 males and 2 females. 5 from Bank of Ghana, 3 from ARB Apex Bank, Ghana, and 3 from Bank of Sierra Leone.

At the end of the course, participants gave their evaluation of the course as revealed by the following outcomes:

- The participants agreed 100 percent that the objectives of the course had been achieved.
- Participants also concurred 100 percent, the

course upgraded their knowledge on Risk-Based Auditing, Governance and Operational Risk Management.

- Overwhelming 100 percent of the participants agreed that the course provided pertinent issues relating to Risk-Based Auditing and Operational Risk Management which is of immense benefit to the organization.
- Participants also agreed 100 percent the substantive impact of the resource persons as a team to be very good.
- The participants agreed in totality that knowledge and skills acquired from the course would greatly improve Risk-Based Auditing, Governance and Operational Risk Management ability.
- About 92 percent of participants are of the view that the blend of plenary and group exercises was very effective.
- About 92 percent of participants also agreed the quality of training materials and documentation, to be very good.
- In terms of overall expectations about the course, participants agreed 100 percent the course met their expectations.
- All participants agreed the overall administration and coordination of the course by WAIFEM to be effective.
- In the additional comments, majority of the participants agreed that the contents, usefulness of the topics to work and presentations to be very good.
- Time allotted for the course was good, as this is confirmed by over 90 percent of participants.

Observations

Following the five (5) day intensive and interactive discussions the following observations were made, that:

- i. The facilitators' lecture delivery was excellent, demonstrated their in-depth understanding of the themes
- ii. The lectures created deep in-sight to the course with practical examples.
- iii. The planning and arrangement of the logistics for participants was also very satisfactory;
- iv. Facilities/equipment and the learning environment for the programme were conducive and adequate;
- v. The accommodations provided for the participants were also satisfactory;
- vi. The presentations allowed for interesting

interaction between participants and the facilitators;

- vii. The facilitators, the coordination and administration of the course by WAIFEM staff were also satisfactory.
- viii. The lectures allowed for effective exchange of ideas among participants and between participants and the facilitators. The sessions were generally very interactive and stimulating.
- ix. The facilitators, as well as the WAIFEM officers, were very friendly and supportive and this provided a congenial atmosphere during the lectures to facilitate learning.

Recommendations

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

- WAIFEM can increase the duration of the course for about two weeks.
- WAIFEM should ensure that all the participants arrive a day before the programme starts.

Appreciation

Participants appreciated the various organizations and Institutions for the sponsorship of this course. Participants were particularly excited to improve their knowledge in Management Decision-Making and Big Data Analytics. They expressed gratitude to the facilitators for the exposure and experience exhibited during the training. The participants also thanked Management and Staff of WAIFEM for successfully organizing and facilitating the course.

1.6.3 Course on Designing and Implementing Policy, Project and Programme Evaluation Systems, Lagos, Nigeria, July 31-August 4, 2023

The Business Development Unit of the West African Institute for Financial and Economic Management (WAIFEM) organised a Course on Designing and Implementing Policy, Project and Programme Evaluation Systems, Lagos, Nigeria from July 31 - August 4, 2023.

The 5-day training opening ceremony programme was chaired by the Director-General of WAIFEM Dr. Baba Y. Musa. Also present during the opening session were Mr. Euracklyn Williams, Director, Administration & Finance, WAIFEM, Dr. Alvin Johnson, WAIFEM, Director, Governance & Institutional Development Dept., WAIFEM, other staff of WAIFEM, and Professor Douglass G. Omotor, Advisor, Business Development & Consultancy Unit, WAIFEM. Representatives of the resource persons, Professor Omo Aregbeyen and Professor Okunlola James both of the University of Ibadan were also present.

Speaking at the opening session, the Director-General welcomed participants and resource persons to the course, particularly, participants visiting the Institute for the first time. He enjoined them to enjoy every minute of their stay in Lagos, Nigeria. In his keynote address, the Director-General of WAIFEM, Dr. Baba Musa, gave a brief history of the Institute and maintained that the principal mandate of WAIFEM, was to enhance the skills of policy-makers and practitioners in financial and economic management sector, with focus on Governance & Institutional Management, Fiscal Policy and Debt Management, Macroeconomic Management, and Financial Sector and Payment Systems. The Director-General, Dr. Baba Y. Musa, informed the participants that the course is organised by the Business Development and Consultancy Unit (BDCU) WAIFEM. He said that Unit established by Institute to cater for the training needs of the private sector, demand-driven courses on topical issues, and consultancy programmes. Dr. Baba Musa, added that, the BDCU programmes being private sector target programmes were offered on a cost recovery basis with minimal cost fee to primarily cover the cost of conducting the courses, even though the public sector also benefited a lot from the courses of the BD&CU., unlike WAIFEM departmental programmes which are sponsored by the Board of WAIFEM, and are free of any charges. On the importance of the training, the Director-General of WAIFEM, Dr. Baba Y. Musa, stressed that in the process of promoting sustainable development, poverty reduction and sound public financial management, particularly in developing and emerging economies, government and development partners place great emphasis in strengthening countries institutional capacity especially in project conceptualization and implementation. Dr. Baba Musa, noted that the most important use of monitoring and evaluation model in an organization was to judge set objectives against output and to determine their impact. He noted further, that it was a continuing function that provided management and stakeholders with valuable feedback on what is working, what isn't and why, and early indications of progress and achievement of objectives. Continuing, the Director-General of WAIFEM, Dr. Baba Musa, said policy monitoring and evaluation (M&E) is critical in effectively designing, implementing and delivering public policies and services. This, he said would ensure that policymaking is informed by sound evidence on what works, which is essential to achieving key long-term objectives.

While expressing appreciation to the team of facilitators for finding time to be in WAIFEM to share their wealth of knowledge and experience. Dr. Baba Y. Musa, urged the participants to make maximum use of the opportunity and ask pertinent questions to realise the objective of course and concluded his speech by formally declaring the course open.

The overall objective of the training is to enable participants, on completion of the programme to develop better policies by incorporating evaluation into the policymaking process. The broad themes covered during the course include:

- Meaning of Monitoring and Evaluation;
- Results-Based Management (RBM);
- M&E and the project/programme cycle;
- Baseline and end-line studies;
- M&E standards and ethics;
- Minimise bias and error;
- Key steps for project/programme M&E;
- What is programme Evaluation?;
- Integrating a Gender perspective and Vulnerable Groups into Project Results;
- Impact Evaluation and Developing Effective Evaluation Measure;
- Theory of Change;
- Implementation and Process Evaluation;
- The Management of Project and Programme Evaluations;
- Introduction to Designing and Implementing M&E Systems;
- Making Monitoring and Evaluation Systems Work: Capacity Development Toolkit;
- Cost-Benefit: Evaluate: An introduction to evaluating age-friendly successes and challenges;
- Policymaking Process & Policy Evaluation;
- Developing Strategic Approaches to Infrastructure Planning;
- Evaluating Complex Policies;
- Methodology of Developing M&E Systems for Complex Organisations;
- Embracing Evaluative Thinking for Better Outcomes; and
- Application of Results-Based Monitoring and Evaluation to Policy and Program: Cases

The course was facilitated by seasoned monitoring and evaluation experts - Professor Omo Aregbeyen of the University of Ibadan, Professor Okunlola Olaniyi of the Federal University of Technology Akure and Dr. Adeboye Adeyemo, International Development Consultant.

Nine (9) participants attended the course from the sub-region, comprising 3 males and 9 females. 6 from Bank of Ghana, 1 from Bank of Sierra Leone and 2 participants from the West African Institute for Financial Management (WAIFEM).

At the end of the course, participants gave their evaluation of the course as revealed by the following outcomes:

- i. The participants agreed 100 percent the course enhanced their understanding on designing and implementing policy, project and programme evaluation systems.
- ii. Overwhelming totality of the participants agreed 100 percent, the course increased knowledge on key steps for project/programme monitoring and evaluation.
- iii. It is agreed 100 percent the course provided in-depth understanding of Policy Making Process & Policy Evaluation.
- iv. Participants also agreed 100 percent topics covered at the course were appropriate.
- v. The participants concurred the group presentation session to be effective in showcasing participants of the topics. This is indicated 88 percent.
- vi. Totality of participants are of opinion that substantive impact of the resource persons as a team to be very good. Also indicated 100 percent.
- vii. Participants agreed 100 percent documents (lecture materials, etc.) to be very useful.
- viii. On the administration of the course, participants agreed 100 percent, overall administration and coordination of the course by WAIFEM to be effective.
- ix. On the expectations about the course, participants agreed 100 percent the course met their expectations.
- x. In the additional comments, majority of the participants are of the opinion that more time should be allotted for the course to enable participants have more case studies and practical session.

Observation

Following the 5-day intensive and interactive discussions the following observations were made, that:

- i. Participants agreed without equivocation that M & E is sine qua non for the realisation of objectives of organisations.
- ii. The implementation of results-based M & E is overdue in our central banks as the benefits of M & E cannot be overemphasized.
- iii. There is need for capacity building and development in M & E in all departments of central banks in member states of WAIFEM.
- iv. The curvels: level one being foundation; level

two being intermediate and level three being advanced level. This will offer participants in-depth knowledge of the profession. We also propose certification at each level after successful practical hands-on parent programme should be restructured into three level studies.

Challenges

Notwithstanding the in-depth treatment of concepts of M & E by the facilitators, some of the slides did not incorporate pictures to give learners pictorial view of the concepts.

Recommendation

In view of the observations, participants made the following recommendations, that:

- In view of the above participants recommend that the course should be restructured into three levels.
- Despite, the above observations, participants are agreed that the programme is useful and beneficial as monitoring and evaluation when applied appropriately can result in safeguarding scarce resources of organisations leading to attainment of organisational objectives and for that matter implementation of M & E will facilitate central banks to effectively meet price stability, anchor inflation expectations, contribute to financial stability and implement sound and stable monetary policies.
- Participants unanimously agreed that central banks should leveraged on the programme and build capacity of the staff in RBM & E.

Appreciation

Participants appreciated the various organizations and Institutions for the sponsorship of this course. Participants were particularly excited to improve their knowledge in Management Decision-Making and Big Data Analytics. They expressed gratitude to the facilitators for the exposure and experience exhibited during the training. The participants also thanked Management and Staff of WAIFEM for successfully organizing and facilitating the course.

1.6.4 Workshop on Liquidity Forecasting, Cash Management and Debt Management Strategy, Conakry, Guinea, August 27 - September 1, 2023

The workshop was held from 27 August to 1 September 2023 in Guinea Conakry. Twenty-six (26) delegates from various Departments of the Ministry of Finance, the Debt Management Division of the Ministry of Finance, the Accountant General's Department, and the Central Bank of Guinea attended the Liquidity Forecasting, Cash Management and Debt Management Strategy

Workshop. The attendance breakdown by gender was 15 (57 percent) males and 11 (43 percent) females.

Present at the opening were the Ministry of Finance, Central Bank of Guinea, Accountant General Department staff, and the resource persons, Ms Yaa Asante, Dr Millicent DeGraft-Johnson, and Mr Abdul-Fatawu Z. Hakeem.

The overarching objective of the Workshop was to enhance the four beneficiary countries' capacity to formulate and execute future external and domestic debt issuance and management policies, focusing on ensuring long-term debt sustainability. The specific goals included the development of skills in liquidity forecasting, cash management, and the creation of issuance calendars. The Workshop aimed to guide participants through the preparation of issuance calendars and the mechanics of bond issuance.

A team of experienced resource persons from WAIFEM facilitated the training workshops. They included Ms Euphemia S. Monmia and the resource persons, Ms Yaa Asante, Dr Millicent DeGraft-Johnson, and Mr Abdul-Fatawu Z. Hakeem from the Ministry of Finance and Economic Planning, Ghana.

Appreciation

Participants expressed profound gratitude to the Management of WAMI and WAIFEM, acknowledging the invaluable impartation of excellent skills and knowledge essential for effective debt administration in their respective states. Special thanks were extended to the African Development Bank (AfDB) for the crucial funding support for the training. Participants also conveyed their appreciation to the government of The Gambia for granting them the opportunity to partake in the training and for providing the necessary facilities and resources essential for the success of the program.

1.6.5 UNCTAD DMFAS Course, Conakry, Guinea, September 4-8, 2023

The workshop was held from September 4 - 8, 2023 in Guinea Conakry. Twenty-four (24) delegates from various Departments of the Ministry of Finance, the Debt Management Division of the Ministry of Finance, the Accountant General's Department, and the Central Bank of Guinea attended the Liquidity Forecasting, Cash Management and Debt Management Strategy Workshop. The attendance breakdown by gender is 14 (58 percent) males and 10 (42 percent) females.

Present at the opening were the Ministry of Finance, Central Bank of Guinea, Accountant General Department staff, and the resource persons, Ms Yaa Asante, Dr Millicent DeGraft-Johnson, and Mr Abdul-Fatawu Z. Hakeem.

The overarching objective of the Workshop was to enhance the four beneficiary countries' capacity to formulate and execute future external and domestic debt issuance and management policies, focusing on ensuring long-term debt sustainability. The specific goals included the development of skills in liquidity forecasting, cash management, and the creation of issuance calendars. The Workshop aimed to guide participants through the preparation of issuance calendars and the mechanics of bond issuance.

A team of experienced resource persons from WAIFEM facilitated the training workshops. They include Ms Euphemia S. Monmia and the resource persons, Ms Yaa Asante, Dr Millicent DeGraft-Johnson, and Mr Abdul-Fatawu Z. Hakeem from the Ministry of Finance and Economic Planning, Ghana.

Appreciation

On behalf of my Colleagues, I wish to express our sincere appreciation to the Director-General of WAIFEM, Dr. Baba Y. Musa, the Director-General of WAMI, Dr. Olorunsola Emmanuel Olowofeso, the WAIFEM organizing team. (Professor Douglass Omotor and Mr. Sam Abdalla of WAMI. We also wish to express our gratitude to the protocol team from the Ministry of Finance and Economic Affairs, Special thanks were extended to the African Development Bank (AfDB) for the crucial funding support for the training. Participants also conveyed their appreciation to the government of Guinea for granting them the opportunity to partake in the training.

1.6.6 Course on Macroeconomic Management and Debt Sustainability Analysis, Abuja, Nigeria, September 18-22, 2023

The Business Development Unit of the West African Institute for Financial and Economic Management (WAIFEM) organised a Course on Macroeconomic Management and Debt Sustainability Analysis, Abuja, Nigeria, from September 18 - 22, 2023.

The opening ceremony was chaired by the Director-General of WAIFEM Dr. Baba Y. Musa, who was ably represented by Professor Douglass G. Omotor, Advisor, Business Development & Consultancy Unit, WAIFEM. Also present were some of the staff of the Ministry of Finance, Abuja.

The Director-General welcomed participants and resource persons to the course, and enjoined them to enjoy every minute of their stay in Abuja, Nigeria. In his keynote address, He gave a brief history of WAIFEM and maintained that the principal mandate of the Institute was to enhance the skills of policy-makers and practitioners in financial and economic management, with focus on Governance & Institutional Management, Fiscal Policy and Debt

Management, Macroeconomic Management, and Financial Sector and Payment Systems. The Director-General, Dr. Baba Y. Musa, informed the participants that the Business Development and Consultancy Unit (BDCU) WAIFEM, which anchors the programme is a unit established by the Institute to cater for the training needs of the private sector, demand-driven courses on topical issues, and consultancy programmes. Dr. Baba Musa, added that, the BDCU programmes being private sector target programmes is offered on a cost recovery basis with minimal cost fee to primarily cover the cost of conducting the courses, even though the public sector also benefits from the courses of the BD&CU, unlike WAIFEM departmental programmes which are sponsored by the Board of WAIFEM, and are free of any charges.

Dr. Baba Y. Musa, enjoined the participants to put in their maximum effort and interact freely with the facilitators to enrich their knowledge to realise the objective of the training. He concluded his speech by formally declaring open the course on Macroeconomic Management and Debt Sustainability Analysis open.

The main objective of this course was to up-scale the skills and competencies of participants in Macroeconomic Management and Debt Sustainability Analysis.

The course was facilitated by seasoned experts Professor Afees Salisu of the University of Ibadan and WAIFEM faculty.

Thirteen (13) participants attended the course from the sub-region, comprising 10 males and 3 females.

At the end of the course, participants gave their evaluation of the course as revealed by the following outcomes:

- i. The participants agreed 100 percent that the objectives of the course had been achieved.
- ii. Participants also concurred 100 percent, the course upgraded their knowledge on Risk-Based Auditing, Governance and Operational Risk Management.
- iii. Overwhelming 100 percent of the participants agreed that the course provided pertinent issues relating to Risk-Based Auditing and Operational Risk Management which is of immense benefit to the organization.
- iv. Participants also agreed 100 percent the substantive impact of the resource persons as a team to be very good.
- v. The participants agreed in totality that knowledge and skills acquired from the course would greatly improve Risk-Based Auditing, Governance and Operational Risk Management ability.

- vi. About 92 percent of participants are of the view that the blend of plenary and group exercises was very effective.
- vii. About 92 percent of participants also agreed the quality of training materials and documentation, to be very good.
- viii. In terms of overall expectations about the course, participants agreed 100 percent the course met their expectations.
- ix. All participants agreed the overall administration and coordination of the course by WAIFEM to be effective.
- x. In the additional comments, majority of the participants agreed that the contents, usefulness of the topics to work and presentations to be very good.
- xi. Time allotted for the course was good, as this is confirmed by over 90 percent of participants.

Observations

Following the 5-day intensive and interactive discussions the following observations were made, that:

- i. The facilitators' lecture delivery was excellent, demonstrated their in-depth understanding of the themes
- ii. The lectures created deep in-sight to the course with practical examples.
- iii. The planning and arrangement of the logistics for participants was also very satisfactory;
- iv. Facilities/equipment and the learning environment for the programme were conducive and adequate;
- v. The accommodations provided for the participants were also satisfactory;
- vi. The presentations allowed for interesting interaction between participants and the facilitators;
- vii. The facilitators, the coordination and administration of the course by WAIFEM staff were also satisfactory.

Recommendations

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

- We will be glad to WAIFEM to increase the duration of the course for about two weeks to accommodate more hands-on in the training programme going forward.
- WAIFEM should ensure that all the participants receive course materials a day before the programme starts.

Appreciation

The participants expressed gratitude to their organization, for the sponsorship of the course and opportunity to learn. They expressed gratitude to the facilitators for the exposure and excellent mastery of the topics during the training. The participants also thanked the Director-General of WAIFEM and WAIFM for successfully organizing for successful organization of the course and for the conduciveness of the training centre.

1.6.7 Course on Report and Analysis of Expenditure Forecasting for Staff of the Federal Ministry of Finance, Abuja, Nigeria, September 18-22, 2023

The Business Development Unit of the West African Institute for Financial and Economic Management (WAIFEM) organised a Course on Report and Analysis of Expenditure Forecasting for Staff of the Federal Ministry of Finance (MoF), Abuja, Nigeria, from September 18 - 22, 2023.

The opening ceremony was chaired the by Director-General of WAIFEM Dr. Baba Y. Musa, who was ably represented by Professor Douglasson G. Omotor, Advisor, Business Development & Consultancy Unit, WAIFEM. Also present were some of the staff of the Ministry of Finance, Abuja.

The Director-General welcomed participants and resource persons to the course, and enjoined them to enjoy every minute of their stay in Abuja, Nigeria. In his keynote address, he gave a brief history of WAIFEM and maintained that the principal mandate of the Institute was to enhance the skills of policy-makers and practitioners in financial and economic management, with focus on Governance & Institutional Management, Fiscal Policy and Debt Management, Macroeconomic Management, and Financial Sector and Payment Systems. The Director-General, Dr. Baba Y. Musa, informed the participants that the Business Development and Consultancy Unit (BDCU) WAIFEM, which anchors the programme is a unit established by Institute to cater for the training needs of the private sector, demand-driven courses on topical issues, and consultancy programmes. Dr. Baba Musa, added that, the BDCU programmes, being private sector target programmes, were offered on a cost recovery basis with minimal cost fee to primarily cover the cost of conducting the courses, even though the public sector also benefited from the courses of the BD&CU., unlike WAIFEM departmental programmes which were sponsored by the Board of WAIFEM, and were free of any charges.

According to the Director-General, Baba Y. Musa, Report and Analysis of Expenditure Forecasting offers several benefits to organizations, such as enhancing decision quality, improves operational efficiency and

fostering quality report and expenditure forecasting among others.

Dr. Baba Y. Musa, enjoined the participants to put in their maximum effort in the training in order to realise the objective of the course. He concluded his speech by formally declaring the course opened.

The main objective of this course was to up-scale the skills in Reports and Expenditure Forecasting for staff of the Federal Ministry of Finance (MoF) Abuja.

The course was facilitated by seasoned experts Professor Afees Salisu of the University of Ibadan and WAIFEM faculty.

Twenty-five (25) participants attended the course drawn from various departments of the Federal Ministry of Finance (MoF) Abuja, comprising 14 male and 11 female participants.

At the end of the course, participants gave their evaluation of the course as revealed by the following outcomes:

- i. The participants agreed 100 percent that the objectives of the course had been achieved.
- ii. Participants also concurred 100 percent, the course upgraded their knowledge on Risk-Based Auditing, Governance and Operational Risk Management.
- iii. Overwhelming 100 percent of the participants agreed that the course provided pertinent issues relating to Risk-Based Auditing and Operational Risk Management which is of immense benefit to the organization.
- iv. Participants also agreed 100 percent the substantive impact of the resource persons as a team to be very good.
- v. The participants agreed in totality that knowledge and skills acquired from the course would greatly improve Risk-Based Auditing, Governance and Operational Risk Management ability.
- vi. About 92 percent of participants are of the view that the blend of plenary and group exercises was very effective.
- vii. About 92 percent of participants also agreed the quality of training materials and documentation, to be very good.
- viii. In terms of overall expectations about the course, participants agreed 100 percent the course met their expectations.
- ix. All participants agreed the overall administration and coordination of the course by WAIFEM to be effective.
- x. In the additional comments, majority of the participants agreed that the contents, usefulness

of the topics to work and presentations to be very good.

- xi. Time allotted for the course was good, as this is confirmed by over 90 percent of participants.

Observations

Following the 5-day intensive and interactive discussions the following observations were made, that:

- i. The facilitators' lecture delivery was excellent, demonstrated their in-depth understanding of the themes
- ii. The lectures created deep in-sight to the course with practical examples.
- iii. The planning and arrangement of the logistics for participants was also very satisfactory;
- iv. Facilities/equipment and the learning environment for the programme were conducive and adequate;
- v. The accommodations provided for the participants were also satisfactory;
- vi. The presentations allowed for interesting interaction between participants and the facilitators;
- vii. The facilitators, the coordination and administration of the course by WAIFEM staff were also satisfactory.
- viii. The lectures allowed for effective exchange of ideas among participants and between participants and the facilitators. The sessions were generally very interactive and stimulating.
- ix. The facilitators, as well as the WAIFEM officers, were very friendly and supportive and this provided a congenial atmosphere during the lectures to facilitate learning.

Recommendation

In the light of the observations, participants recommended that WAIFEM could increase the duration of the course for about two weeks.

Appreciation

Participants appreciated the Ministry of Finance (MoF), for the sponsorship of the course. They were particularly excited to improve their knowledge in Report and Analysis of Expenditure Forecasting. They expressed gratitude to the facilitators for the exposure and experience exhibited during the training. The participants also thanked WAIFEM for successfully organizing the course.

1.6.8 Focus Group Discussion and Validation Exercise on Roadmap for Development of Local Currency Bond Market for Liberia: Focus Group Discussion and Validation Report, Monrovia, Liberia, November 1-3, 2023

The two-day Focus Group Discussion and Validation Exercise took place from November 1-3, 2023, at the designated venue. The exercise was at the instance of the West African Monetary Institute (WAMI) as one of the milestones for the project. The primary objective of this exercise was to gather stakeholders' perceptions about the project's intentions and the Roadmap for the Development of the Local Currency Bond Market. This Report provides a comprehensive overview of the two-day event's proceedings, discussions, and outcomes.

Twenty-nine (29) participants from the Ministry of Finance and Economic Development, Liberia, The Central Bank of Liberia, the Association of Commercial Banks, Commercial Banks, and the Discount House. Others were from the West African Monetary Institute (WAMI) and the West African Institute for Financial and Economic Management (WAIFEM).

Day 1 began with an opening Speech by Dr. Zakaria Issahaku (Representative from WAMI). The event commenced with an opening speech by Dr. Zakaria Issahaku, the WAMI representative. In his speech, Dr Issahaku highlighted the project's importance and emphasised the importance of the focus group discussion and validation exercise in achieving the project's goals.

Following the opening speech, Dr Issahaku introduced Prof. Douglass Omotor, Advisor to the West African Institute for Financial and Economic Management (WAIFEM), as the moderator and report presenter for the event. According to Dr Issahaku, Prof. Omotor's extensive experience in financial and economic matters made him well-suited for this role.

Participants and stakeholders at the event introduced themselves, announcing their names and the organisations they represented. This step allowed a better understanding of the attendees' diverse perspectives and backgrounds.

Prof. Omotor provided an overview of the purpose and objectives of the focus group discussion and validation exercise. The key objectives included:

- Gaining stakeholders' perceptions about the project's intentions and the Roadmap.
- Summarising the Roadmap document and its findings.
- Presenting the Roadmap report page by page.
- Soliciting stakeholders' concerns, ideas, and suggestions for dealing with the Roadmap.

- Moderator Prof. Omotor set the ground rules for the session, emphasising the importance of maintaining a respectful and productive discussion. The established rules included:
- Confidentiality of sources and officers who have access to the documents.
- Allowing each person to speak for themselves.
- Acknowledging that every perception is valid.
- Ensuring one person speaks at a time.
- Seeking permission for tape recording responses.

Furthermore, Prof. Omotor presented benchmarking visit recommendations from Nigeria and Ghana, which would guide the review of Liberia's Roadmap Report on the Development of the Local Currency Bond Market. These recommendations were a valuable reference for the discussion.

The heart of the exercise revolved around the detailed review of the Roadmap Report. Prof. Omotor led the participants page by page, presenting questions for discussion and allowing time for questions, explanations, and debates based on legal documents, acts of parliament, and guidelines. Participants were encouraged to jot down ideas and points. The following strategies were employed to facilitate discussion:

- Keeping participants focused on the questions asked.
- Charting comments and responses.
- Clarifying points and asking for specific examples.
- Maintaining objectivity and refraining from entering into the discussion.
- Reinforcing ground rules and intervening when necessary.
- Making amendments to the Report based on consensus and general Validation of paragraphs.

The second day of the event commenced with a brief opening, setting the stage for the continuation of the discussions by the moderator.

Prof. Omotor provided a recap of the discussions and agreements from the previous day. This helped participants refresh and refocus and ensured the discussions remained on track.

The comprehensive review of the Roadmap Report continued on the second day, with a detailed analysis page by page. This thorough examination ensured that all stakeholders had the opportunity to contribute and provide feedback.

As the discussions concluded, Prof. Omotor summarised the document and the Report's revisions. This summary provided a clear overview of the key points discussed and the changes made to the

Roadmap Report.

To ensure that the document had the collective approval of the Stakeholders, they were allowed to affirm the revised Roadmap Report as the accepted version, dated 3rd November 2023. Stakeholders unanimously affirmed the Roadmap Report as the revised and accepted version dated 3rd November 2023, signifying the culmination of their collective efforts and contributions.

Key stakeholders were invited to provide concluding statements, sharing their insights and perspectives on the exercise and the Roadmap.

Dr. Zakaria Issahaku thanked all participants for their active participation and contributions throughout the two-day event. He also provided an overview of the next steps. He informed the participants that the affirmed Report would be forwarded to the African Development Bank (AfDB) and, after that, to the project country (Liberia) representative.

The event concluded with presenting the Exit Report to the Central Bank Governor, represented by the Deputy Governor, Dr Musa, and their representatives. According to the Deputy Governor, the Report would be an essential reference for the project's (Economic Policy) future actions and decisions. The Deputy Governor emphasised the importance of a Liberian Macroeconomic framework on which the Roadmap Report should hinge.

In summary, the focus group discussion and validation exercise on developing the Local Currency Bond Market's Roadmap was a productive and collaborative effort, resulting in a revised and accepted Roadmap Report. The insights and recommendations provided by the diverse group of stakeholders would play a pivotal role in shaping the project's direction and future actions.

1.6.9 Workshop on Commonwealth Meridian, Banjul, The Gambia, November 20-24, 2023

The Commonwealth Meridian workshop was held from November 20-24, 2023, in the conference room of the Debt Management Unit, Ministry of Finance, Banjul. Nineteen (19) delegates from the Debt Management Division of the Ministry of Finance and some agencies of the Ministry attended the Workshop. Seven (7; 36.8 percent) participants were male, while twelve (63.2 percent) were female.

The resource persons, Ms Adama Sowe and Mr Jawara Mendy, and the DG, WAIFEM representative, Mr Aniekan James, were present during the opening ceremony.

In terms of attendance, fourteen participants attended the workshop. Six (43.0 percent) males and eight (57 percent) females from the Ministry of

Finance attended.

A team of experienced resource persons from WAIFEM facilitated the training workshop. They included Ms Adama Sowe and Mr Jawara Mendy from the Ministry of Finance and Economic Planning.

The Workshop on Meridian was to develop the capacity of staff from the Bank of The Gambia, the Accountant General's Office and staff of the Debt Management Office, MoF. Meridian is a new Debt Recording and Management System (DRMS) designed by the Commonwealth Secretariat and released in 2019. The software replaced the CS-DRMS and is vastly superior to CS-DRMS from functional and technological viewpoints.

Participants' evaluation was conducted at the end of the course. The results were extracted from the ten (10) multiple-choice questions drawn on the Likert scale. The evaluation criteria were built on a scale of 1 to 5, with 1 standing for minimum satisfaction and 5 for maximum satisfaction. The complete and detailed results are presented below:

- i. The overall average score computed for the training is 90.6 percent (4.53). 98 percent of the participants responded positively with a rank of 4.9 to the content if the course content was well-organised and easy to follow, thus indicating that participants were delighted with the Workshop.
- ii. 98 percent (4.9) agreed that the program achieved its stated objectives, as 72.7 percent strongly approved that the instructors and resource persons were clear and effective in delivering course content.
- iii. The implications arising from evaluating the training objectives and scope, i.e., questions 2 and 3, were highly satisfactory, and there was a clarity of purpose. The course objectives and content were presented to the participants on the first day to assess their core competencies for an evaluation by the programme manager in line with the presentation of the workshop timetable. At the end of every lecture, participants were reminded to evaluate the presentation, and after the Workshop, participants were asked to submit their evaluation sheets.
- iv. In the field of andragogy (adult education), satisfaction is usually correlated to usefulness; in that sense, through items 2 through 7, it was deemed that participants found the Workshop valuable and beneficial to their work scheme.
- v. With regard to learning methods, the participants were satisfied with the learning methods used to conduct the training. As underscored by items 6 and 7 from Table 2, the feedback evaluation indicates that, on average, the 94 percent (4.7) score illustrates that

participants strongly agree with the approach and learning methods used to deliver the workshop content. The mix of presentations, discussions, and hands-on and interactive group work was very satisfactory.

- vi. Regarding the quality rating of the case studies applied in the course, if they were relevant and whether they improved their understanding of the subject, 90 percent of all delegates, on average, strongly agreed they were.
- vii. Regarding the workshop environment, participants were asked to evaluate if the time allotted for the training was sufficient. 58 percent (2.9) observed that the time allocation was not adequate. This shows that, on average, more than the median size of the workshop participants were not satisfied with the duration of the program.
- viii. Regarding the comfort of the training facilities used, 40.9 percent of the participants strongly agreed that the facilities were adequate and comfortable.
- ix. In comparison, 50 percent agreed, while 64.3 percent believed they would recommend the programme to colleagues and other personnel, with 77.3 percent strongly agreeing.

The workshop was greatly beneficial to the participants. It enhanced the participants' understanding of how Commonwealth Meridian is used for fiscal debt compilation, reporting and monitoring. The workshop evaluation suggested that the participants were very satisfied with the contents of the workshop as well as its mode of delivery. Thus, as part of their recommendations, the participants suggested regular face-to-face capacity-building programmes especially for junior to mid-level staff of the Ministry, to better expose them to take full advantage of the functionalities of the new system to manage complex financing products and public debt more effectively in The Gambia.

1.6.10 Workshop on Liquidity Forecasting, Cash Management and Debt Management Strategy, Freetown, Sierra Leone, November 20-24, 2023

The first workshop was held on 20-24 November 2023 at the Ministry of Finance Headquarters, Freetown, Sierra Leone. Twenty-two (22) delegates from various departments of the Ministry of Finance, the Public Debt Management Division of the Ministry of Finance, Accountant General's Department, and the Bank of Sierra Leone attended the Liquidity Forecasting, Cash Management and Debt Management Strategy Workshop. The attendance breakdown by gender was 16 (73 percent) males and

6 (27 percent) females.

The workshop's general objective was to develop the four beneficiary countries' capacity to design and implement future external/domestic debt issuance and management policies to ensure long-term debt sustainability. Build capacity on liquidity forecasting, cash management, and issuance calendar. Preparation of issuance calendar and the mechanics of bond issuance; Develop a quarterly Issuance Calendar from Borrowing Plan; Evaluate the implementation of the Issuance Calendar and provide recommendations for corrective actions and development of a framework for evaluating primary market auction performance after introducing transparent Auction Calendars. The training was expected to also develop the capacity for public sector borrowing and debt management, particularly in implementing debt management strategies, performing debt sustainability analysis, risk analysis management and control of guarantees and preparing the necessary debt reports.

The workshop aimed to provide a comprehensive overview of guidelines, procedures, and templates for establishing internal controls for the Debt Management Office, undertaking reconciliation of debt data between government and creditors, and creating a system for the regular publication of quarterly reports on total public sector debt, newly contracted loans and guarantees, as well as monthly reports on outstanding balances.

The course evaluation at the end of the course indicated the following:

- i. The average training score is 90.2 percent (4.51). Over 98 percent of the participants responded with a rank of 5.0 to the question if the course content was well-organised and easy to follow, thus, indicating that participants were highly satisfied with the workshop.
- ii. The programme objectives, content, and clarity were evaluated positively; the course objectives and content were presented to the participants on the first day for them to assess their core competencies for an evaluation by the programme administrator in line with the presentation of the workshop timetable. At the end of every lecture, participants were reminded to evaluate the presentation, and after the workshop, participants were asked to submit their evaluation sheets.
- iii. In the field of andragogy (adult education), satisfaction is usually correlated to usefulness; in that sense, through items 3 to 7, it is deemed that participants found the workshop useful and that they were planning to apply the leanings for the benefit of their employers.
- iv. An average of 95.6 percent (4.78) of the

delegates averred that the workshop is engaging and improved their understanding of the subject. By this, they could apply the benefits gained in their duties.

- v. With regards to Learning methods, the participants are satisfied with the learning methods used to conduct the training.
- vi. On average, the 94 percent (4.7) score illustrates participants' strong satisfaction with the approach and learning methods used to deliver the workshop content. The mix of presentations, discussions, and interactive hands-on based on case studies was also very satisfactory.
- vii. 94 percent (4.70) of the participants affirmed that they were satisfied with the learning methods used to conduct the training.
- viii. Regarding the Workshop environment, the average response by delegates was 54 percent (2.70), implying that the time allotted for the training on liquidity forecasting, cash management and DMS was average, not satisfactory. This shows that participants in the workshops were not too satisfied with the duration of the program.
- ix. Regarding the comfort of the training facilities, the participants adjudged them as satisfactory, with an 70 percent (3.50) satisfactory response to the question. Regarding the programme's relevance, 100 percent of the delegates averred that they would recommend the programme to others.

A team of experienced resource persons from WAIFEM facilitated the training workshop. They include Ms Adama Sowe and Mr Jawara Mendy from the Ministry of Finance and Economic Planning, The Gambia, and Prof. Douglasson G. Omotor of WAIFEM also complimented the facilitation.

There were interruptions which affected the participants' total concentration during the sessions. The skirmishes on 26th November 2023 had a backlash effect on the number of days the Workshop held and the psychological composition of the participants. The strength of internet facility at some times was weak.

General Recommendations

Considering the enormous impact of the issues discussed during the workshops, the following recommendations were proffered for consideration by the relevant stakeholders:

- i. To consolidate the gains of the training, it will be appreciated if AfDB provides additional financing to undertake further training on Liquidity Forecasting, Cash Management, Medium Term Debt Management Strategy (MTDS) and Debt

Dynamics.

- ii. Such a training as observed in (i) and subsequent training on the Liquidity Forecasting and Meridian should be organised outside the office environment to reduce distraction and enhance participation and comprehension.
- iii. Participants also observed that an independent training on 'Contingent Liabilities' should be organised to enhance the comprehension of the CS-Meridian.
- iv. Debt managers should be proactive in their submissions and advice to decision-makers as enshrined in the debt management laws (if already enshrined).
- v. More time is needed to internalise the Liquidity Forecasting and Cash Management training.
- vi. The participants should continue to adopt best practices in Liquidity Forecasting and Cash Management to achieve debt sustainability in collaboration with the Debt Management Unit.
- vii. Start to reconcile and validate all the debt instruments. All the DMO staff should be involved.
- viii. Review all debt instruments not showing accurate debt stocks and cash flows and re-enter their terms correctly.
- ix. Introduce the 'Authorisation' feature in the Commonwealth Meridian so that a senior official can vet and approve all transactions before they are reflected or added to the database.
- x. Assign roles and responsibilities, ultimately determining the access right in the database.
- xi. Start expanding your debt coverage by recording the debt of SOEs, on-lendings, suppliers' credit etc.
- xii. Initiate the process of regularly recording debt securities.
- xiii. Ensure that Commonwealth Meridian modules are fully utilised and NOT to use Meridian just like CSDRMS was used. Record all the macroeconomic and market times series data so that debt portfolio costs and risks can be generated at any given time and not necessarily produced during the annual DSA and MTDS exercise.
- xiv. The interaction shows that debt service processes are long and may contribute to delays in debt servicing, leading to incurring penalties. Therefore, we advise that the process be reviewed and shortened.
- xv. Capacity building is an ongoing activity in every public institution. The government should commit more funds to train and support debt

management operations.

- xvi. Participants suggest that all future training be held outside the office to have the total concentration of participants.
- xvii. The DMO should interface with other systems/organisations, such as the Central Bank auction platform, Accountant general and Controller payment software. This will fast transactions and reduce the time it takes to effect payments.
- xviii. Future training should involve the participation of commercial banks and non-banking institutions.
- xix. Provide Bank of Sierra Leone staff, especially the Financial Markets Department team, the viewing right so that the knowledge and skills gained would be well-spent.

Appreciation

Participants said words were insufficient to communicate their sincere gratitude to the Management of WAMI and WAIFEM for inculcating the excellent skills and knowledge required for proper debt administration in their respective states. Participants especially thank the African Development Bank (AfDB) for funding support. Their appreciation also went to the Management and Government of Sierra Leone which allowed them to participate in the training and for providing facilities and resources required for the training.

1.6.11 Workshop on Liquidity Forecasting, Cash and Debt Management Strategy, Banjul, The Gambia, November 27 - December 1, 2023

The workshop was held in the Conference Hall of the Central Bank of The Gambia, Banjul, over the period, November 27 - December 1, 2023.

The Workshop was declared open by Mr Karamo Jawara, the Director of Banking and Payment Systems (BPS) at the Central Bank of The Gambia (CBG), who represented the Governor of the Central Bank. The Director-General of the West African Institute for Financial and Economic Management (WAIFEM), Dr Baba Y. Musa, represented by the Assistant Programme Manager of the Business Development and Consultancy Unit, Mr Aniekan James, joined Mr. Jawara to welcome the delegates to the training. The Director-General of the West African Monetary Institute (WAMI), Dr Olorunsola E. Olowofeso, was represented by Mr. Sam Abdallah, also welcomed the delegates to the Workshop.

The Director of the Bureau of Public Service (BPS) conveyed his appreciation to the African Development Bank (AfDB) for their financial support, as well as to the West African Monetary Institute

(WAMI) and West African Institute for Financial and Economic Management (WAIFEM) for outlining the framework of the training. The Director also expressed gratitude to the relevant agencies of the Gambian government for allowing their staff to participate in the significant workshops. The Director acknowledged those contributions and emphasised the workshops' timeliness and importance. He expressed contentment with the substantial turnout of delegates at the assembly. The Director, with enthusiasm, urged the distinguished participants to engage in discussions actively, emphasising the importance of generating valuable and reliable reports to benefit their respective institutions and the overall well-being of The Gambia.

Dr. Baba Y. Musa, in his address to participants across all training sessions, reiterated the gratitude of the Board and Management of WAIFEM towards the African Development Bank (AfDB) for their invaluable support in enhancing the capacity of the officers. He also acknowledged WAMI for recognising WAIFEM as a worthy provider of training.

Furthermore, Dr. Musa extended the Institute's appreciation to the Management and Staff of the Ministry of Finance and Bank of The Gambia for their unwavering commitment to collaborating with the Institutes in delivering various capacity development programs. He expressed his delight at the impressive turnout of participants for the training sessions and congratulated them for the privilege of representing their respective organisations. Dr. Musa clarified that the training is extensive, encompassing topics such as cash management, liquidity forecasting, borrowing plans, preparation of issuance calendars, and the intricacies of bond issuance. Emphasising a practical approach, he highlighted the inclusion of hands-on analytical tools and exercises that utilise authentic national data throughout the training sessions.

According to the Director-General, WAIFEM, the primary objective of the training content is to assist beneficiary countries in establishing a proficient and effective debt management capacity team. The training is designed to equip participants with the requisite skills and knowledge for adeptly managing debt-related responsibilities.

The DG, WAIFEM, described the Institute as a centre of excellence, further positing that the Institute was established in 1996 by the central banks of the five Anglophone West African countries of The Gambia, Ghana, Nigeria, Liberia, and Sierra Leone to build capacity in the Sub-Region sustainably. The Institute, according to Dr Musa, has trained over twenty-two thousand officials drawn from Central Banks, Ministries of Finance, Debt Management and Statistics Offices, etc., in the subregion.

Dr. Baba Musa reminded the delegates of the hectic

sessions ahead. He concluded by warmly welcoming the participants, wishing them fruitful meetings, and assuring them that key experts and administrators of the program were on standby and ready to assist them with their work.

The overarching objective of the workshop was to enhance the four beneficiary countries' capacity to formulate and execute future external and domestic debt issuance and management policies, focusing on ensuring long-term debt sustainability. The specific goals included the development of skills in liquidity forecasting, cash management, and the creation of issuance calendars. The Workshop aimed to guide participants through the preparation of issuance calendars and the mechanics of bond issuance.

Fourteen (14) delegates from various Departments of the Ministry of Finance, the Debt Management Division of the Ministry of Finance, the Accountant General's Department, and the Central Bank of The Gambia attended the Liquidity Forecasting, Cash Management and Debt Management Strategy Workshop. The attendance breakdown by gender is 6 (43 percent) males and 8 (57 percent) females.

A team of experienced resource persons from WAIFEM facilitated the training workshops. They included Ms Euphemia S. Monmia and the resource persons, Ms Yaa Asante, Dr Millicent DeGraft-Johnson, and Mr Abdul-Fatawu Z. Hakeem, all from the Ministry of Finance and Economic Planning, Ghana.

The evaluation of the training indicated the following:

- i. Over 64 percent and 35 percent of the participants strongly agreed and agreed, respectively, with a rank of 5.0 on the question if the course content was well-organised and easy to follow, indicating that participants were highly satisfied with the workshop.
- ii. Regarding the assessment of the training objectives and content, 86 percent of the participants strongly agreed and 14 percent agreed that the course objectives and content were clearly stated. The course objectives and content were presented to the participants on the first day so they could assess their core competencies for an evaluation by the programme administrator in line with the presentation of the workshop timetable. At the end of every lecture, participants were reminded to evaluate the presentation, and after the Workshop, participants were asked to submit their evaluation sheets.
- iii. An average of 77.1 percent of the delegates strongly averred that the workshop was engaging and improved their understanding of the subject. 32 percent agreed that the workshop improved their learning. By this, they could apply the

benefits gained in their duties.

- iv. Regarding the learning methods, 94 percent of the participants were satisfied with them. As underscored by items 6 and 7 from Table 4, the feedback evaluation the mix of presentations, discussions, and interactive hands-on based on case studies was also very satisfactory.
- v. Regarding the workshop environment, time allotted and logistics, the average rank was 2.90, implying that the time allotted for the training was not satisfactory. This shows that participants in the workshops were not too satisfied with the duration of the program. Also, regarding the comfort of the training facilities, the participants adjudged them as satisfactory.
- vi. Regarding the programme's relevance, 100 percent of the delegates averred that they would recommend the programme to others.

General Observations

- i. The training comprehensively covered key aspects of the Commonwealth Meridian, fostering a thorough understanding among participants. The interactive nature of the sessions, coupled with the facilitators' extensive experience, contributed to an enriched learning experience. The incorporation of examples during presentations further bolstered comprehension.
- ii. The training included practical exercises to enhance skills and facilitate. In addition to hands-on exercises, participants were assigned class assignments to be completed at home. Selected participants then presented their findings in class, allowing them to apply and share what they had learned. This dual approach of practical exercises and class assignments reinforced the participants' comprehension and application of Meridian skills.
- iii. Participants exhibited a pronounced interest in practical applications over traditional powerpoint presentations. The adeptness displayed by in-house consultants in mastering Meridian's content positively influenced discussions and heightened participants' eagerness to acquire comprehensive knowledge.
- iv. The consultants' clear expertise in Meridian resonated well, captivating participants and instilling a strong desire to delve into all facets of the software. Participants and consultants alike recognised and valued the significance of Meridian and its features.
- v. The involvement of the WAMI consultant provided an additional layer of insight, enhancing participants' understanding of Meridian and broader debt-related issues. The

collaborative efforts between participants, in-house consultants, and the external WAMI consultant underscored the collective appreciation for the importance of Meridian in the training context.

Recommendations

- i. Participants express a desire to encourage WAIFEM and WAMI to consistently elevate their physical training programs. They believe that such programs contribute to improved participation, concentration, and networking among attendees.
- ii. Regular face-to-face capacity-building programs, specifically targeting junior to mid-level group staff, are recommended to provide a more comprehensive exposure to the intricacies of the Commonwealth Meridian.
- iii. However, participants take this opportunity to suggest that WAIFEM and WAMI conduct additional training sessions on the Commonwealth Meridian.
- iv. Recommend that the Ministry of Finance and Economic Affairs (MoFEA) takes responsibility for training and maintaining personnel proficient in Meridian. Advocate for developing a well-structured backup system to ensure continuity in case of Meridian downtime.

Appreciation

Participants expressed profound gratitude to the Management of WAMI and WAIFEM, acknowledging the invaluable impartation of excellent skills and knowledge essential for effective debt administration in their respective states. Special thanks were extended to the African Development Bank (AfDB) for the crucial funding support for the training. Participants also conveyed their appreciation to the government of The Gambia for granting them the opportunity to partake in the training and for providing the necessary facilities and resources essential for the success of the program.

1.6.12 Workshop on Commonwealth Meridian, Freetown, Sierra Leone, November 27 - December 1, 2023

The Commonwealth Meridian Workshop was held over the period, November 27 - December 1, 2023, at the conference room of the Debt Management Unit, Ministry of Finance, Freetown.

The Director of the Sierra Leone Debt Management Unit, Mr. Frederick Bobby Krah, welcomed participants to the training on Meridian. The resource persons, Ms Adama Sowe and Mr Jawara

Mendy and Representative of WAIFEM's Director-General, Prof. Douglass Omotor, were present during the opening ceremony.

Seventeen (17) delegates attended the workshop from the Bank of Sierra Leone, the Debt Management Division of the Ministry of Finance, and some Agencies of the Ministry. Thirteen (76.47 percent) of the participants were male, while four are female (23.53 percent). In all, 21 participants attended the Sierra Leone workshop. Seventeen (80.95 percent) males and four (19.05 percent) females from the Bank of Sierra Leone and the Ministry of Finance attended.

A team of experienced resource persons from WAIFEM facilitated the training workshop. They include Ms Adama Sowe and Mr Jawara Mendy from the Ministry of Finance and Economic Planning, The Gambia, and Prof. Douglass G. Omotor of WAIFEM also complimented the facilitation

The main objective of the Meridian training was to develop the capacity of staff from the Bank of Sierra Leone, the Accountant General's Office and staff of the Debt Management Office, MoF. Meridian is a new Debt Recording and Management System (DRMS) designed by the Commonwealth Secretariat and released in 2019. The software replaced the CS-DRMS and is vastly superior to CS-DRMS from functional and technological viewpoints.

General Observations

- i. The course content was all-encompassing in design and delivery and surpassed the participants' expectations.
- ii. Participants observed the need for political officeholders to avail themselves of debt management courses to enable such officeholders to appreciate the importance of evidence-based sound debt policies and programs.
- iii. The importance of carrying along with officials of DMU in evaluating debt proposals before contracting them came to the fore during the training.
- iv. Effective public debt management and regular conduct of DSA is essential; it gives clear directions for borrowing and provides an early warning signal to debt distress.
- v. DMS also assists governments in achieving accurate forecasting and fiscal sustainability in the medium to long term.
- vi. The hands-on exercises and group work were beneficial, and the facilitators were very vast, knowledgeable, and
- vii. The sessions were well-planned, and the presentations were done logically.

General Recommendations

Considering the enormous impact of the issues discussed during the workshops, the following recommendations were proffered for consideration by the relevant stakeholders:

- i. To consolidate the gains of the training, it will be appreciated if AfDB provides additional financing to undertake further training on Liquidity Forecasting, Cash Management, Medium Term Debt Management Strategy (MTDS) and Debt Dynamics.
- ii. Such a training as observed in (i) and subsequent training on the Liquidity Forecasting and Meridian should be organised outside the office environment to reduce distraction and enhance participation and comprehension.
- iii. Participants also observed that an independent training on 'Contingent Liabilities' should be organised to enhance the comprehension of the CS-Meridian.
- iv. Debt managers should be proactive in their submissions and advice to decision-makers as enshrined in the debt management laws (if already enshrined).
- v. More time is needed to internalise the Liquidity Forecasting and Cash Management training.
- vi. The participants should continue to adopt best practices in Liquidity Forecasting and Cash Management to achieve debt sustainability in collaboration with the Debt Management Unit.
- vii. Start to reconcile and validate all the debt instruments. All the DMO staff should be involved.
- viii. Review all debt instruments not showing accurate debt stocks and cash flows and re-enter their terms correctly.
- ix. Introduce the 'Authorisation' feature in the Commonwealth Meridian so that a senior official can vet and approve all transactions before they are reflected or added to the database.
- x. Assign roles and responsibilities, ultimately determining the access right in the database.
- xi. Start expanding your debt coverage by recording the debt of SOEs, on-lendings, suppliers' credit etc.
- xii. Initiate the process of regularly recording debt securities.
- xiii. Ensure that Commonwealth Meridian modules are fully utilised and NOT to use Meridian just like CSDRMS was used. Record all the macroeconomic and market times series data so that debt portfolio costs and risks can be

generated at any given time and not necessarily produced during the annual DSA and MTDS exercise.

- xiv. The interaction shows that debt service processes are long and may contribute to delays in debt servicing, leading to incurring penalties. Therefore, we advise that the process be reviewed and shortened.
- xv. Capacity building is an ongoing activity in every public institution. The government should commit more funds to train and support debt management operations.
- xvi. Participants suggest that all future training be held outside the office to have the total concentration of participants.
- xvii. The DMO should interface with other systems/organisations, such as the Central Bank auction platform, Accountant general and Controller payment software. This will fast transactions and reduce the time it takes to effect payments.
- xviii. Future training should involve the participation of commercial banks and non-banking institutions.
- xix. Provide Bank of Sierra Leone staff, especially the Financial Markets Department team, the viewing right so that the knowledge and skills gained would be well-spent.

Suggestions for the resource persons to improve the overall quality of their contributions

- It would be interesting to have a five-day workshop in 2 phases
- Deliver full documents of an evaluation exercise before the training for reading

Participants said words were insufficient to communicate their sincere gratitude to the Management of WAMI and WAIFEM for inculcating the excellent skills and knowledge required for proper debt administration in their respective states. The participants thanked the African Development Bank (AfDB) for funding support. Their appreciation also went to the management government of Sierra Leone for allowing them to participate in the training and for providing facilities and resources required for the training.

1.6.13 Focus Group Discussion and Validation Exercise on Roadmap for Development of Local Currency Bond Market for The Gambia, Banjul, The Gambia, December 4-5, 2023

The two-day Focus Group Discussion and Validation Exercise took place on December 4th and 5th, 2023, at the Central Bank of The Gambia. The exercise was

at the instance of the West African Monetary Institute (WAMI) as one of the milestones for the project. The primary objective of this exercise was to gather stakeholders' perceptions about the project's intentions and the Roadmap for the Development of the Local Currency Bond Market. This Report comprehensively overviews the two-day event's proceedings, discussions, and outcomes.

Thirteen (13) participants from the Ministry of Finance and Economic Affairs, The Gambia, The Central Bank of Gambia, and the Association of Commercial Banks. Others were from the West African Monetary Institute (WAMI) and the West African Institute for Financial and Economic Management (WAIFEM), who are the organisers.

The event commenced with an opening speech by Dr. Zakaria Issahaku, the WAMI representative. In his speech, Dr Issahaku highlighted the project's importance and emphasised the importance of the focus group discussion and validation exercise in achieving the project's goals.

Following the opening speech, Dr Issahaku introduced Prof. Douglass Omotor, Advisor to the West African Institute for Financial and Economic Management (WAIFEM), as the moderator and report presenter for the event. According to Dr Issahaku, Prof. Omotor's extensive experience in financial and economic matters made him well-suited for this role. Mr Karamo Jawara, the Director of Banking and Payment Systems at the Central Bank of Gambia (CBG), welcomed everyone to the validation and focus group discussion meeting. He reiterated the Bank's appreciation to AfDB for the funding support and CBG's commitment to the project's success.

Participants and stakeholders at the event introduced themselves, announcing their names and the organisations they represented. This step allowed a better understanding of the attendees' diverse perspectives and backgrounds.

Prof. Omotor provided an overview of the purpose and objectives of the focus group discussion and validation exercise. The key objectives included:

Gaining stakeholders' perceptions about the project's intentions and the Roadmap.

Summarising the Roadmap document and its findings.

- Presenting the Roadmap report page by page.
- Soliciting stakeholders' concerns, ideas, and suggestions for dealing with the Roadmap.
- Prof. Omotor set the ground rules for the session, emphasising the importance of maintaining a respectful and productive discussion. The established rules included:
- Confidentiality of sources and officers who have access to the documents.

- Allowing each person to speak for themselves.
- Acknowledging that every perception is valid.
- Ensuring one person speaks at a time.
- Seeking permission for tape recording responses.

Prof. Omotor presented benchmarking visit recommendations from Nigeria and Ghana, which guided the review of Gambia's Roadmap Report on the Roadmap to the Development of the Local Currency Bond Market. These recommendations were a valuable reference for the discussion.

The heart of the exercise revolved around the detailed review of the Roadmap Report. Prof. Omotor led the participants page by page, presenting questions for discussion and allowing time for questions, explanations, and debates based on legal documents, acts of parliament, and guidelines. Participants were encouraged to jot down ideas and points. The following strategies were employed to facilitate discussion:

- Keeping participants focused on the questions asked.
- Charting comments and responses.
- Clarifying points and asking for specific examples.
- Maintain objectivity and refrain from entering into the discussion.
- Reinforcing ground rules and intervening when necessary.
- Making amendments to the Report based on consensus and general Validation of paragraphs.

The second day of the event commenced with a brief opening by Mr Karamo Jawara, setting the stage for the continuation of the discussions by the moderator.

Prof. Omotor provided a recap of the discussions and agreements from the previous day. This helped participants refresh and refocus and ensured the discussions remained on track.

The comprehensive review of the Roadmap Report continued on the second day, with a detailed analysis page by page. This thorough examination ensured that all stakeholders had the opportunity to contribute and provide feedback.

As the discussions concluded, Prof. Omotor summarised the document and the Report's revisions. This summary provided a clear overview of the key points discussed and the changes made to the Roadmap Report. To ensure that the document had the collective approval of the Stakeholders, they were allowed to affirm the revised Roadmap Report as the accepted version, dated 5 December 2023. Stakeholders unanimously affirmed the Roadmap Report as the revised and accepted version dated 5 December 2023, signifying the culmination of their

collective efforts and contributions.

Key stakeholders were invited to provide concluding statements, sharing their insights and perspectives on the exercise and the Roadmap. Dr. Zakaria Issahaku thanked all participants for their active participation and contributions throughout the two-day event. He also provided an overview of the next steps. He informed the participants that the affirmed Report would be forwarded to the African Development Bank (AfDB) and, after that, to the project country (Gambia) representative.

The event concluded with presenting the Exit Report to the Central Bank Governor, represented by Mr Karamo Jawara, and their representatives. According to the Governor, the Report would be an essential reference for the project's (Economic Policy) future actions and decisions and promised to ensure that the Roadmap is implemented with vigour in line with the government's aspiration and policy dictate.

In summary, the Focus Group Discussion and Validation Exercise on developing the Roadmap to a Local Currency Bond Market Roadmap was a productive and collaborative effort, resulting in a revised and accepted Roadmap Report. The insights and recommendations provided by the diverse group of stakeholders would play a pivotal role in shaping the project's direction and future actions.

1.6.14 Focus Group Discussion and Validation Exercise on Roadmap for Development, Conakry, Guinea, December 11-12, 2023

The two-day Focus Group Discussion and Validation Exercise took place on December 11th and 12th, 2023, at Noom Hotel, Conakry. The exercise was at the instance of the West African Monetary Institute (WAMI) as one of the milestones for the project.

The primary objective of this exercise was to gather stakeholders' perceptions about the project's intentions and the Roadmap for the Development of the Local Currency Bond Market. This Report comprehensively overviews the two-day event's proceedings, discussions, and outcomes.

Eighteen (18) participants from the Ministry of Economy and Finance, Guinea, and Commercial Banks. Others were from the West African Monetary Institute (WAMI) and the West African Institute for Financial and Economic Management (WAIFEM), the organisers.

The meeting was conducted in French language. After going through the document in French, line by line, Mr Tall translated it into English, where there were needs for clarifications.

The day 1 of the event commenced with an opening speech by Mr Souleymane Tall, the WAMI representative. In his speech, Mr Tall highlighted the

project's importance and emphasised the importance of the focus group discussion and validation exercise in achieving the project's goals.

Following the opening speech, Mr Tall introduced Prof. Douglass Omotor, Advisor to the West African Institute for Financial and Economic Management (WAIFEM), as the moderator and report presenter for the event. According to Mr Tall, Prof. Omotor's extensive experience in financial and economic matters made him well-suited for this role.

Mr. Hamzata Diakite, the Deputy Director of Debt Division/MEF/DND-APD, on behalf of the Director, Mr Thierno Ibrahima Bah, welcomed everyone to the validation and focus group discussion meeting. He reiterated the Ministry's appreciation to AfDB for the funding support and government commitment to the project's success.

Participants and stakeholders at the event introduced themselves, announcing their names and the organisations they represented. This step allowed a better understanding of the attendees' diverse perspectives and backgrounds.

Prof. Omotor provided an overview of the purpose and objectives of the focus group discussion and validation exercise. The key objectives included:

- Gaining stakeholders' perceptions about the project's intentions and the Roadmap.
- Summarising the Roadmap document and its findings.
- Presenting the Roadmap report page by page.
- Soliciting stakeholders' concerns, ideas, and suggestions for dealing with the Roadmap.

Prof. Omotor set the ground rules for the session, emphasising the importance of maintaining a respectful and productive discussion. The established rules included:

- Confidentiality of sources and officers who have access to the documents.
- Allowing each person to speak for themselves.
- Acknowledging that every perception is valid.
- Ensuring one person speaks at a time.
- Seeking permission for tape recording responses.

Mr Tall highlighted benchmarking visit recommendations from Cote d'Ivoire, which guided the review of Guinea's Roadmap Report on the Roadmap to the Development of the Local Currency Bond Market. These recommendations were a valuable reference for the discussion.

The heart of the exercise revolved around the detailed review of the Roadmap Report. Mr Amara Sacko led the participants page by page, while Prof. Omotor presented questions for discussion and

allowed time for questions, explanations, and debates based on legal documents, acts of parliament, and guidelines. Participants were encouraged to jot down ideas and points. The following strategies were employed to facilitate discussion:

- Keeping participants focused on the questions asked.
- Charting comments and responses.
- Clarifying points and asking for specific examples.
- Maintain objectivity and refrain from entering into the discussion.
- Reinforcing ground rules and intervening when necessary.
- Making amendments to the Report based on consensus and general Validation of paragraphs.

The second day of the event commenced with a brief opening by Mr Tall, setting the stage for the continuation of the discussions by the moderator.

Mr Tall provided a recap of the discussions and agreements from the previous day. This helped participants refresh and refocus and ensured the discussions remained on track. The comprehensive review of the Roadmap Report continued on the second day with a detailed page-by-page analysis. This thorough examination ensured that all stakeholders had the opportunity to contribute and provide feedback. Because the Banque Centrale de la République de Guinée (BCRG) was not represented, sections of the Report that required their input and clarifications were highlighted in yellow.

As the discussions concluded, Mr Tall summarised the document and the Report's revisions. This summary provided a clear overview of the key points discussed and the changes made to the Roadmap Report.

To ensure that the document had the collective approval of the stakeholders, they were allowed to review the document further with the BCRG representative, Mr Hamidou Barry. The revised version of the Roadmap Report had input from the BCRG and the Ministry of Economy and Finance Stakeholders unanimously affirmed the Roadmap Report as the revised and accepted version dated 20 December 2023, signifying the culmination of their collective efforts and contributions.

Key stakeholders were invited to provide concluding statements, sharing their insights and perspectives on the exercise and the Roadmap.

Mr Souleiman Tall thanked all participants for their active participation and contributions throughout the two-day event. He also provided an overview of the next steps, which involve sending the revised Report to the BCRG for their input and clearance. He informed the participants that the affirmed report

after the BCRG input would be forwarded to the African Development Bank (AfDB) and, after that, to the project country's (Guinea) representative.

The event concluded with the presentation of the Exit Report to the Director of Debt Division/MEF/DND-APD, represented by Mr. Hamzata Diakite and their representatives.

In summary, the Focus Group Discussion and Validation Exercise on developing the Roadmap to a Local Currency Bond Market Roadmap was a productive and collaborative effort, resulting in a revised and accepted Roadmap Report. The insights and recommendations provided by the diverse group of stakeholders would play a pivotal role in shaping the project's direction and future actions.

1.6.15 Focus Group Discussion and Validation Exercise on Roadmap for Development of Local Currency Bond Market for Sierra Leone, Freetown, Sierra Leone, December 14-15, 2023

The two-day Focus Group Discussion and Validation Exercise took place on December 14th and 15th, 2023, at the designated venue. The exercise was at the instance of the West African Monetary Institute (WAMI) for a validation exercise, one of the milestones undertaken for the project. The primary objective of this exercise was to gather stakeholders' perceptions about the project's intentions and the Roadmap for the Development of the Local Currency Bond Market. This Report comprehensively provides an overview of the two-day event's proceedings, discussions, and outcomes.

Fourteen (14) participants from the Public Debt Management Division (PDMD), Ministry of Finance, Sierra Leone, the Accountant General's Office, the Bank of Sierra Leone, and Representatives from three Commercial Banks. Others were from the West African Monetary Institute (WAMI) and the West African Institute for Financial and Economic Management (WAIFEM), who are the organisers.

The day 1 of the event commenced with an opening speech by Mr. Adama Djakite, the WAMI representative. In his remarks, Mr Djakite highlighted the project's importance and emphasised the importance of the focus group discussion and validation exercise in achieving the project's goals.

Following the opening speech, Mr Djakite introduced Prof. Douglass Omotor, Advisor to the West African Institute for Financial and Economic Management (WAIFEM), as the moderator and report presenter for the event. According to Dr Issahaku, Prof. Omotor's extensive experience in financial and economic matters made him well-suited for this role.

Mr Santigie Charles Conteh, the Deputy Director of the Public Debt Management Division (PDMD),

welcomed everyone to the validation and focus group discussion meeting. He reiterated the Ministry's appreciation to AfDB for the funding support and CBG's commitment to the project's success.

Participants and stakeholders at the event introduced themselves, announcing their names and the organisations they represented. This step allowed a better understanding of the attendees' diverse perspectives and backgrounds.

Prof. Omotor provided an overview of the purpose and objectives of the focus group discussion and validation exercise. The key objectives included:

- Gaining stakeholders' perceptions about the project's intentions and the Roadmap.
- Summarising the Roadmap document and its findings.
- Presenting the Roadmap report page by page.
- Soliciting stakeholders' concerns, ideas, and suggestions for dealing with the Road Map.

Prof. Omotor set the ground rules for the session, emphasising the importance of maintaining a respectful and productive discussion. The established rules included:

- Confidentiality of sources and officers who have access to the documents.
- Allowing each person to speak for themselves.
- Acknowledging that every perception is valid.
- Ensuring one person speaks at a time.
- Seeking permission for tape recording responses.

Prof. Omotor presented benchmarking visit recommendations from Nigeria and Ghana, which guided the review of Sierra Leone's Roadmap Report on the Roadmap to the Development of the Local Currency Bond Market. These recommendations were a valuable reference for the discussion.

The heart of the exercise revolved around the detailed review of the Roadmap Report. Prof. Omotor led the participants page by page, presenting questions for discussion and allowing time for questions, explanations, and debates based on legal documents, acts of parliament, and guidelines. Participants were encouraged to jot down ideas and points. The following strategies were employed to facilitate discussion:

- Keeping participants focused on the questions asked.
- Charting comments and responses.
- Clarifying points and asking for specific examples.
- Maintain objectivity and refrain from entering into the discussion.
- Reinforcing ground rules and intervening when

necessary.

- Making amendments to the Report based on consensus and general Validation of paragraphs.

The second day of the event commenced with a brief opening by Mr Santigie Charles Conteh, setting the stage for the continuation of the discussions by the moderator.

Prof. Omotor provided a recap of the discussions and agreements from the previous day. This helped participants refresh and refocus and ensured the discussions remained on track.

The comprehensive review of the Roadmap Report continued on the second day, with a detailed analysis page by page. This thorough examination ensured that all stakeholders had the opportunity to contribute and provide feedback.

As the discussions concluded, Prof. Omotor summarised the document and the Report's revisions. This summary provided a clear overview of the key points discussed and the changes made to the Roadmap Report. To ensure that the document had the collective approval of the Stakeholders, they were allowed to affirm the revised Roadmap Report as the accepted version, dated 15 December 2023. Stakeholders unanimously affirmed the Roadmap Report as the revised and accepted version dated 15 December 2023, signifying the culmination of their collective efforts and contributions.

Key stakeholders were invited to provide concluding statements, sharing their insights and perspectives on the exercise and the Roadmap.

Mr Djakite thanked all participants for their active participation and contributions throughout the two-day event. He also provided an overview of the next steps. He informed the participants that the affirmed Report would be forwarded to the African Development Bank (AfDB) and, after that, to the project country (Sierra Leone) representative.

The Exit Report was presented to the representative of the Minister of Finance, Mr Santigie Charles Conte, marking the event's conclusion. The Minister expressed his appreciation for the report, stating that it would serve as an essential reference for the bonds market's future actions and decisions in economic policy. He also pledged to ensure that the Roadmap is implemented with vigour and in line with the government's aspirations and policy dictates.

In summary, the Focus Group Discussion and Validation Exercise on developing the Roadmap to a Local Currency Bond Market was a productive and collaborative effort, resulting in a revised and accepted Roadmap Report. The insights and recommendations provided by the diverse group of stakeholders would play a pivotal role in shaping the project's direction and future actions

TABLES OF COURSE STATISTICS

TABLE 1.1: AGGREGATE DEPARTMENTAL COURSE STATISTICS

S/N	DEPARTMENT	NO. OF COURSES	DISTRIBUTION OF PARTICIPANTS BY COUNTRY										Central Banks	Ministry of Finance	Others	Private Sector
			The Gambia	Ghana	Liberia	Nigeria	S/Leone	Guinea	Others	Total	Gender					
											Male	Female				
1	FISCAL POLICY, DEBT MANAGEMENT AND REGIONAL INTEGRATION DEPARTMENT	16	148	97	45	96	49	0	0	435	292	143	86	266	83	0
2	FINANCIAL SECTOR AND PAYMENT SYSTEMS DEPARTMENT	12	29	69	32	63	42	1	97	333	205	128	260	5	65	3
3	RESEARCH AND MACROECONOMIC MANAGEMENT DEPARTMENT	8	38	104	13	60	26	0	0	241	155	86	139	55	0	47
4	GOVERNANCE AND INSTITUTIONAL DEVELOPMENT DEPARTMENT	8	34	39	47	55	58	0	0	233	118	115	94	25	112	2
5	BUSINESS DEVELOPMENT AND CONSULTANCY UNIT	17	46	21	68	40	63	68	0	306	202	104	97	147	46	16
	TOTAL	61	295	330	205	314	238	69	97	1548	972	576	676	498	306	68
	Percentage		19.1	21.3	13.2	20.3	15.4	4.5	6.3	100.0	62.8	37.2	43.7	32.2	19.8	4.4

TABLE 1.2: COURSE STATISTICS OF FISCAL POLICY, DEBT MANAGEMENT, AND REGIONAL INTEGRATION DEPARTMENT

S/N	ActivityTitle	DistributionOf ParticipantsBy Country										CentralBanks	Ministryof Finance	Others
		The Gambia	Ghana	Liberia	Nigeria	S/Leone	Guinea	Others	Total	Gender				
										Male	Female			
1	Ghana Debt Monitoringand ReportingMission by The World Bank (WB) and WAIFEM		42						42	33	9	4	27	11
2	LiberiaDebt Monitoringand ReportingMission by The World Bank (WB) and WAIFEM			21					21	17	4	2	17	2
3	WAIFEM RegionalE-LearningDiplomaCoursein FrenchLanguage	4	5	2		3			14	6	8	12	2	
4	JointWorld Bank/IMF/WAIFEMRegional Trainingon Developmentof Medium Term Debt Management Strategy(MTDS) and AnnualBorrowingPlan (ABP) forWest Africa	10	6	6	4	6			32	18	14	10	15	7
5	JointWorld Bank/WAIFEMSubnationalDebt ManagementPerformanceAssessment(SN DeMPA) Methodology				34				34	28	6		34	
6	Gambia Debt Monitoringand ReportingMission by The World Bank (WB) and WAIFEM	21							21	10	11	1	16	4
7	RegionalOnlineCourseon FiscalInstitutionsFiscal Disciplineand Strengtheningthe Managementof Fiscaland CreditRisks	3	11	5	8	10			37	21	16	15	20	2
8	RegionalCourseon PublicFinancialManagement(PFM) and Taxation	6	5		2				13	8	5	6	1	6
9	WAIFEM/GambiaNationalTrainingon Debt SustainabilityAnalysis(DSA)	42							42	29	13	2	36	4
10	WAIFEM/GambiaNationalTrainingon Medium-Term Debt ManagementStrategy(MTDS)	42							42	29	13	2	36	4
11	JointWorld Bank/WAIFEMRegional Trainingon Debt Monitoring/Reportingand Debt Transparency	5	10	3	7	5			30	20	10	9	13	8
12	WAIFEM/ComSecRegionalTrainingon using CommonwealthMeridianfor FiscalDebt Data CompilationReportingand Monitoring	1	3		22	3			29	23	6	4	7	18
13	JointWorld Bank/WAIFEMRegionalWorkshopon InternationalBond Issuance	5	4	3	8	2			22	14	8	5	10	7
14	ASLF/WAIFEM/COMSEC/MEFMI Seminar: "BuildingDebt Resiliencein Africaand the Launchof ASLF New Debt Guide"	4	3	2	5	3			17	11	6	5	9	3
15	RegionalOnlineCourseon EconomicIssuesin RegionalIntegrationAfricaContinentaFree Trade	5	8	3	6	2			24	14	10	7	11	6
16	Sierra Leone Debt Monitoringand ReportingMission by The World Bank (WB) and WAIFEM					15			15	11	4	2	12	1
	TOTAL	148	97	45	96	49	0	0	435	292	143	86	266	83
	Percentageof Total	34.0	22.3	10.3	22.1	11.3	-	-	100.0	67.1	32.9	19.8	61.1	19.1

TABLE 1.3: COURSE STATISTICS OF FINANCIAL SECTOR AND PAYMENTS SYSTEM DEPARTMENT

S/N	Activity Title	Distribution Of Participants By Country							Gender Distribution			Central Banks	Minor Fin & Plans	Other Public Sectors	Private Sector
		The Gambia	Ghana	Liberia	Nigeria	S/ Leone	Guinea	Other	Total	Male	Female				
1	Regional Course on Banking Supervision and Regulation Level 1	2	7	2	7	6	-		24	12	12	21	-	3	-
2	Regional Course on Microprudential and Macroprudential Regulation and Supervision	4	4	3	1	4			16	13	3	16			
3	Regional Course on Combating Money Laundering and Cyber Crimes in the Financial Services Industry	4	3	8	1	3			19	14	5	18		1	
4	Joint MEFMI/WAIFEM Virtual Regional Workshop on Strengthening the Role Deposit Insurers in Supporting Financial Stability	0	10	5	6	5		68	94	61	33	63		31	
5	Regional Course on Reserves Management, Level (Level II)	6	3		5	2			16	8	8	16			
6	Africtac west 2/WAIFEM Regional workshop on Improving Risk-Based Supervision Practices for Specialized Financial Institutions	3	5	3	3	3		3	20	10	10	18		2	
7	Regional Course on Financial Market Infrastructure and Payment Systems	3	6		2	6			17	9	8	13	2	2	
8	Regional Course on Banking Supervision and Regulation Level II	2	5	3	6	0									
9	Regional Course on International Financial Reporting Standards (IFRS)	0	5	0	0	0		10	15	9	6	5	3	4	3
10	Regional Online Course on Fintech, Artificial Intelligence (AI), Disruptive Technologies	3	3	8	26	6		6	52	36	16	46		6	
11	High Level Seminar on Climate-Related Financial Risk Regulation and Supervision for College of Supervisors of the West African Monetary Zone (CSWAMZ)	1	8	0	2	2	1	10	24	19	5	14		10	
12	WAIFEM/IMF Regional Course on Financial Soundness Indicators	1	10	0	4	5			20	8	12	14		6	
Total Number of Participants		29	69	32	63	42	1	97	317	199	118	244	5	65	3
Percentage		9.1%	21.8%	10.1%	19.9%	13.2%	0.3%	30.6%	100.0%	62.8%	37.2%	77.0%	1.6%	20.5%	0.9%

TABLE 1.4: COURSE STATISTICS OF RESEARCH AND MACROECONOMIC MANAGEMENT DEPARTMENT

S/N	Activity Title	Distribution Of Participants By Country							Gender Distribution			Central Banks	Ministries	Leg/Mass	Other public
		The Gambia	Ghana	Liberia	Nigeria	S/ Leone	Guinea	Others	Total	Male	Female				
1	Intermediate Modeling and Forecasting for Policy Analysis for Senior Economists and Directors of Research	3	16	8	8	8	0	0	43	37	6	25	6	0	12
2	Government Finance Statistics/Public Sector Debt Statistics	10	8	0	2	4	0	0	24	14	10	13	7	0	4
3	Econometric Methods for Policy Analysis	2	6	2	7	2	0	0	19	13	6	15	0	0	4
4	Exchange Rate Regimes and Policies	3	24	0	2	1	0	0	30	14	16	18	6	0	6
5	Monetary Policy Frameworks and Analytical Tools for Monetary Policy	3	4	2	23	4	0	0	36	17	19	16	16	0	4
6	IMF/WAIFEM Regional Course on Balance of Payments Statistics & International Investment Position Statistics	15	6	1	4	3	0	0	29	17	12	16	11	0	2
7	IMF/WAIFEM Regional Course on Monetary Policy	0	19	0	9	4	0	0	32	25	7	20	5	0	7
8	Currency Management and Forecasting	2	21	0	5	0	0	0	28	18	10	16	4	0	8
TOTAL		38	104	13	60	26	0	0	241	155	86	139	55	0	47
% PARTICIPATION		15.8%	43.2%	5.4%	24.9%	10.8%	0.0%	0.0%	100.0%	64.3%	35.7%	57.7%	22.8%	0.0%	19.5%

TABLE 1.5: COURSE STATISTICS OF GOVERNANCE AND INSTITUTIONAL DEVELOPMENT DEPARTMENT

S/N	Activity Title	Distribution Of Participants By Country							Gender Distribution			Central Bank	Minor Fin. & Planning	Other Public Sector	Private Sector
		The Gambia	Ghana	Liberia	Nigeria	S/ Leone	Guinea	Others	Total	Male	Female				
1	Virtual High Level Seminar on Corporate Governance and Regulatory Compliance	1	11	7	2	8	0	0	29	14	15	14	6	9	0
2	Course on Human Resource Analytics: Tools and Techniques for Effective Human Resource Decision Making	5	9	0	9	5	0	0	28	8	20	11	0	16	1
3	Course on Communication Skills and Team Building for Effective Organizational Development	6	4	3	16	5	0	0	34	22	12	11	1	22	0
4	Course on Effective Report Writing Skills and Presentation Techniques	6	4	13	6	5	0	0	34	18	16	20	1	13	0
5	Course on Retirement Planning, Personal Finance Management and Managing New Beginning	7	4	6	0	12	0	0	29	10	19	16	5	8	0
6	Virtual Regional Course on Procurement and Contract Management	0	1	14	6	13	0	0	34	19	15	5	2	26	1
7	Course on Developing Leadership and Management Skills for Middle-Level Officers & Senior Executives	7	6	1	1	8	0	0	23	12	11	15	1	7	0
8	Regional Course on Work Ethics and Productivity Enhancement for junior and Middle-Level Officers	2	0	3	15	2	0	0	22	15	7	2	9	11	0
TOTAL PARTICIPATION		34	39	47	55	58	0	0	233	118	115	94	25	112	2
PERCENTAGE SHARE OF PARTICIPATION		14.6%	16.7%	20.2%	23.6%	24.9%	0.0%	0.0%	100.0%	50.6%	49.4%	40.3%	10.7%	48.1%	0.9%

TABLE 1.6: COURSE STATISTICS OF BUSINESS DEVELOPMENT AND CONSULTANCY UNIT

S/N	Activity Title	Distribution Of Participants By Country							Gender Distribution			Central Bank	Minor Fin. & Planning	Other Public Sector	Private Sector
		The Gambia	Ghana	Liberia	Nigeria	S/ Leone	Guinea	Others	Total	Male	Female				
1	Course on Risk-Based Auditing, Governance and Operational Risk Management	0	7	2	0	3	0	0	12	10	2	9	0	3	0
2	Workshop on Liquidity Forecasting, Cash Management and Debt Management Strategy	0	0	20	0	0	0	0	20	15	5	12	8	0	0
3	Workshop on Commonwealth Meridian	0	0	17	0	0	0	0	17	13	4	6	11	0	0
4	Management Decision-Making and Big Data Analytics	0	8	0	0	2	0	0	10	8	2	7	0	0	3
5	Course on Designing and Implementing Policy, Project and Programme Evaluation System.	0	6	0	2	1	0	0	9	3	6	7	0	2	0
6	Course on Liquidity Forecasting, Cash Management and Debt Management Strategy	0	0	0	0	0	26	0	26	15	11	0	7	19	0
7	UNCTAD DMFAS COURSE	0	0	0	0	0	24	0	24	14	10	0	15	9	0
8	Course on Macroeconomic Management and Debt Sustainability	0	0	0	13	0	0	0	13	10	3	13	0	0	0
9	Report and Analysis of Expenditure Forecasting for Staff of the Federal Ministry of Finance	0	0	0	25	0	0	0	25	14	11	0	25	0	0
10	Liberia Validation Workshop	0	0	29	0	0	0	0	29	24	5	12	9	2	6
11	Workshop on Commonwealth Meridian	19	0	0	0	0	0	0	19	7	12	0	19	0	0
12	Course on Liquidity Forecasting, Cash Management and Debt Management Strategy	0	0	0	0	22	0	0	22	16	6	4	14	4	0
13	Workshop on Commonwealth Meridian	0	0	0	0	21	0	0	21	15	6	13	8	0	0
14	Course on Liquidity Forecasting, Cash Management and Debt Management Strategy	14	0	0	0	0	0	0	14	6	8	2	11	1	0
15	Gambia Validation Workshop	13	0	0	0	0	0	0	13	9	4	6	5	2	0
16	Guinea Validation Workshop	0	0	0	0	0	18	0	18	14	4	5	9	2	2
17	Sierra Leone Validation Workshop	0	0	0	0	14	0	0	14	9	5	1	6	2	5
Total Participation		46	21	68	40	63	68	0	306	202	104	97	147	46	16
% Share of Participation		15.0%	6.9%	22.2%	13.1%	20.6%	22.2%	0.0%	100.0%	66.0%	34.0%	31.7%	48.0%	15.0%	5.2%



ADMINISTRATION AND FINANCE DEPARTMENT

2.0 ADMINISTRATION AND FINANCE DEPARTMENT

2.1 ADMINISTRATION

2.1.1 Staff Training and Development

In line with the Institute's continuous commitment towards enhancing the capacity of its staff, staff of the Institute benefited from the following training programmes in Abuja in 2023 by Dianswift Konzult:

- Customer Relationship Management held on September 4-8 and September 11-15, 2023.
- Performance Management Excellence held on September 4-8, September 16-22, September 25-29 and October 16-20, 2023.
- Attaining Performance Management held on October 9-13, 2023.
- Some staff of the Institute benefited from the

following courses:

- Procurement and Contract Management (virtual) held from October 2-6, 2023 organised by the Governance & Institutional Dev. Dept.
- International Financial Reporting Standards (IFRS) in Accra, Ghana held from October 16-20, 2023 organised by the Financial Sector & Payment Systems Dept.

2.1.2 Assumption of Duties of New Staff

During the period, the following new members of staff assumed duty at the institute as indicated in Table 2.1.

Table 2.1: Names of New Staff

S/N	NAME	DATE OF ASSUMPTION	POSITION
1	Gabriel Yaw Asante	January 4, 2023	Senior Programme Manager, Financial Sector and Payments System Department
2	Juliet John	February 13, 2023	Administrative Assistant, Financial Sector and Payments System Department
3	Abu-Bakarr M. Fofanah	September 1, 2023	Human Resource Manager
4	Ibrahim M. Tanimu	September 1, 2023	Internal Auditor
5	Linda Beckley-Thomas	September 1, 2023	Library and Publications Manager

The interview for the positions of Human Resource Manager and Library and Publications Manager, took place on July 25, 2023 at the Bank of Sierra Leone in Freetown, Sierra Leone. Mr. Abu-Bakarr M. Fofanah was the successful candidate for the position of Human Resource Manager while Mrs. Linda Beckley Thomas was the most successful candidate for the position of Library and Publications Manager as recommended by the panel.

The interview for the position of Internal Auditor was conducted in Abuja, Nigeria and Mr. Ibrahim M. Tanimu was the most successful candidate out of a total of three (3) applicants.

2.1.3 Recruitment of New Director and Senior Programme Manager of Research and Macroeconomic Management Department

Two sets of interviews were conducted on December

21, 2023 for the positions of Director and Senior Programme Manager for Research and Macroeconomic Management Department. The interviews were held at the conference hall of the Bank of Ghana, Accra. Two successful candidates emerged; Dr. Christian R. K. Ahoritor from the Bank of Ghana (for the Director position) and Dr. Jamaladeen Abubakar from the Central Bank of Nigeria (for the Senior Programme Manager Position). The successful candidates were expected to assume duties on February 1, 2024.

2.1.4 Retirement and Elapse of Contract of Employment

After successfully serving the Institute for nine years, Dr. Joseph Okon Umoh, from the Federal Republic of Nigeria officially retired from service on April 11, 2023. He served the Institute as a Principal Programme Manager in the Research and

Macroeconomic Management Department for nine (9) years, one month and two days. For almost a decade, Dr. Umoh helped to shape courses run by the department. He also helped to increase the coverage of the Institute's journal, The West African Financial and Economic Review (WAFER).

During the period under review, the secondment period of the Director of Research and Macroeconomic Management Department (RMMD) elapsed. After having diligently served the Institute as the Director of RMMD, the secondment period ended on December 31, 2023. He served the Institute for five (5) years, 3 months and 16 days.

2.1.5 Renovation of Main Hostel Block and Replacement of Facilities

The Central Bank of Nigeria (CBN) magnanimously offered to renovate the Institute's main hostel block and replace the existing facilities (beds, fridges, curtains, television, etc.).

Work was still in progress and could be completed before the end of the third quarter.

In view of this, participants attending courses at the Institute's headquarters in Lagos were accommodated at another well-refurbished block allocated to the Institute by the CBN.

2.2 INTERNATIONAL RELATIONS

2.2.1 WAIFEM's Meeting with the African Legal Support Facility (ALSF), May 16, 2023

The Institute received a team from the African Legal Support Facility (ALSF) on May 16, 2023. The purpose of her visit was to strengthen the partnership arrangement between WAIFEM and ALSF with the view of organising joint training events and other publications. The ALSF is an international organization that provides legal advice and technical assistance in the negotiation of complex commercial transactions, creditor litigation and capacity building in African countries. It also develops and maintains related knowledge resources and publications.

2.2.2 WAIFEM Participated in the 2023 AACB Continental Seminar, Yaounde, Cameroon, May 15-17, 2023

The Institute participated at the 2023 AACB Continental Seminar on the theme: "Impact of Climate Change on African Food Security and Inflation: The Role of the Financial Sector in Financing Agriculture and Green Economy" which was hosted by the Banque des Etats de l'Afrique Centrale (BEAC) in Yaounde, Cameroon, from May 15-17, 2023.

2.2.3 Spring Meetings of the IMF and the World Bank, Washington, DC, USA, April 10-16, 2023

WAIFEM had fruitful meetings with the Statistics Department and the Institute for Capacity Development (ICD) both IMF, during the Spring Meetings of the IMF/World Bank held in Washington DC. The meeting with the Statistics Department resulted in an agreement for the joint execution of some courses in 2023 and 2024, namely:

- Course on Government Finance Statistics (May 15 - 26, 2023)

- Course on Compilation Basics for Macroeconomic Statistics (CBMS) (July 17 - 21, 2023)
- Course on Monetary and Financial Statistics (Introduction), 2023
- Course on Balance of Payments Statistics (September 18 - 29, 2023)
- Course on Cross Border Position Statistics (CBPS) (2024)
- Course on High-Frequency Indicators of Economic Activity (2024)
- Course on Financial Soundness Indicators (2024).

During the meeting with ICD, both institutions agreed to collaborate to execute these courses:

- i. Course on Model-Based Monetary Policy Analysis, 2023
- ii. DDT course on debt and fiscal sustainability, 2023, and
- iii. Course on Macroeconomic Diagnostics (MDS), 2024.

2.2.4 The 2023 Annual Meetings of the African Development Bank (AfDB) Group, Sharm El Sheikh, Egypt, June, 2023

The Institute participated in the 2023 Annual Meetings of the African Development Bank (AfDB) Group held at the Egyptian city of Sharm El Sheikh. The AfDB meetings are usually forum for knowledge dissemination among high-level decision-makers in Africa, key officials of bilateral and multilateral Development Agencies, leading academics and representatives of non-governmental organizations, civil society, and the private sector. The knowledge

events organised by the Bank included:

- i. Presidential Dialogue on the theme: “The Changing Global Financial Architecture and the Role of MDBs”.
- ii. High-Level Plenary Knowledge Event: Launch of the African Economic Outlook 2023 on the theme: Mobilizing Private Sector Financing for Climate and Green Growth in Africa. In addition, there were 3 thematic knowledge events covering the following themes:
 - Thematic Knowledge Event 1: Leveraging innovative financing instruments to crowd-in private climate investments in Africa.
 - Thematic Knowledge Event 2: Harnessing natural capital to finance climate and green growth in Africa.
 - Thematic Knowledge Event 3: Key Actions to Achieve Inclusive Growth and Sustainable Development in Africa.

2.2.5 WAIFEM Participated in the 10th Steering Committee Meeting of AFRITAC West 2 (AFW2), The Gambia, June 19-20, 2023

The Institute attended the 10th Steering Committee Meeting of AFRITAC West 2 (AFW2) held at the Sir Dawda Kairaba Jawara International Conference Centre in The Gambia, on June 19 - 20, 2023.

The meeting was chaired by Hon. Mr. Buah Saidy, Governor of the Central Bank of The Gambia. He provided information on the execution of the AFRITAC West-2 work program and budget, key achievements during fiscal year (FY), as well as priorities and strategies for the 2024 fiscal year. In addition, during the meeting there was panel discussion on supporting the region in confronting climate change as well as presentations on preliminary results of the mid-term evaluation of the centre. Presentations were also made on AFW2's budget and financing gap for Phase II as well as a breakout session to strategize for the next financing phase III (2024-2029).

The meeting concluded with Cabo Verde accepting to host and chair the 11th Steering Committee Meeting in June 2024.

2.2.6 WAIFEM Participated in the Annual Meetings of the IMF and the World Bank, Marrakesh, Morocco, October 5-19, 2023

WAIFEM had fruitful meetings with the Statistics Department and the Institute for Capacity Development (ICD), both of the IMF, during the

Annual Meetings of the IMF/World Bank held in Marrakesh, Morocco from October 5 - 19, 2023. The meeting with the Statistics Department of the IMF resulted in an agreement for the joint execution of the course on High-Frequency Indicators of Economic Activity during the first quarter of 2024 and Cross Border Statistics during the year.

During the meeting with ICD, both Institutions agreed to collaborate in organising one programme (Macroeconomic Diagnostics) to be held in 2024. The date and venue of the course were to be decided.

In the light of climate change, there were discussions on the impact of climate change on economic and financial policies and other key emerging issues on climate change that were country-specific and how benefits from climate finance could be accessed.

WAIFEM also had the opportunity to attend the seminar facilitated by the MEFMI on how fiscal challenges impact the banking sector as it related to risk assessment, regulation, and macroeconomics.

2.2.7 The United Kingdom Overseas Development Institute (ODI) Public Finance Conference on “Navigating the Policy Crisis”, London, United Kingdom, September 26-29, 2023

WAIFEM participated in the above-stated conference and made a presentation at the ODI's 2023 Public Finance Conference held in London, United Kingdom. The conference examined the trade-offs facing finance ministries as they navigate this 'poly-crisis', drawing on the latest research and international experiences. Participants were guided on macro-fiscal policy-making and shared lessons from managing the fiscal squeeze. The discussions were held on short-term stabilisation needs that could balance against the longer-term challenges of tackling income inequality and the climate crisis. WAIFEM's presentation centred on managing public resources for development outcomes. The presentation pointed out that public finance, fiscal policy and government budgets were among countries' most important policy tools for promoting development. The presentation also revealed that how governments raise and spend public resources have an impact on most aspects of a country's development, from economic growth to income distribution, and from service delivery to crisis response. The prevention revealed that harnessing the powers to tax and spend, in the pursuit of positive development outcomes, is one of the key challenges and responsibilities facing governments over the world.

2.2.8 ALSF/WAIFEM/COMSEC/MEFMI Training Seminar: "Building Debt Resiliency in Africa and the Launch of the ALSF New Debt Guide", Nairobi, Kenya, November 13-15, 2023

With the support of the Bill & Melinda Gates Foundation, WAIFEM participated in the above-named seminar and the launch of the African Legal Support Facility (ALSF) New Debt Guide. The seminar took place at the Radisson Blu Hotel, Nairobi Upper Hill, Elgon Road, Nairobi County, Kenya. 12 participants from the WAIFEM member countries (specifically, from DMOs, Ministries of Finance, Central Banks, Attorney General Chambers and other government institutions involved in debt management) benefited from the seminar. At the end of the seminar, the ALSF New Debt Guide was launched to assist debt managers.

2.2.9 Bereavement

On Tuesday, 14th November, 2023 the Institute lost Mrs. Esther Uduak Nwosu, Head of Stress takers Enterprise, which provided catering services to staff and participants at its training programmes. She was

laid to rest on Thursday, 21st December, 2023. WAIFEM was represented at her funeral by some senior and junior staff. The Institute commiserated with the bereaved family.

2.2 Outlook for the First Half of 2024

WAIFEM will continue to foster close collaboration with development partners, including the joint organisation of training programmes with the IMF, World Bank, AFRITAC West2, African Training Institute (ATI) and Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) to promote cost-effectiveness in service delivery. Discussions with the African Legal Support Facility of African Development Bank (AfDB), the African Capacity Building Foundation (ACBF), and GIZ to fund programmes on emerging issues in macroeconomic management, governance/ leadership and debt management will continue. WAIFEM is hopeful that these will materialise in 2024. The Institute will continue to execute face-to-face training programmes and use the Hybrid (Blended Learning) format where feasible.



WAIFEM MEMBER COUNTRIES ECONOMIC REPORTS

3.0 WAIFEM COUNTRIES ECONOMIC REPORTS

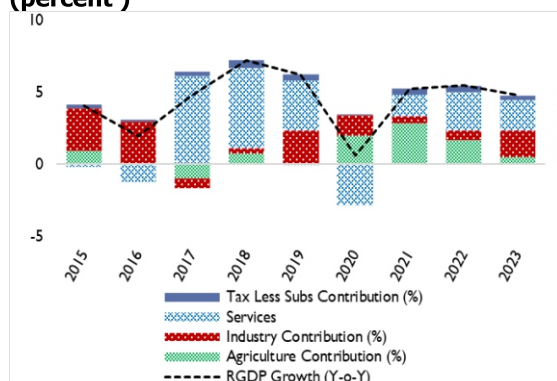
3.1 THE GAMBIA: MACROECONOMIC DEVELOPMENTS IN 2023

3.1.1 Real Sector Developments

The Gambian economy exhibited remarkable resilience in 2023 amid the challenging global environment and tight monetary policy to fight price pressures. Preliminary data from the Gambia Bureau of Statistics (GBoS) indicated that economic growth expanded by 4.8 percent in 2023 consistent with the estimates of the World Bank, compared to a revised growth of 5.5 percent in 2022.

On the demand side, growth during the year was supported by both public and private consumption as well as investments. Furthermore, the continues improvement in capital investment and labour availability bolstered growth on the supply side.

Chart 3.1.1: Contribution to real GDP growth (percent)



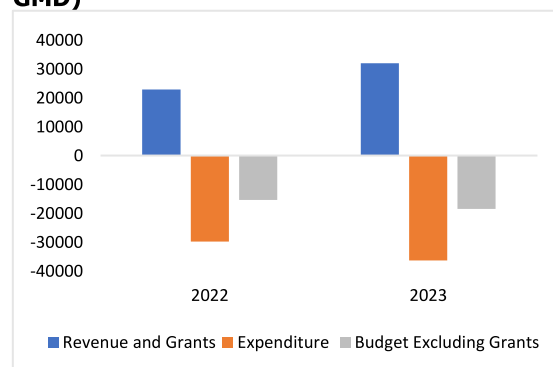
Source: CBG

The growth outlook is positive, as CBG staff forecast real economic growth to accelerate to 5.7 percent in 2024, predicated on sustained improvement in macroeconomic management, public investment spending, and full recovery of the tourism sector.

3.1.2 Fiscal Developments

The Gambia government's fiscal position deteriorated in 2023 compared to the previous year, due mainly to spending pressures. The increasing spending pressure is largely attributed to the surge in capital expenditure owing to infrastructure developments. Meanwhile, both recurrent and capital expenditures increased during the year. Domestic revenue, comprising tax and non-tax revenues, rose by 22.8 percent that is D17.8 billion (12.4 percent of GDP) in 2023, from D14.5 billion (11.8 percent of GDP) a year ago.

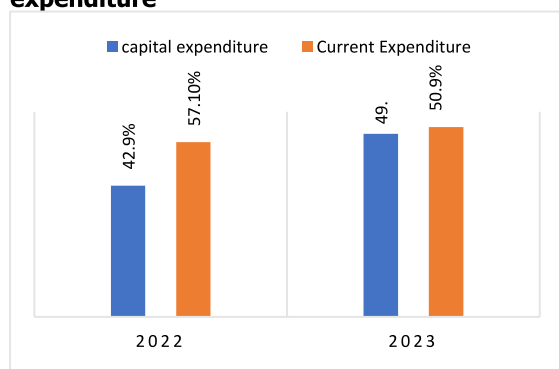
Chart 3.1.2: Fiscal outturn in 2023 (millions of GMD)



Source: CBG

The increase in the domestic revenue was mainly attributed to an increase in both tax and non-tax revenue. Grants during the period under review also increased remarkably by 68 percent to D14.1 billion (9.4 percent of GDP) in 2023, from D8.4 billion (6.9 percent of GDP),

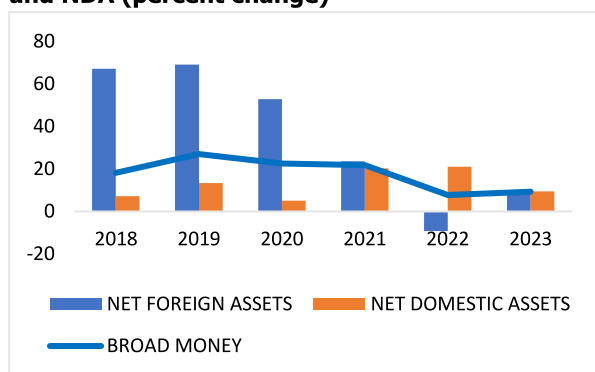
Total expenditure and net lending between 2022 and 2023 increased by 21.8 percent, that is D36.3 billion (25.3 percent of GDP), from D29.8 billion (24.3 percent of GDP). The overall budget deficit (excluding grants) widened to D18.5 billion (12.9 percent of GDP) in 2023, from D15.3 billion (12.5 percent of GDP) a year ago. The basic and primary balance deficits narrowed during the period under review. The deficit in the basic balance, which excludes grants and externally financed project spending, decreased from D5.2 billion (4.2 percent of GDP) in 2022, to 3.4 billion (2.35 percent of GDP) at end of year 2023. Moreover, the primary balance improved to 345.1 million (0.2 percent of GDP) in 2023 from D2.5 billion in the previous year. The budget deficit was financed from both domestic and external sources. The government's domestic debt rose by 8.4 percent to D41.3 billion (29.4 percent of GDP) in 2023, from D38.1 billion (31.7 percent of GDP) in 2022. This increase was explained mainly by the increased issuance of Treasury bills and medium-term government bonds to settle maturities and finance the budget.

Chart 3.1.3: Government capital and recurrent expenditure

Source: CBG

3.1.3 Monetary Developments

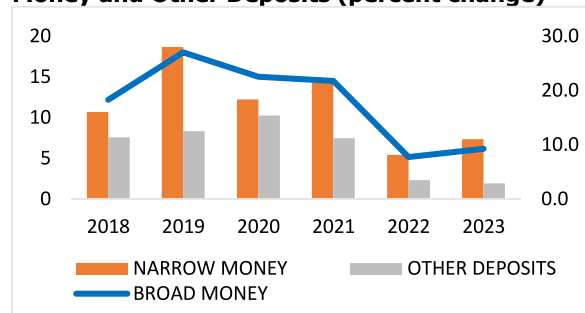
After experiencing a notable deceleration in 2022, attributed to the contraction in the net foreign assets (NFA) of the depository corporations (Central bank and commercial banks), annual money supply growth rebounded in 2023. However, the pace of credit expansion in the economy decelerated amid the tight monetary policy to combat high inflation. Annual money supply grew by 9.3 percent in December 2023, higher than the 7.7 percent reported in the same period a year ago. The stock of NFA of the depository corporations rebounded from a contraction of 9.3 percent in 2022 to a growth of 8.8 percent in 2023. This growth was fueled by the increases in both the NFA of the Central Bank and other depository corporations, after benefiting from the improvement in foreign currency liquidity supply conditions. The net domestic assets (NDA) of depository corporations remained the primary source of liquidity injection in the banking system. As of the end of December 2023, NDA of depository corporations stood at D44.7 billion, representing a growth of 9.5 percent (year-on-year). This represents a much slower annual growth than 21.1 percent recorded a year ago, mirroring the slowdown in the pace of credit expansion in the economy.

Chart 3.1.4: Drivers of money supply, NFA and NDA (percent change)

Source: CBG

Growth in annual reserve money continued to accelerate, increasing to 14.1 percent in December

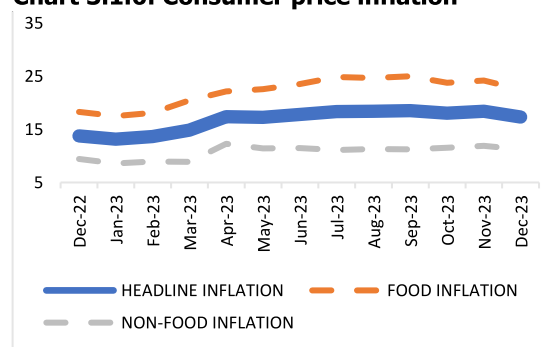
2023, following a contraction of 0.9 percent recorded in the comparable period in 2022.

Chart 3.1.5: Drivers of money supply, Narrow Money and Other Deposits (percent change)

Source: CBG

3.1.4 Price Developments

Throughout the year, price pressures were generally elevated due to a confluence of domestic and international factors, causing headline inflation to diverge significantly from the Central Bank's implicit medium-term target of 5 percent. Data from the Gambia Bureau of Statistics (GBoS) indicates that headline inflation, as measured by the Consumer Price Index (CPI), surged to 17.3 percent in December 2023. This represents a significant increase from the 13.7 percent recorded in the same period the previous year. The sharp rise in inflation was driven by imbalances in supply and demand dynamics, imported cost factors, structural adjustments in energy prices, and the depreciation of the domestic exchange rate.

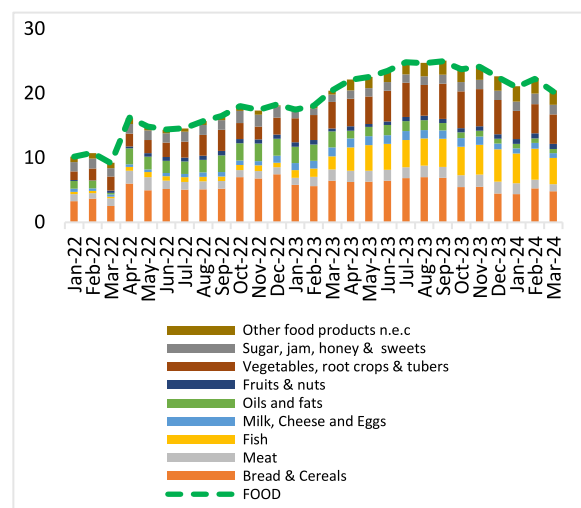
Chart 3.1.6: Consumer price inflation

Source: GBoS, CBG staff calculation

Food inflation was the main driver of the overall inflationary trend, rising by 4.2 percentage points to a substantial 22.5 percent in December 2023. This significant increase in food inflation was attributed to notable price hikes in key food sub-categories, particularly fish, imported food items, vegetables, non-alcoholic beverages, and meat. Simultaneously, Non-food inflation also experienced a notable rise, reaching 11.2 percent in December 2023, up from 9.4 percent in the same period the previous year. This increase in non-food inflation is primarily due to significant price increases in textiles and electricity tariffs. In addition, both core inflation measures showed an upward trend. Core 1 inflation, which

excludes energy and utility prices, accelerated to 20.8 percent by December 2023, up from 19.8 percent in December 2022. Meanwhile, Core 2 inflation, which also excludes volatile food items, rose more modestly to 19.2 percent in December 2023, compared to 18.8 percent in the same period in 2022.

Chart 3.1.7: Contributions to food inflation (percent)



Source: GBoS, CBG staff calculation

3.1.5 Developments in the Banking Sector

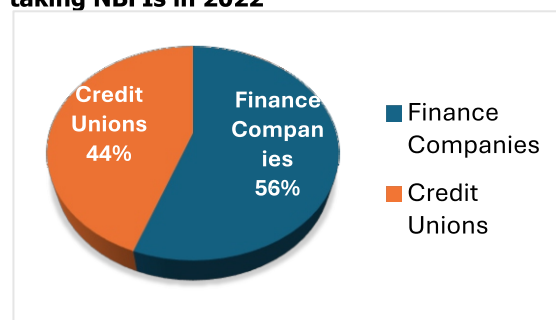
The banking industry remained strong and stable with healthy financial soundness indicators during the period under review. The industry risk-weighted capital adequacy ratio stood at 28.6 percent in December 2023, compared to 24.4 percent reported in December 2022. All banks were within the regulatory requirement of 10 percent. The banking sector liquidity ratio increased to 82.3 percent in December 2023, from 63.7 percent reported in December 2022. Customer deposits, the main source of funding for banks, increased by 8.7 percent (year-on-year) to D58.7 billion in December 2023 and accounted for about 67.9 percent of total liabilities. The industry's asset quality continues to improve, with the non-performing loans declining from 4.6 percent of gross loans reported in December 2022 to 3.3 percent recorded in December 2023.

3.1.6 Developments in the Non-Bank Financial Sector

The non-bank financial sector continued to grow, providing the much needed financial services to low-income groups and informal sector of the economy. As at December 2023, a total of 7 licensed Finance Companies (FCs) operated in the country, comprising 5 conventional microfinance institutions and 2 Islamic microfinance institutions. The 7 institutions dominated 50.9 percent of the total assets of deposit-taking NBFIs. The FCs maintained sound financial indicators in most of the key regulatory requirements including capital and liquidity positions. The risk-

weighted capital adequacy ratio recorded 28 percent at end-December 2023, above the 20 percent minimum regulatory requirement. The liquidity ratio declined to 66 percent in December 2023 from 76 percent a year ago, both remained above the 30 percent regulatory benchmark. However, asset quality of FCs stood at 8 percent of gross loans as at end-December 2023, slightly above the 5 percent benchmark for profitable MFIs. The total assets of the 7 FCs stood at D3.8 billion as at end-December 2023 compared to D3.0 billion a year ago. Total deposits grew by 25 percent to D2.7 billion in December 2023 from D2.1 billion a year ago, due to a rise in savings and customer base. Notwithstanding, deposit mobilization remained the primary source of funding for NBFIs in The Gambia.

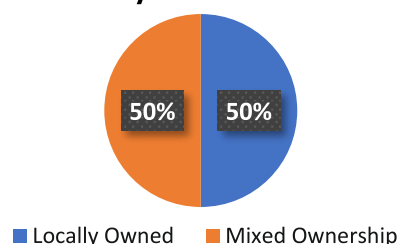
Chart 3.1.8: Asset distribution of deposit-taking NBFIs in 2022



Source: CBG

The insurance sector continued to function smoothly with significant improvement in the sector's asset base. As of December 2023, there were 13 (thirteen) insurance companies and 9 (nine) insurance brokerage firms operating in the Gambia. Ten (10) of the insurance companies including two Takaful/Islamic operators underwrite general insurance or short-term business (non-life) only and the remaining 3 (three) including a family takaful underwrite life or long-term insurance. Total industry assets increased by about 17 percent or D166million to stand at D1.1billion. On the other hand, total liabilities increased by 15 percent or D71 million to D525 million in 2023. As a result, the net worth of the industry (expressed as net asset/shareholders' funds) expanded by 20 percent from D486 million to D582 million in the respective periods. Out of the D1,106 million total industry assets, non-life (short-term) insurance constituted D793 million or 71 percent whilst Life and long-term business constituted D313million or 29 percent.

Chart 3.1.9: Ownership structure of the insurance industry

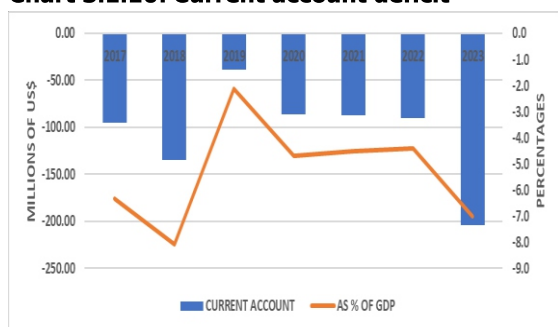


Source: CBG

3.1.7 External Sector and Exchange Rate Developments

The overlapping exogenous shocks of the COVID-19 pandemic, the Ukraine war and the conflict in the Middle East continued to weigh on The Gambia's balance of payments position. The current account deficit deteriorated to US\$204.1 million (7.0 percent of GDP) in 2023, from a deficit of US\$90.3 million (4.4 percent of GDP) in 2022. The stock of gross official reserves as at end-December 2023 stood at US\$476.08 million (6.8 months of prospective imports of goods and services), compared to US\$454.7 million (6.5 months of gross import cover) at the end of 2022.

Chart 3.1.10: Current account deficit



Source: CBG

The foreign exchange market remained vibrant with stable activity volumes. The cumulative volume of transactions in the domestic foreign exchange market in 2023 stood at US\$2.0 billion, slightly lower than the US\$2.5 billion in 2022.

Table 3.1.1: FX market activity volumes (millions of USD)

PERIOD	PURCHASES (Supply) US\$	SALES (Demand) US\$	MARKET TURN OVER US\$
2017	678,160	669,090	1,348,250
2018	973,474	983,371	1,956,845
2019	1,099,537	1,099,001	2,198,538
2020	1,074,923	1,099,495	2,174,419
2021	1,265,016	1,266,137	2,531,153
2022	1,222,333	1,259,500	2,481,833
2023	970,555	982,353	1,952,908

Source: CBG

Total remittance inflows increased by 3.5 percent in 2023 to stand at US\$737.1 million. The increase in private remittances and significant inflows from grants helped ease foreign currency supply conditions and considerably supported the stability of the dalasi during the review period. As a result, the dalasi depreciated modestly against the major trading currencies. It depreciated year-on-year against the US dollar by 5.7 percent, Euro by 10.1 percent, GBP by 10.4 percent and CFA by 12.6 percent.

Table 3.1.2: Remittance dynamics

PERIOD	INFLOWS (US\$)	OUTFLOWS (US\$)	NET INFLOWS (US\$)
2019	329,793,948.77	9,496,441.38	320,297,507.39
2020	589,809,699.51	10,546,049.25	579,263,650.26
2021	776,432,989.42	15,443,651.39	760,989,338.03
2022	712,454,303.00	15,186,918.00	697,267,385.00
2023	746,802,415.33	25,283,761.23	721,518,654.10

Source: CBG

Table 1.1.3: Selected macroeconomic indicators

Indicators	2016	2017	2018	2019	2020	2021	2022	2023
<i>Annual percent change, unless otherwise stated</i>								
National Income								
Real GDP	1.9	4.8	7.2	6.2	0.6	5.3	5.5	4.8
Nominal GDP (GMD billions)	64.39	70.14	80.45	90.79	93.33	105.49	121.09	146.70
Consumer price index (end-of-period)								
Overall	7.9	6.9	6.4	7.7	5.7	7.6	13.7	17.3
Food	8.7	7.3	6.4	7.7	7.0	10.2	18.3	22.5
Non-food	6.5	6.3	6.5	7.7	4.4	4.9	9.4	11.3
Exchange rate (end-of-period)								
GMD/USD	43.9	47.9	49.5	51.1	51.6	52.6	60.81	64.30
GMD/GBP	55.6	63.7	63.1	66.8	68.5	70.1	73.45	81.08
GMD/euro	46.9	56.6	56.9	57.1	61.9	60.6	64.05	70.50
GMD/CFA (5000)	377.1	416.2	418.0	418.5	440.93	478.14	456.51	514.05
Money and credit								
Reserve Money	25.2	22.6	16.5	17.2	33.9	13.6	-0.9	14.1
Broad Money Supply (M2)	15.3	20.9	20	27.1	22	19.5	7.1	8.8
Claims on government, net	22.1	3.1	7.4	6.0	6.5	21.5	13.2	-4.7
Credit to the private sector	-12.3	-1.2	32.9	35.8	0.8	20.7	25.0	11.7
Real credit to the private sector	-18.7	-7.6	24.9	26.1	-4.6	12.2	9.9	-4.7
Interest Rates (percent)								
Monetary policy rate	23	15	13.5	12.5	10	10	13	17
91-day treasury bill rate	13.7	5	5.1	2.2	2.8	0.7	9.5	3.2
182-day treasury bill rate	16.3	5.5	7.0	4.98	5.0	0.7	10.6	5.1
365-day treasury bill rate	17.7	6.7	9.5	7.4	7.3	1.6	12.6	7.6
Average lending rate	21.6	21.5	21.5	21.5	19	14.5	15.0	19.5
Average 3-month deposit rate	10.3	9.1	5.5	5.5	2.8	2.5	2.5	3.3
External Sector								
Current account (US\$ millions)	-76.1	-95.2	-135	-135	-86.6	-86.9	-90.3	-204.1
Current account (% of GDP)	-5.7	-6.9	-8.4	-8.4	-5.0	-5.3	-4.6	-7.0
Exports FOB (USD millions)	91.2	139.4	157.7	157.7	70.1	32.9	51.6	286.6
Imports FOB (USD millions)	-310.5	-470	-579.1	-579.1	-581.8	-607.4	-694.0	-1226.9
Gross international reserves	60.1	143.96	157.14	157.14	352	530.4	454.73	476.1
Months of imports cover	1.5	3.6	3.9	3.9	4.9	7.1	6.5	6.8
Government Budget (percent of GDP)								
Domestic Revenue	12.1	11.5	12.7	12.7	12.6	14.3	11.8	12.4
Grants	1.1	8	5.8	5.8	8.0	4.2	6.9	8.1
Total Expenditure	19.9	24.2	24.5	24.5	24.0	24.2	24.3	24.3
Overall Balance	-6.7	-4.8	-6	-6	-3.4	-6.2	-5.7	-3.8

Source: CBG, MoFEA & GBoS

3.2. GHANA: MACROECONOMIC DEVELOPMENTS IN 2023

3.2.1 Real Sector Developments

Data released by the Ghana Statistical Service pointed to a real GDP of 2.9 percent in 2023, driven by the services and agriculture sectors. Although

growth moderated in 2023 from the previous year's outturn of 3.8 percent, it turned out better than the revised target of 2.3 percent.

Table 3.2.1: Ghana - Real Gross Domestic Product Growth Rate (percent)

SECTORS	2019	2020	2021	2022	2023
AGRICULTURE	4.7	7.3	8.5	4.2	4.5
INDUSTRY	6.4	-2.5	-0.5	0.6	-1.2
SERVICES	7.6	0.7	9.4	6.3	5.5
Real GDP Growth Rate (Including Oil)	6.5	0.5	5.1	3.8	2.9
Real GDP Growth Rate (Excluding Oil)	5.8	1.0	6.6	4.7	3.3

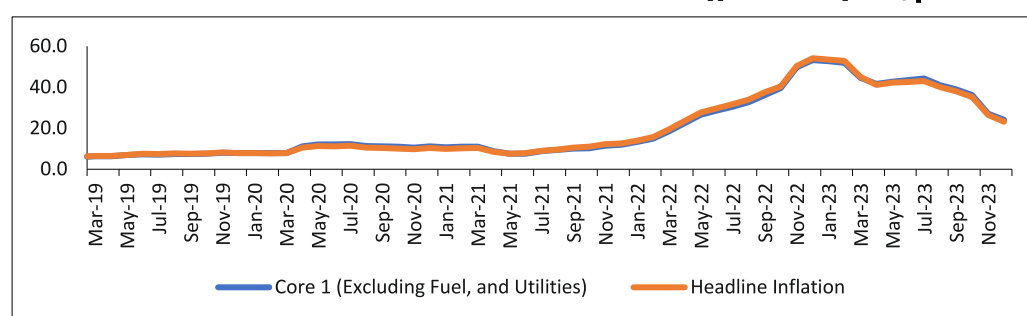
Source: Ghana Statistical Service

The services sector contributed 2.3 percent to real GDP growth, largely driven by strong activity in the information & communications, and the transport and storage sub-sectors. The agricultural sector contributed 0.9 percent with crops and livestock production supporting growth in that sector. Activity in the industrial sector was sluggish and acted as a drag on the overall growth, recording a negative contribution of 0.4 percent, due to lower oil production in 2023. In terms of sectoral growth, the services and agriculture sectors grew by 5.5 percent and 4.5 percent, respectively, while industry

contracted by 1.2 percent. Non-oil GDP grew by 3.3 percent in 2023, compared to 4.7 percent in 2022 (Table 3.2.1).

Domestic headline inflation declined sharply to 23.2 percent in December 2023 from 54.1 percent in December 2022. The decline was on the back of a tight monetary policy stance, relatively stable exchange rate, and improved liquidity sterilisation. Food inflation decelerated sharply by 31 percentage points within the review year to 28.7 percent in December 2023, down from 59.7 percent in December 2022.

Chart 3.2.1: Ghana - Core vs Headline Inflation (year-on-year, percent)



Source: GSS and Bank of Ghana Staff Computation

Similarly, non-food inflation dropped significantly by 31.2 percentage points to 18.7 percent in December 2023 from 49.9 percent in December 2022. Underlying inflationary pressures also eased significantly in 2023.

The Bank's core inflation measure, which excludes the cost of energy and utilities, declined to 24.2 percent in December 2023, down from 53.2 percent in 2022.

3.2.2 Monetary and Financial Developments

In 2023, the Monetary Policy Committee (MPC)

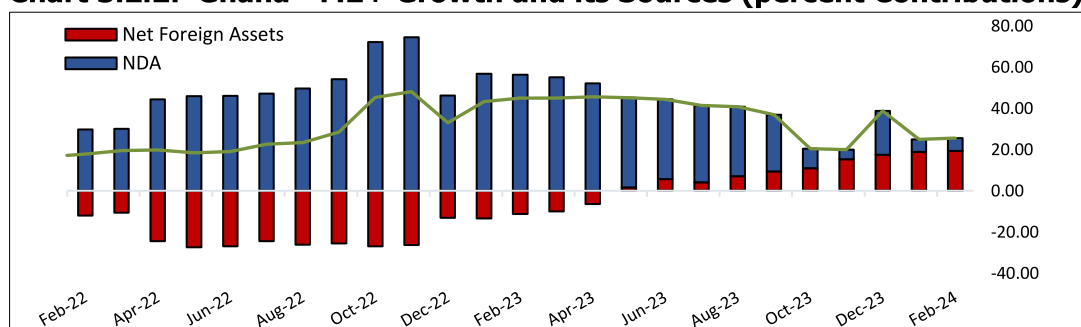
decisions were influenced mainly by the elevated headline inflation levels amid heightened inflationary pressures. This necessitated a tight monetary policy stance to deal with aggregate demand pressures and re-anchor inflation expectations. The Monetary Policy Rate (MPR) was consequently adjusted upward in the year by 300 basis points to 30.0 percent.

Developments in monetary aggregates for December 2023 showed a year-on-year growth in M2+ relative to the corresponding period of 2022, driven by an expansion in the Net Domestic Assets (NDA) and the

Net Foreign Assets (NFA) of depository corporations. Annual growth in M2+ increased to 38.7 percent in December 2023, relative to 33.0 percent in the corresponding period of 2022. The contribution of NDA to the growth of M2+ decreased to 21.3 percent from 46.2 percent, while that of NFA increased to 17.4 percent from negative 13.2 percent over the same comparative period. In terms of annual growth rates, NDA expanded by 20.1 percent in December 2023, relative to 48.9 percent in December 2022, while the

NFA expanded by 303.8 percent, relative to negative 237.0 percent over the same comparative period. The decrease in the contribution of the NDA to the growth of M2+ was mainly driven by increased OMO sterilisation, reflecting the tight monetary policy stance of the Central Bank. In addition, the Net Claims on Government (NCG) contracted marginally during the comparative period to depress the contribution of NDA in M2+ growth.

Chart 3.2.2: Ghana - M2+ Growth and its Sources (percent Contributions)



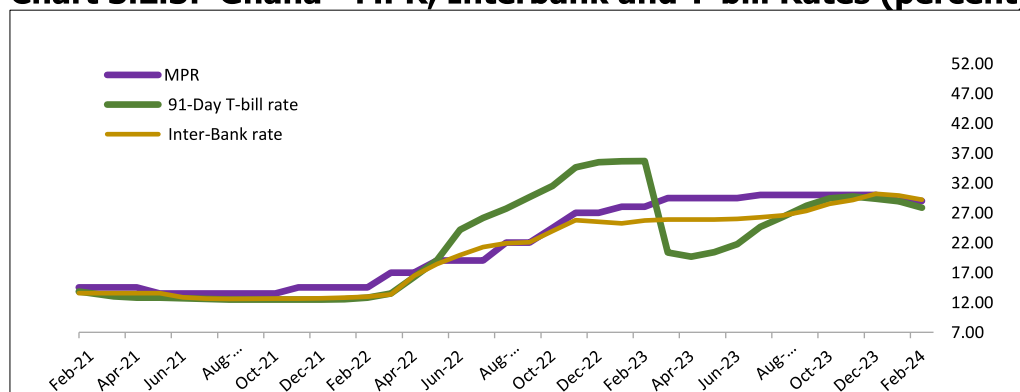
Sources: Bank of Ghana

Credit to the private sector and public institutions increased by GH¢7.0 billion (10.0 percent) in December 2023, compared to GH¢16.2 billion (30.2 percent) in December 2022. Credit to the private sector increased by GH¢6.81 billion (10.7 percent) in December 2023, compared to GH¢15,367.88 million (31.8 percent) recorded in the corresponding period of 2022. The slower growth in nominal credit to the private sector partially reflected banks' increased perception of risks associated with lending following the challenging macroeconomic conditions and the impact of the DDEP. In real terms, credit to the private sector contracted by 10.2 percent, relative to a 14.5 percent contraction recorded over the same comparative period in 2022.

On the money market, interest rates broadly trended

downward at the short end of the yield curve. The 91-day and 182-day Treasury bill rates decreased to 29.49 percent and 31.70 percent respectively, in December 2023, from 35.48 percent and 36.23 percent respectively, in the corresponding period of 2022 (Chart 3.2.3). Similarly, the rate on the 364-day instrument decreased to 32.97 percent in December 2023 from 36.06 percent in December 2022. 13. The interbank weighted average rate remained well-aligned within the policy corridor by the end of 2023. The weighted average rate increased to 30.19 percent in December 2023 from 25.51 percent in December 2022, in line with the monetary policy rate and supported by adjustments made in the cash reserve ratio. The average lending rates of banks eased marginally to 33.75 percent in December 2023 from 35.58 percent a year earlier.

Chart 3.2.3: Ghana - MPR, Interbank and T-bill Rates (percent)



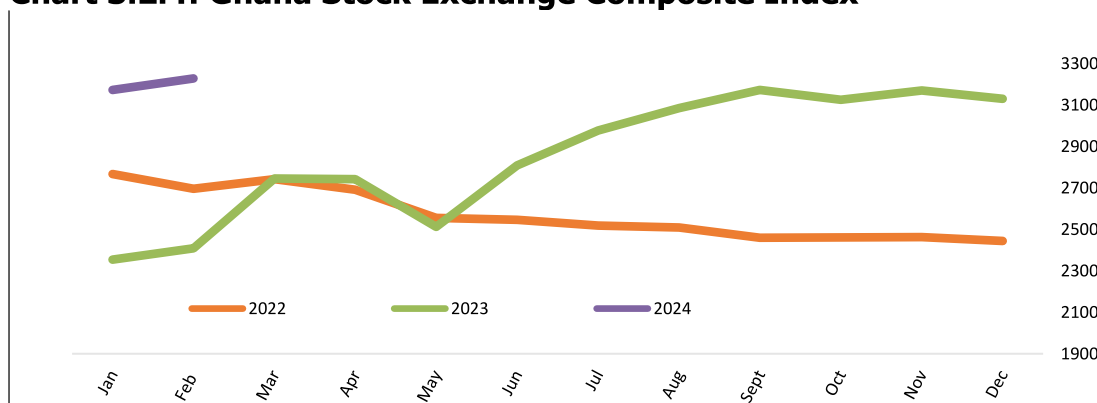
Sources: Bank of Ghana

3.2.3 Stock Market Developments

The Ghana Stock Exchange Composite Index (GSE-CI) increased to 3,130.23 points in December 2023, from 2,443.91 points recorded in the corresponding period of 2022 (Chart 3.2.4). This translated into a (year-on-year) gain of 28.1 percent in December 2023, compared to a loss of 12.4 percent in December 2022. The improved performance of the GSE-CI reflected a shift in the demand for equities during the review year, following the DDEP-induced adverse shocks to bond prices. Investor appetite for stocks was also reinforced by the relative stability in the exchange

rate in 2023. The main sectors that contributed to the gain recorded by the GSE-CI were food and beverages, manufacturing, distribution, and agriculture. Total market capitalisation of the GSE at the end of December 2023 was GH¢73.89 billion, representing 14.6 percent annual growth, compared with 0.02 percent growth in December 2022. The increase in market capitalisation was mainly driven by appreciation in share prices in the food and beverages, manufacturing, distribution, mining, IT, and the agriculture sectors.

Chart 3.2.4: Ghana Stock Exchange Composite Index



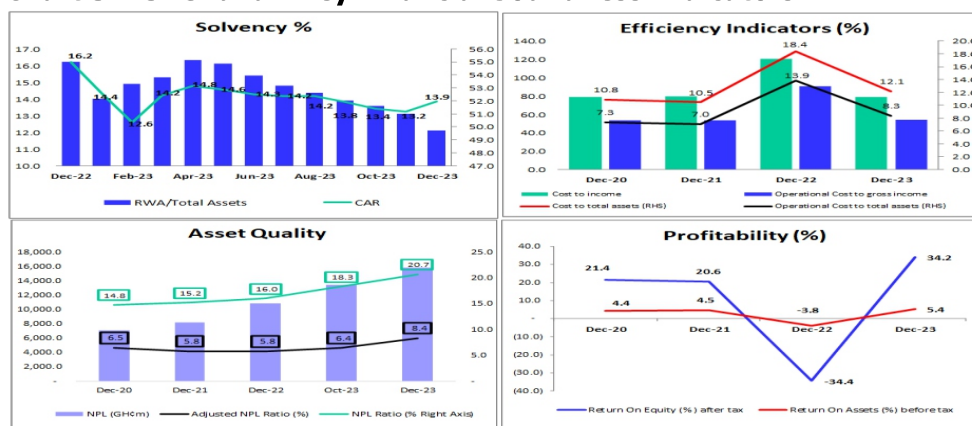
Source: Ghana Stock Exchange and Bank of Ghana Staff Calculations

3.2.4 Banking Sector Developments

An assessment of the banking sector as at end-year 2023 showed an improved performance over the performance in 2022, as macroeconomic challenges and the impact of the domestic debt restructuring waned. Total assets of the banking industry increased by 29.7 percent (year-on-year) to GH¢274.9 billion as at end-December 2023, higher than 17.9 percent growth recorded in 2022 (Chart 3.2.5). The strong growth in assets reflected in investments which grew by 45.0 percent to GH¢100.2 billion, after contracting by 16.9 percent in December 2022. Banks' holdings of long-term investments declined during the review

period on account of the domestic debt restructuring. However, short-term investments increased significantly as banks rebalanced their asset portfolio to take advantage of the higher rates on the money market, resulting in an increase in total investments during the review period. Financial soundness indicators for the banking sector remained broadly positive with improvements in profitability, liquidity, and efficiency indicators in December 2023 relative to December 2022 (Chart 3.2.5). Banks, however, reported a decline in the Capital Adequacy Ratio from the impairment losses on the restructured bonds.

Chart 3.2.5: Ghana - Key Financial Soundness Indicators



Source: Bank of Ghana Staff Calculations

3.2.5 Government Fiscal Operations and Public Debt

Government budgetary operations resulted in an overall deficit (on commitment basis) of 3.1 percent of GDP in 2023, lower than the IMF programme target of 5.7 percent of GDP. Total revenue and Grants amounted to GH¢134.90 billion (15.8 percent of GDP), compared to the programme target of GH¢134.91 billion. Total expenditure amounted to GH¢155.58 billion (18.2 percent of GDP), which was below the programme target of GH¢183.86 billion (21.5 percent of GDP).

The total public debt stock stood at GH¢611.22 billion at end-December 2023 (72.6percent of GDP), higher than the stock of GH¢447.00 billion at end-December 2022 (72.8percent of GDP). The stock of domestic debt at end-December 2023 was GH¢260.16 billion (30.9percent of GDP) compared to GH¢205.59 billion (33.5percent of GDP) at end-December 2022. The increase in the domestic debt stock in the review period was on the back of a GH¢32.88 billion increase in short-term securities, and a GH¢1.89 billion increase in the medium-term securities. Long-term securities, however, decreased by GH¢19.68 billion.

3.2.6 External Sector Developments

The overall Balance of Payments (BoP) recorded a surplus of US\$461.60 million in 2023, compared to a deficit of US\$3.64 billion in 2022. The BoP outturn was driven by a current account surplus as well as relatively lower outflows from the capital and financial account.

The current account recorded a surplus of US\$1.1 billion (1.4percent of GDP) compared with a deficit of US\$1.5 billion (2.1percent of GDP) in 2022. The current account surplus was on the back of lower investment income outflows and higher remittances inflows. The reduced investment income payments reflected mainly the suspension of interest payments on some selected external debt.

The trade balance recorded a surplus of US\$2.65 billion at end-December 2023, compared to a surplus of US\$2.87 billion at end-December 2022 on the back of lower export earnings relative to imports.

The services, income, and transfers account recorded

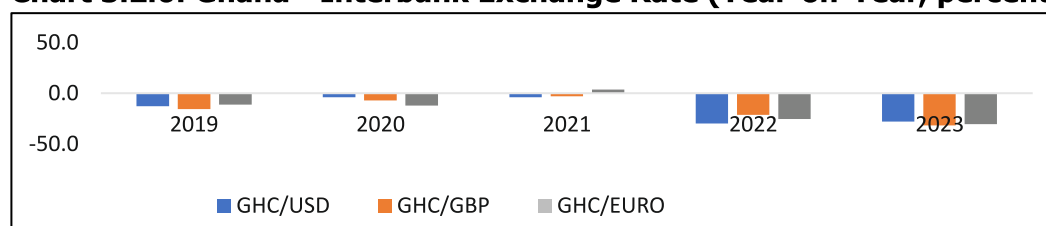
a lower net outflow of US\$1.54 billion in 2023, compared with US\$4.39 billion net outflows in 2022. The services account recorded a lower deficit of US\$3.40 billion in the review year relative to a deficit of US\$3.46 billion in the previous year. The income account also registered a lower deficit of US\$2.08 billion in 2023, down by 53.8 percent from US\$4.51 billion in 2022. Current transfers, largely comprising private remittances, recorded a net inflow of US\$3.93 billion in 2023 compared with a US\$3.57 billion net inflow in 2022. The capital and financial account recorded a net outflow of US\$756.25 million in 2023, compared to a US\$2.14 billion outflow in 2022. The capital account recorded a net inflow of US\$148.34 million, against a US\$142.12 million net inflow in 2022. The financial account, on the other hand, recorded a net outflow of US\$904.58 million in 2023, significantly lower than the US\$2.28 billion net outflow in 2022. The lower net outflows were attributed mainly to minimal portfolio reversals.

The stock of Gross International Reserves (GIR) stood at US\$5.91 billion at the end of December 2023, equivalent to 2.7 months of import cover. Gross International Reserves excluding pledged assets and petroleum funds reflected a significant build-up of US\$2.2 billion at the end of December 2023 to stand at US\$3.7 billion. The build-up was driven mainly by the Gold for Reserves programme and the unwinding of short-term liabilities.

3.2.7 Currency Market Developments

The Ghana cedi cumulatively depreciated by 27.8 percent against the US dollar in 2023, compared to a depreciation of 29.9 percent in 2022. Against the British pound, the Ghana cedi depreciated by 31.9 percent in 2023, compared to 21.2 percent in the previous year. The local currency depreciated by 30.3 percent against the euro in 2023, compared to a depreciation of 25.3 percent in 2022. Excluding the sharp depreciation of 20.6 percent in January, the cedi was largely stable, cumulatively depreciating by 7.2 percent between February and December 2023. The relative stability in the foreign exchange market was largely supported by tighter monetary policy stance, inflows from the first tranche of the IMF ECF, the domestic gold purchase programme, as well as the purchases of repatriated exports proceeds.

Chart 3.2.6: Ghana - Interbank Exchange Rate (Year-on-Year, percent)



Source: Bank of Ghana Staff Calculations

Table 3.2.1: Ghana - Selected Economic Indicators

Indicators	2019	2020	2021	2022	2023
(Annual percentage change; unless otherwise indicated)					
National Income and Prices					
Agriculture	4.7	7.3	8.5	4.2	4.5
Industry	6.4	-2.5	-0.5	0.9	-1.2
Services	7.6	0.7	9.4	5.5	5.5
Real GDP Growth (incl. Oil)	6.5	0.5	5.1	3.1	2.9
Real GDP Growth (excl. Oil)	5.8	1	6.6	3.8	3.3
Nominal GDP (Gh¢ Million)	356,544	383,486	459,131	614,336	841,633
Consumer price index (end period, year-on-year)					
Headline	7.9	10.4	12.6	54.1	23.2
Food	7.2	14.1	12.8	59.7	28.7
Non-food	8.5	7.7	12.5	49.9	18.7
Exchange Rates (End of period)					
Gh¢/US\$	5.5337	5.7604	6.0061	8.576	11.88
[Depreciation (-)/Appreciation (+)] (%)	-12.9	-3.9	-4.1	-30	-27.8
Gh¢/Pound Sterling	7.3164	7.8996	8.1272	10.3118	15.1334
[Depreciation (-)/Appreciation (+)] (%)	-15.7	-7.1	-3.1	-21.2	-31.9
Gh¢/Euro	6.2114	6.9929	6.8281	9.1457	13.1264
[Depreciation (-)/Appreciation (+)] (%)	-11.2	-12.1	3.5	-25.3	-30.3
Monetary Aggregates Annual Growth Rates (%)					
Reserve Money	34.4	25	20	57.5	29.2
Broad Money Supply (M2)	16.1	25	12	27.8	37.2
Broad Money Supply (M2+)	21.7	29.6	12.5	33	38.7
Private Sector Credit	18	10.6	11.1	31.8	10.7
Real Credit to the private sector	9.4	-0.1	-1.3	-14.5	-10.2
Interest Rates (%)					
Monetary Policy rate	16	14.5	14.5	27	30
Interbank rate	15.2	13.6	12.7	25.5	30.2
91-day treasury bill rate	14.7	14.1	12.5	35.5	29.4
182-day treasury bill rate	15.1	14.1	13.2	36.2	31.7
364-day treasury bill rate	17.9	17	16.5	36.1	33
Average lending rate	23.6	21.1	20	35.6	33.8
3-month average deposit rate	11.5	11.5	11.5	14	10.5
lending-deposit rate spread	12.1	9.6	8.5	21.6	23.3
External Sector (Cumulative)					
Exports of Goods (US\$' m)	15,667.50	14,471.50	14,727.50	17,494.40	16,657.70
Imports of Goods (US\$' m)	-13,410.70	-12,428.60	-13,628.70	-14,621.20	14,010.50
Trade balance (US\$' m)	2,256.80	2,043.00	1,098.80	2,873.10	2,647.30
Current Account Balance (US\$' m)	-1,864.00	-2,134.00	-2,541.40	-1,516.90	1,105.00
per cent of GDP	-2.7	-3.1	-3.2	-2.08	1.4
Overall Balance of Payments (US\$' m)	1,341.00	377.5	510.1	-3,639.50	461.6
Gross International Reserves					
months of imports cover	4	4	4.3	2.7	2.7
Gross International Reserves (excl Oil Funds, Encum)	6,607.90	6,961.80	7,906.00	4,432.10	3,918.80
months of imports cover	3.2	3.2	3.5	1.9	1.8
Net International Reserves (US\$' m)	5,192.00	5,569.40	6,079.50	2,673.20	3,134.80
months of imports cover	2.5	2.6	2.8	1.1	1.4
External Debt (US\$' m)	20,349.40	24,715.80	28,389.20	29,185.20	30,137.30
Government Budget (% of GDP)					
Domestic Revenue	14.7	14.1	15	15.7	15.5
Tax Revenue	12	11.6	12.3	12.4	12.9
Total Revenue and Grant	15	14.4	15.3	15.8	15.8
Total Expenditure	19	25.1	23.8	24.1	18.2
Domestic Primary Balance	1.8	-3.3	-1.9	-0.8	-0.3
Overall Balance	-4.7	-11.7	-9.2	-8.3	3.1
Public Debt	61.2	76	76.6	72.8	72.6

Source: Bank of Ghana, Ghana Statistical Service and Ministry of Finance

3.3. LIBERIA: MACROECONOMIC DEVELOPMENTS IN 2023

3.3.1 Real Sector Developments

In 2023, real GDP expanded by 4.6 percent compared to the 4.8 percent growth recorded in 2022 (Table 3.3.1). The growth in real GDP was attributed to improvements in the secondary (manufacturing) and tertiary (services) sectors, notwithstanding a

moderation in the primary sector. Growth in the primary sector contracted but remained positive, expanding by 2.8 percent relative to the 5.1 percent growth recorded in 2022 (Table 3.3.1). In the secondary and tertiary sectors, growth ameliorated, expanding by 6.4 percent and 6.9 percent, respectively (Table 3.3.1).

Table 3.3.1: Liberia - Sectoral Origins of Growth (GDP at 2018 Constant Prices, In Millions of US dollars) (2021-2024)

	2021	2022	2023	2024*
Agriculture & Fisheries	997.7	1,009.3	1,015.9	1,075.5
Forestry	285.2	292.9	296.5	300.1
Mining & Panning	545.3	621.8	665.4	699.9
Manufacturing	194.8	199.1	211.9	222.0
Services	1,216.4	1,275.3	1,363.4	1,444.0
Real GDP	3,242.4	3,398.4	3,553.2	3,741.4

Sources: Liberian Authorities & IMF staff estimates *projection

The primary sector's growth was predominantly driven by activities in the mining & panning and agriculture & fisheries sub-sectors. Growth in the agriculture & fisheries sub-sector moderated to 0.7 percent relative to the 1.2 percent growth recorded in the preceding year. This development was attributed to declines in major primary agriculture commodities outputs (including rubber, round logs, and crude palm oil (CPO)). Round logs production marginally decreased by 1.0 percent while CPO production nosedived 10.6 percent. Rubber output fell by 2.0 percent to 63,211 metric tons. The mining & panning sub-sector's growth contracted but remain positive compared to 2022 performance. Gold output moderated by 16.4 percent to 438,491 ounces compared to 376,754 ounces produced in 2022, underpinning the moderation in the sub-sector. Iron ore production increased by 1.0 percent to 5.1 million metric tons while diamond production increased by 2.6 percent to 56,844 carats following

contraction in 2022.

The secondary sector (manufacturing) expanded by 6.4 percent, from 2.2 percent in 2022, mainly on account of improvement in cement, beverages, candle, and rubbing alcohol productions. Cement output increased by 5.6 percent to 500,877 metric tons while beverage output (including alcoholic & non-alcoholic) substantially increased by 64.0 percent to 26.8 million liters in 2023. Candle production also expanded, increasing significantly by 67.2 while finished water production expanded by 9.2 percent to 1.19 billion gallons of water, largely attributed to increased pipe-borne water supply to Monrovia and its suburb. The volume of rubbing alcohol increased by 88.7 percent to 374,632 liters, up from 198,485 liters produced in 2022. However, paint and chlorox production decreased by 8.3 percent and 33.2 percent to 214,355 gallons and 607,398 liters, respectively.

Table 3.3.2: Liberia - Key Manufacturing Outputs (2021-2023)

	Unit	2021	2022+	2023
Cement	Mt.	534,993	474,187	500,877
Beverages	Liter	17,239,963	16,366,299	26,848,331
Paints	Gal.	206,223	233,862	214,355
Candle	Kg.	48,416	44,121	73,763
Chlorox	Liter	829,241	909,282	607,398
Rubbing Alcohol	Liter	306,268	198,485	374,632
Mattresses	Pcs.	129,454	130,047	128,271
Finished Water	Gal.	1,120,947,013	1,094,928,382	1,195,903,438*
Services				
o/w Electricity	Kw	272,691,852	275,131,939	469,743,200

Sources: Ministry of Commerce & Industry (MOCI); Liberia Water and sewer Corporation. (Note: + Revised/Actual, *Estimate)

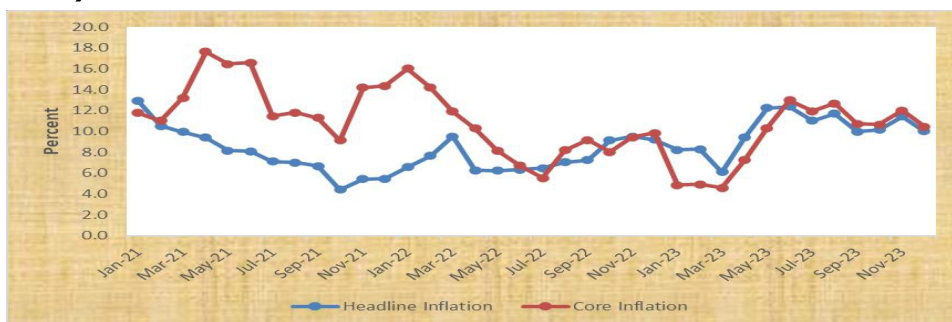
The tertiary sector (services), in 2023, expanded by 6.9 percent from 4.8 percent in 2022. The expansion was largely due to increases in electricity & water supply to households and businesses during the year. Electricity generation grew by 70.7 percent to 496.8 million kilowatts. Notwithstanding, services related to construction and trade & hotels moderated in 2023.

In terms of price development, the average headline inflation modestly increased by 2.5 percentage points to 10.1 percent in 2023. The increase in headline inflation was attributed to the depreciation of the domestic currency, which had a pass-through-effect. Core inflation moderated to 9.4 percent, from 9.8 percent in 2022. The moderation was mainly caused by items in restaurants & hotels; health; and education groups of the CPI basket.

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Chart 3.3.1: Liberia - Headline and Core Inflation (In Percent) (2021-2023)



Source: Central Bank of Liberia

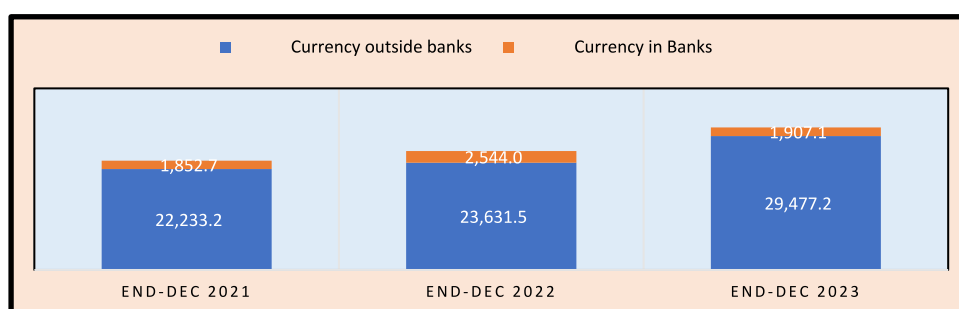
In terms of outlook, Liberia's real GDP is projected at 5.3 percent in 2024, expected to be driven mainly by development across the major sectors. In addition, the authority's commitment to key initiatives (road, agriculture, energy, etc.) under the new Development agenda (ARREST) is expected to support the projected growth. The on-going electricity expansion, investment in road construction and other social protection programs, including the creation of social safety nets are also expected to mitigate the structural bottlenecks.

3.3.2 Monetary Developments

3.3.2.1 Monetary Aggregates

Monetary aggregates, on average, expanded in 2023. At end-December 2023, the stock of Liberian dollar currency in circulation (CIC) totalled L\$31,384.3 million, reflecting a 19.9 percent growth compared to the preceding year. The increase reflects a 24.7 percent in currency outside banks (COB) amidst a 25.0 percent contraction in currency in banks (CIB). COB and CIB totalled L\$29,477.2 million and L\$1,907.1, respectively.

Chart 3.3.2: Liberia - Currency in Circulation (CIC) (In Millions of L\$)

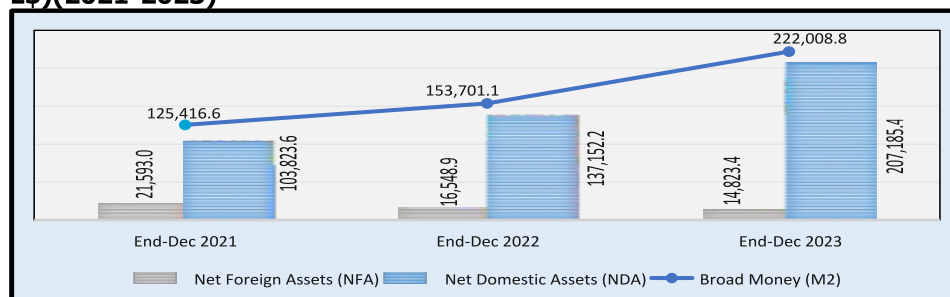


Source: Central Bank of Liberia

At end-December 2023, the stock of narrow money supply (M1) increased by 50.3 percent to L\$159,688.6 million. The increase in M1 was driven by 57.7 percent and 24.7 percent increases in demand deposits and COB, respectively. Similarly, quasi

money expanded by 31.2 percent to L\$62,320.2 million, mainly attributed to an increase in savings deposits. Broad money supply (M2), in the same token, increased by 44.4 percent to L\$222,008.8 million.

Chart 3.3.3: Liberia - Broad Money Supply and Sources (In Millions of L\$)(2021-2023)



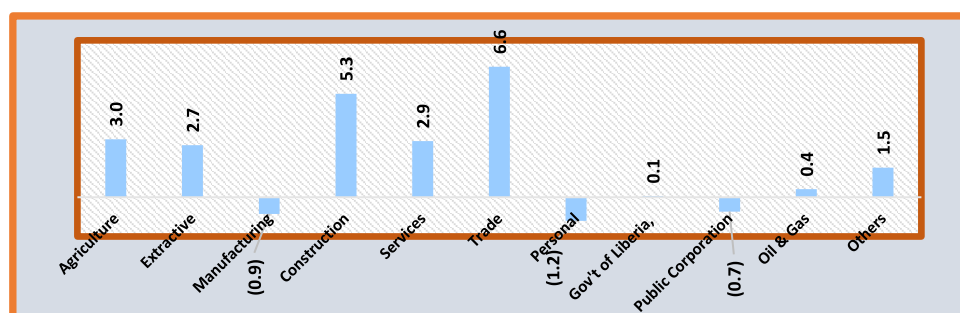
Source: Central Bank of Liberia

3.3.2.2 Commercial Banks' Credit to the Economy

Commercial banks' credits and advances to the Liberian economy in 2023 amounted to L\$92,841.0 million, reflecting a 19.6 percent increase. In terms of sectoral contributions to the increase in credit, loans and advances to trade constituted the highest (6.6 percent) followed by construction (5.3 percent), agriculture (3.0 percent), services (2.9 percent), the

extractive sector (2.7 percent), etc. Also, commercial banks' credit to the private sector in Liberia expanded by 20.7 percent to L\$91,959.7 million compared to 2022. The sectoral contribution to credit to the private sector followed similar pattern with trade and construction accounting for the highest shares, 6.8 percent and 5.4 percent, respectively.

Chart 3.3.4: Liberia - Sectors' Contribution to Credit Growth (Percentage Points)



Source: Central Bank of Liberia

3.3.3 Financial Sector Developments

The financial sector in 2023 was stable, despite uncertainties that clouded the general and presidential elections. The Central Bank of Liberia (CBL) maintained its commitment to the development of the money market, issuing CBL Bill to both retail and institutional (commercial banks) investors at attractive returns to enhance public confidence. Retail investment increased by 22.6 percent in 2023. Overall, total issuance of CBL Bill increased by 40.0 percent to L\$82.25 billion.

3.3.3.1 Banking Sector Developments

The banking sector performance in 2023 showed improvement, evidenced by growths in key balance sheet indicators. The industry remained stable, reporting a rise in profit in 2023. At end-December 2023, total assets and capital increased by 42.0 percent and 24.1 percent to L\$293.71 billion and L\$39.01 billion, respectively. Total loans and advances

also increased by 19.6 percent to L\$92.84 billion. Total deposits also increased by 46.6 percent to L\$198.71 billion in 2023.

At end-December 2023, the industry's consolidated comprehensive income statement reported a 61.7 percent increase in net income. Total operating income amounted to L\$24.01 billion, of which interest income and non-interest income comprised 52.0 percent and 48.0 percent, respectively. Interest expense increased by 33.6 percent to L\$2.86 billion, from L\$2.14 billion at end-2023.

Notwithstanding the tight global financial constraints, the industry showed resilience and stability in terms of financial soundness indicators (FSI). Key FSIs registered growth, underscoring the sector's potential. The industry's gross and net assets increased by 40.3 percent and 42.0 percent, respectively in 2023. The industry's return on assets (ROA) and return on equity (ROE) during the year also

improved. On the downside, the industry reported an increase in non-performing loans (NPLs).

3.3.3.2 Insurance Sector Developments

The insurance sector in Liberia comprised fifteen (15) licensed insurance companies and five (5) brokerage firms in 2023. One (1) insurance company and a brokerage firm were licensed in 2023. In terms of ownership, the sector is dominated by significantly domestic-owned companies. At end-December 2023, key financial balance sheet indicators of the industry increased compared to end-December 2022. Total assets and investment increased by 17.7 percent and 5.4 percent, respectively, reflecting a rise in premium receivable and investment in assets. Notwithstanding, the industry's operational and administrative expenses also increased.

3.3.4 Monetary Policy Framework

The CBL's monetary policy framework and operations were anchored on the principle of targeting reserve money to maintain price stability. The Bank's monetary policy stance was tight using reserve money as operating target and the CBL Bill and reserves requirement ratio as its key monetary policy instruments.

3.3.5 Fiscal Sector Development

The Government of Liberia (GoL) fiscal operations for 2023 resulted to a deficit in the Overall Balance (OB), amounting to US\$86.0 million. Similarly, the fiscal operations reported reduction in the surplus in the Primary Balance (PB), decreasing to US\$1.0 million. Consequently, the GoL total revenue for the period stood at US\$710.3 million, marking 3.7 percent decline. Total government expenditure slightly reduced by 1.5 percent to US\$796.3 million compared to US\$808.1 million in 2022.

Liberia's public debt expanded by 9.5 percent to US\$2,209.8 million in 2023. The increase was due to a rise in both domestic and external debts. Domestic debt increased by 4.4 percent to US\$923.5 million, constituting 41.8 percent of the total public debt. Total external debt increased by 13.4 percent to US\$1,286.3 million.

3.3.6 External Sector Developments

3.3.6.1 Exchange Rate Development

On average, the Liberian dollar depreciated by 22.0 percent to L\$174.96 per US\$1.00, from L\$152.93 per US\$1.00 in 2022, despite the tight monetary policy stance of the CBL. The depreciation of the domestic currency was largely attributed to the high demand for foreign exchange to service import payments.

3.3.6.2 Balance of Payments

The external sector was largely challenged in 2023, characterized by a widened current account deficit. The current account deficit widened by 38.9 percent to 10.5 percent of GDP relative to the deficit recorded in the preceding year. Net financial account inflows declined by 19.1 percent to 9.3 percent of GDP, primarily driven by a decrease in direct investment inflows. Conversely, capital account inflows (net) increased by 13.0 percent to 6.9 percent of GDP, triggered by growth in capital transfers. Overall, the Balance of Payments (BoP) recorded a deficit of 0.9

percent of GDP from the surplus of 1.0 percent of GDP recorded in 2022.

Liberia's gross international reserves (GIR) at end-December 2023 contracted by 24.6 percent to 10.4 percent of GDP, reflecting depreciation of the special drawing rights (SDRs) holdings & reserves and lending to the government. The months of import cover decreased to 2.3 months, on account of rise in import payments coupled with the decline in GIR.

Merchandise Trade Balance

Merchandise trade deficit grew by 59.4 percent to US\$799.0 million in 2023, from US\$501.2 million in the previous year. The widening merchandise trade deficit was attributed to significant increase in import payments, outweighing the rise in export earnings. Total merchandise trade (with imports on FOB basis) increased by 18.8 percent to US\$3,035.9 million in 2023. On Cost Insurance and Freight (CIF) basis, total merchandise trade expanded by 16.5 percent to US\$3,199.1 million.

Merchandise Exports

Export earnings increased by 8.5 percent to US\$1,113.9 million in 2023, on account of an increase in export receipts from key export commodities, including gold (by 25.6 percent), rubber (by 6.7 percent), cocoa beans (by 9.7 percent), and the "other exports" category (by 11.4 percent). Notwithstanding, export earnings from iron ore, diamond, palm oil and round logs decreased.

Destination of Exports

In 2023, Europe and Asia accounted for the main destinations of Liberia's exports. Merchandise exports to Europe and Asia increased by 28.1 percent in 2023, accounting for 87.3 percent of the total merchandise exports. In addition, exports to North America & the Caribbean, Asia, and Africa constituted 5.6 percent, 3.0 percent, and 2.6 percent of the country's total exports destinations, respectively.

Merchandise Imports

Import payments, on FOB basis, increased by 25.2 percent to US\$1,912.9 million in 2023. This development was attributed to increases in payments for food & live animals (including vegetable oil) by 1.4 percent; minerals, fuel & lubricants (mostly petroleum products) by 49.2 percent; machinery & transport equipment by 35.6 percent; manufactured goods classified chiefly by materials by 22.1 percent; and the "other imports" category by 4.1 percent. However, payments for chemicals & related products fell by 6.3 percent in 2023. On CIF basis, import payments increased by 20.7 percent to US\$2,076.1 million, largely due to reduced production of domestic consumables.

Sources of Imports

In 2023, Asia, Africa, and Europe were the leading sources of Liberia's imports. Imports from these regions increased by 26.3 percent, 34.5 percent, and 56.8 percent accounting for 43.1 percent, 27.6 percent, and 19.6 percent, respectively. Similarly, imports from North America & the Caribbean and South & Central America accounted for 3.3 percent and 2.8 percent of total imports, respectively.

3.4 NIGERIA: MACROECONOMIC DEVELOPMENTS IN 2023

3.4.1 Overview of the Economy in 2023

The Nigerian economy expanded in the fourth quarter of 2023, reaching an annual growth rate of 2.74 per cent, which was the slowest recorded since the 2020 economic recession. The meagre growth performance was mainly sustained by the non-oil sector. Overall, growth remained fragile, impacted by weak fiscal revenue, tight monetary policy, energy reforms, inflationary pressures, and persistent structural issues. Headline inflation, (Y-on-Y) increased to 28.92 per cent in 2023 from 18.77 per cent in 2022 due to pressure from food and core inflation.

3.4.2 Sectoral Developments

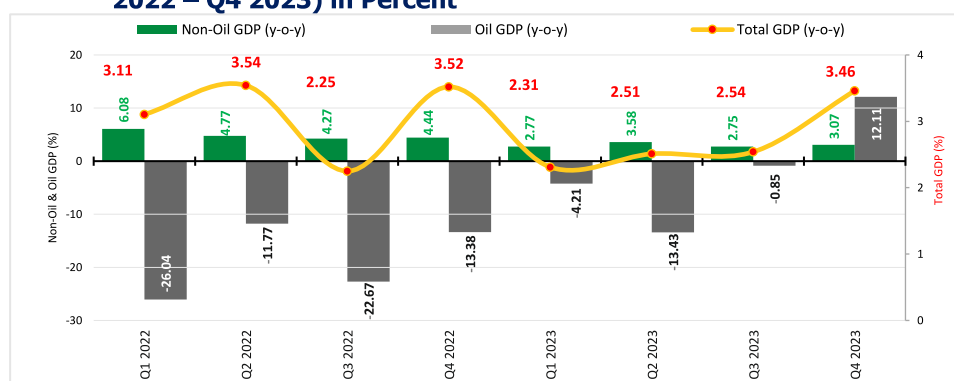
3.4.2.1 Domestic Output

Data from the National Bureau of Statistics (NBS) indicated that real GDP grew from ₦19.44 Trillion in

2022 to ₦21.77 Trillion in 2023, implying an 11.78 percent increase.

The performance of the GDP in 2023 was driven mainly by the services sector, which recorded a growth of 3.98 per cent and contributed 56.55 per cent to the aggregate GDP, and the agriculture sector which grew by 2.10 per cent and contributed 25.18 per cent to the aggregate GDP. However, the 2023 real GDP growth was below the IMF projection of 3.29 per cent, and the Federal Ministry of Finance, Budget, and National Planning (FMFBNP) projection of 3.75 per cent. Overall, growth remained fragile, impacted by fiscal, monetary and energy reforms, inflationary pressures, and persistent structural issues. Figure 3.4.1 presents the Year-on-Year Real GDP Growth Rate in Nigeria from the first quarter of 2022 to the fourth quarter of 2023

Chart 3.4.1: Nigeria - Year-on-Year Real GDP Growth Rate in Nigeria (Q1 2022 – Q4 2023) in Percent



Source: National Bureau of Statistics (NBS), 2024

The non-oil sector growth in 2023 stood at 3.04 per cent relative to 4.84 per cent recorded in 2022. In real terms, the non-oil sector contributed 94.60 per cent to the Nigeria's GDP in 2023, higher than the share recorded in 2022 which was 94.33 per cent. This sector growth was driven mainly by Financial and Insurance (Financial Institutions); Information and Communication (Telecommunication); Agriculture (Crop production); Trade; Construction; Manufacturing (Food, Beverage, and Tobacco) and Real Estate.

Output of the services sector grew by 4.18 per cent in 2023, lower than the growth of 6.66 per cent in 2022. Finance & insurance, ICT, trade, and real estate sub-sectors contributed to the growth. Financial & insurance's performance was supported by increased credit creation activities and revenue from increasing adoption of e-payment channels. In terms of contributions, services contributed 56.18 per cent to GDP in 2023 compared with 55.40 per cent in 2022.

The transportation sub-sector, however, continued to be a drag on services output.

The agriculture sector grew by 1.13 per cent in 2023 lower than the growth rate of 1.88 per cent in 2022. The growth was due to the increased contribution of the crop production sub-sector. The agriculture sector contributed 25.18 per cent in 2023, lower than the contribution of 25.58 per cent in 2023.

Industry sector grew by 0.72 per cent relative to the contraction of 4.62 per cent in 2022, driven by mining & quarrying, construction, manufacturing, electricity, water supply sub-sectors and improved crude oil production. Industry sector contributed 18.65 per cent to GDP in 2023, compared with 19.02 per cent in 2022. The weak industry performance was because of elevated production costs exacerbated by rising energy costs, exchange rate pressures as well as legacy challenges affecting oil production, including oil theft and pipeline vandalism.

Table 3.4.1: Nigeria - Annual Real Contribution & Growth Rate by Sector (percent) Year-on-Year

CONTRIBUTION TO GDP	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
AGRICULTURE	23.91	23.33	22.90	23.11	24.45	25.08	25.13	25.16	26.21	25.88	25.58	25.18
INDUSTRY	25.61	24.81	24.93	23.71	21.96	22.25	22.24	22.25	21.36	20.56	19.02	18.65
SERVICES	50.48	51.86	52.16	53.18	53.59	52.67	52.63	52.60	52.44	53.56	55.40	56.18
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
GROWTH	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
AGRICULTURE	6.70	2.94	4.27	3.72	4.11	3.45	2.12	2.36	2.17	2.13	1.88	1.13
INDUSTRY	2.43	2.16	6.76	(2.24)	(8.85)	2.15	1.87	2.31	(5.85)	(0.47)	(4.62)	0.72
SERVICES	3.97	8.38	6.85	4.78	(0.82)	(0.91)	1.83	2.22	(2.22)	5.61	6.66	4.18
REAL GROWTH RATE AT BASIC PRICE	4.21	5.49	6.22	2.79	(1.58)	0.82	1.91	2.27	(1.92)	3.40	3.10	2.74
REAL GROWTH RATE AT MARKET PRICE	4.28	5.39	6.31	2.65	(1.62)	0.81	1.92	2.21	(1.79)	3.65	3.25	2.86
NON OIL GROWTH RATE	5.81	8.42	7.18	3.75	(0.22)	0.47	2.00	2.06	(1.25)	4.44	4.84	3.04
OIL GROWTH RATE	(4.95)	(13.07)	(1.32)	(5.45)	(14.45)	4.69	0.97	4.59	(8.89)	(8.30)	(19.22)	(2.22)

Source: National Bureau of Statistics

The oil sector growth stood at -2.22 per cent in 2023, compared to -19.22 per cent in 2022. The Oil sector contributed 4.70 per cent to the total real GDP in 2023, up from 4.34 per cent recorded in 2022. This was due to improved crude oil production in Forcados, Bonny and Bonga terminals. The Mining & Quarrying sector which consists of Crude Petroleum and Natural

Gas, Coal Mining, Metal ore and Quarrying and other Minerals sub-activities, grew nominally by 15.07 per cent (year-on-year) in Q4 2023. Metal Ores exhibited the highest growth rate of all the sub-activities, followed by Crude Petroleum and Natural Gas. Crude Petroleum and Natural gas were the main contributors to the sector.

Table 3.4.2: Nigeria - Quarterly Sectoral Contribution to Real GDP and Growth Rate

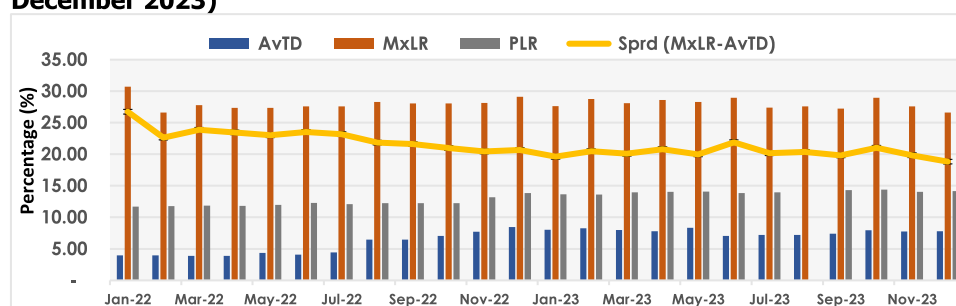
Sectoral Contribution/Share of GDP	2022					2023				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
AGRICULTURE	22.36	23.24	29.67	26.46	25.58	21.66	23.01	29.31	26.11	25.18
INDUSTRIES	21.47	19.4	18.37	17.27	19.02	21.05	18.56	18	17.34	18.65
SERVICES	56.17	57.35	51.96	56.27	55.4	57.29	58.42	52.7	56.55	56.18
	100	100	100	100	100	100	100	100	100	100
NON OIL	93.37	93.67	94.34	95.66	94.33	93.79	94.66	94.52	95.3	94.6
OIL	6.63	6.33	5.66	4.34	5.67	6.21	5.34	5.48	4.7	5.4
	100	100	100	100	100	100	100	100	100	100
GROWTH	2022					2023				
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
AGRICULTURE	3.16	1.2	1.34	2.05	1.88	-0.9	1.5	1.3	2.1	1.13
INDUSTRIES	-6.81	-2.3	-8	-0.94	-4.62	0.31	-1.94	0.46	3.86	0.72
SERVICES	7.45	6.7	7.01	5.69	6.66	4.35	4.42	3.99	3.98	4.18
REAL GROWTH RATE AT BASIC PRICE	3.11	3.54	2.25	3.52	3.1	2.31	2.51	2.54	3.46	2.74
REAL GROWTH RATE AT MARKET PRICE	3.6	3.4	2.38	3.64	3.25	2.4	2.65	3.09	3.21	2.86
NON-OIL GROWTH RATE	6.08	4.77	4.27	4.44	4.84	2.77	3.58	2.75	3.07	3.04
OIL GROWTH RATE	-26.04	-11.77	-22.67	-13.38	-19.22	-4.21	-13.43	-0.85	12.11	-2.22

Source: Central Bank of Nigeria

3.4.2.2 Deposit and Lending Rates

Commercial banks' average lending and deposit rates increased in 2023 relative to their levels in 2022. This is largely attributable to the tight liquidity conditions in the financial system and the pass-through effects of the policy rate on the short-term interest rates. The Monetary Policy Committee (MPC) raised the policy rate in four consecutive meetings to 16.50 percent in 2022. Similarly, in 2023, the policy rate was raised in four consecutive meetings in January, March, May, and July. This was done to further tame the tide of elevated inflation and ease reoccurring pressure on the naira.

The average prime lending rate increased from 12.27 percent in 2022 to 14.01 percent in 2023. However, the average maximum lending dropped marginally from 28.09 percent to 27.98 percent over the review period. With the average term deposit rate at 7.73 percent in 2023 (figure excludes Commercial Banks' Interest Rate on Time Deposits Maturing over 12 months), the spread between the maximum lending and average term deposit rate stood at 20.24 in 2023, a decline from the 22.67 recorded in 2022. The graphical illustration of the Deposit and Lending Rates Trends is presented in Chart 3.4.

Chart 3.4.2: Nigeria - Deposit and Lending Rates Trends (January 2022-December 2023)

Source: Central Bank of Nigeria Calculations

3.4.2.3 External Sector

In 2023, the global economy grappled with the challenge of the Russia-Ukraine conflict, and most recently the Middle East conflict between Israel and Hamas which have contributed to rising commodity prices, the sluggish pace of economic growth, and heightened inflation rate in both the advanced and emerging market economies. These prevailing global economic conditions, including the tightening monetary policy stance by many advanced and emerging market economies as well as the mounting exchange rate pressure in Nigeria, posed major challenges for the Nigeria's external sector performance.

The country was a net lender with the rest of the world in the period. The current account balance improved significantly to a surplus of US\$3.98 billion in the first three quarters of 2023 from the US\$-1.33 billion deficit recorded in the same period of 2022. It also rose significantly from US\$0.11 billion (or -0.10 percent of GDP) in the first quarter to US\$3.28 billion (or 4.04 percent of GDP) in the third quarter of 2023. Alongside the current account surplus for the year, the services and primary income accounts showed reduced deficits compared to the previous year.

Aggregate export decreased by 36.32 percent to US\$40.90 billion as at September 2023, compared with US\$64.23 billion in end-2022, owing to the significant drop in non-oil exports, particularly due to political tensions in most exportable countries, the rejection of the nation's non-oil commodities export and the exchange rate pressure. Similarly, aggregate imports also decreased to US\$37.26 billion in the review period as at September 2023, from US\$58.23 billion recorded in end-2022, the decrease is largely attributed to the exchange rate pressure.

The financial account recorded net financial liabilities of US\$3.35 billion in 2023, in contrast to the net financial liabilities of US\$3.17 billion in 2022. However, the overall balance of payments recorded deficits in all four quarters of 2023 compared with the US\$2.22 billion deficit in the corresponding quarters of 2022.

The stock of external reserves as of the fourth quarter of 2023 was US\$33.22 billion and could finance 9.44 months of imports. The stock of external debt stood at US\$42.50 billion in the same period, representing 7.16 percent increase from the US\$39.66 billion recorded in December 2022.

Table 3.4.3: Nigeria - Balance of Payment Statistics

Balance of Payments Statistics US\$ Billion				
	2023Q1	2023Q2	2023Q3	2023Q4
Current and Capital Account Balance	0.13	1.00	1.55	3.35
Financial Account Balance	1.38	-4.64	-8.13	-7.44
Net Errors and Omissions	1.25	-5.63	-9.67	-10.79
Overall Balance	-0.20	-0.25	-0.28	-0.28
Current Account as a percent of GDP	0.12	0.96	1.90	4.16
Financial Acct Balance as percent of GDP	1.22	-4.48	-10.01	-9.25
Overall, Balance as a percent of GDP	-1.44	-1.29	-0.86	0.39
External Reserves-Stock (US \$ Billion)	35.14	33.71	32.79	33.22
Number of Months of Import Equivalent	7.77	8.18	8.73	9.44
External Debt Stock (US \$ million)	42.67	43.16	41.59	42.50

Source: CBN Statistical Bulletin

Exchange Rate Developments

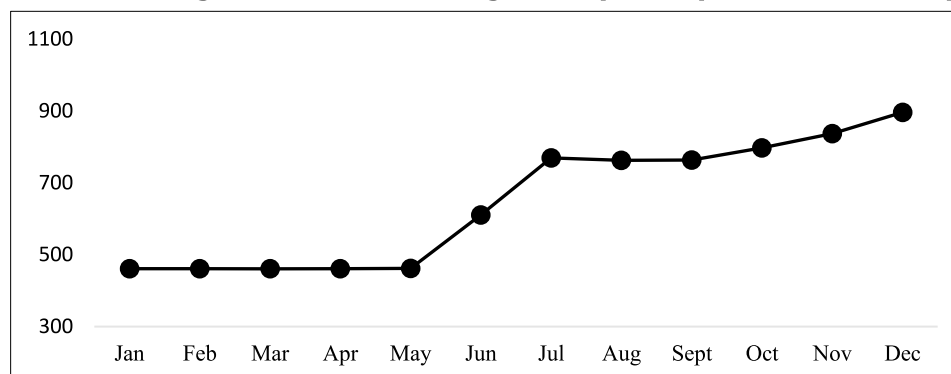
In 2023, the Nigerian foreign exchange market experienced demand pressures, leading to a persistent fall of the naira against the US dollar. In the first half of the year, Nigeria enjoyed considerable exchange rate stability, despite foreign exchange scarcity. However, the naira lost almost 50 percent of its value by the end of the second half. This was wholly due to the change in the Bank's foreign exchange policy and guidelines.

In June 2023, the Central Bank of Nigeria abolished the various segments through which it intervened in the market and adopted a market-driven exchange rate regime. The new foreign exchange policy is intended to eliminate multiple currency practices, remove the wide market premium, and ensure the smooth functioning of the market. However, volatilities associated with the market's formative process resulted in excessive depreciation of the naira in the year. The country's prevailing inflationary pressure also further exacerbated the exchange rate market developments,

Consequently, the official exchange rate stood at an average of ₦650.23 per US dollar in 2023. The average rate closed at ₦896.25 per US dollar in December 2023, a large depreciation of 49.73 percent, from the ₦450.57 per US dollar it traded in December 2022. The average official rate followed an upward trend throughout the year. Trading at an average of ₦460.89 per US dollar in the first quarter of 2023, it depreciated to ₦515.21 per US dollar in the second quarter. It further depreciated to ₦765.13 per US dollar in the third quarter and closed at an average of ₦841.54 per US dollar in the fourth quarter.

Following this, and in line with its commitment to boost liquidity in the foreign exchange market and to stabilize the exchange rate of the naira, The Bank, in 2023, stressed its plan to from time to time, intervene in the market, and clear the backlog of FX obligations. The Central Bank also lifted foreign exchange restrictions that were hitherto placed on the importation of 43 items. These are expected to restore market confidence.

Chart 3.4.3: Nigeria - Official Exchange Rate (January - December 2023)



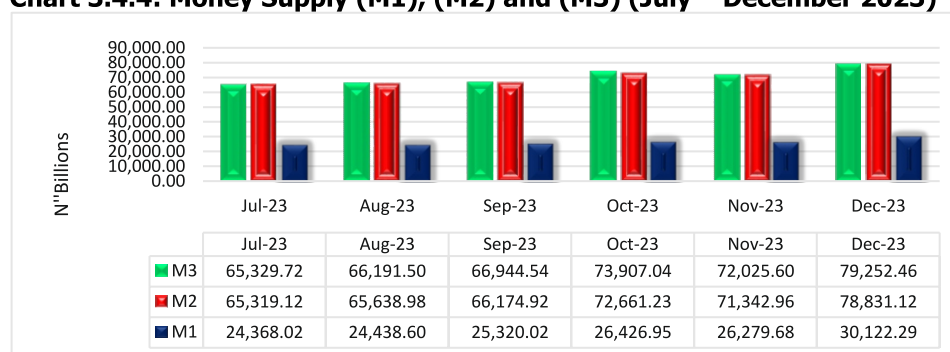
Source: CBN

Note: Figures are monthly averages

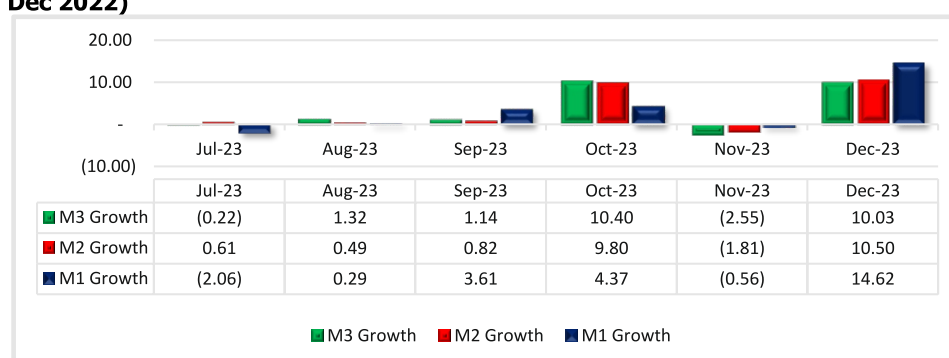
3.4.2.4 Developments in the Monetary Sector

The overall monetary aggregates performed significantly above their respective targets in 2023. Key variables in the monetary sector, broad money (M2 and M3) showed an upward trend throughout the review period. The growth could largely be attributed to the impact of the change in the exchange rate operational framework in the second half of 2023, significantly increasing NDA and NFA, combined with budget financing by the authority. The broad measures of money supply (M3 & M2) grew substantially in fiscal 2023. M3 grew from ₦65,473.76 billion at end-June 2023 to ₦79,252.46 billion at end-December 2023, representing a growth of 21.04 per cent. When compared with the end-December 2022 level of ₦52,187.27 billion, it recorded a one-time spike of 51.86 percent.

Similarly, M2 grew from ₦64,925.04 billion at end-June 2023 to ₦78,831.12 billion at the end of December 2023, representing a growth of 21.42 percent. When compared with ₦44,443.07 billion in the corresponding period of 2022, M2 grew by 52.20 percent. Analysis of the assets side of the balance sheet reveals that Net Foreign Assets (NFA) increased from ₦5,751.287 billion at end-June 2023 to ₦9,338.45 billion at end-December 2023, representing a growth of 62.36 per cent. Net Domestic Assets (NDA) increased from ₦59,721.89 billion at end-June 2023 to ₦69,914.01 billion at end-December 2023, representing an increase of 17.07 per cent. When compared with the end-December 2022 figure of ₦48,344.19 billion, NDA grew by 44.62 per cent.

Chart 3.4.4: Money Supply (M1), (M2) and (M3) (July – December 2023)

Source: Statistics Department as of December 2023

Chart 3.4.5: Nigeria - Growth in Money Supply (M1), (M2) and (M3) (July – Dec 2022)

Source: Statistics Department as of December 2023

Narrow Money (M1)

Narrow Money (M1) slightly increased from N24,879.87 billion at the end-June 2023 to N30,122.29 billion at end-December 2023, this represents a growth of 21.07 per cent and 45.20 per cent growth when compared with the corresponding period in 2022. The year-on-year M1 growth of 45.20 per cent was significantly higher than the 2023 growth target of 29.18 per cent (Figures 3.21 and 3.22). Overall, M1 grew by about N5.24 trillion in the second half of the year 2023 compared with the first half of the year, majorly driven by expansion in transferrable deposits and currency outside the banking system by about N4.07 trillion and N1.17 trillion, respectively.

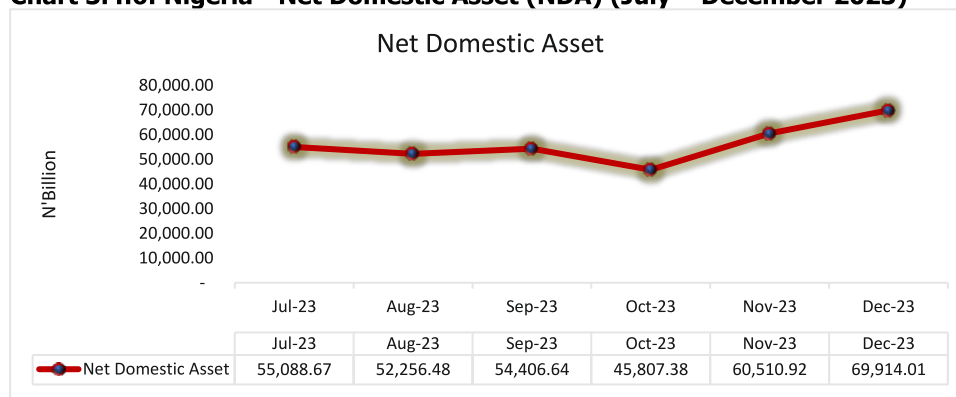
Net Foreign Assets (NFA)

Net Foreign Assets (NFA) increased from N5,751.29 billion at end-June 2023 to N9,338.45 billion at end-December 2023, representing a growth of 62.36 per cent. The NFA year-on-year significant increase of 142.99 exceeded the 2023 growth target of 95.57 per cent. NFA witnessed continuous expansion especially in the second half of the year reflecting the FX revaluation due to change in the exchange operational framework of the Bank. Thus, foreign asset holdings of the CBN grew significantly in the review period.

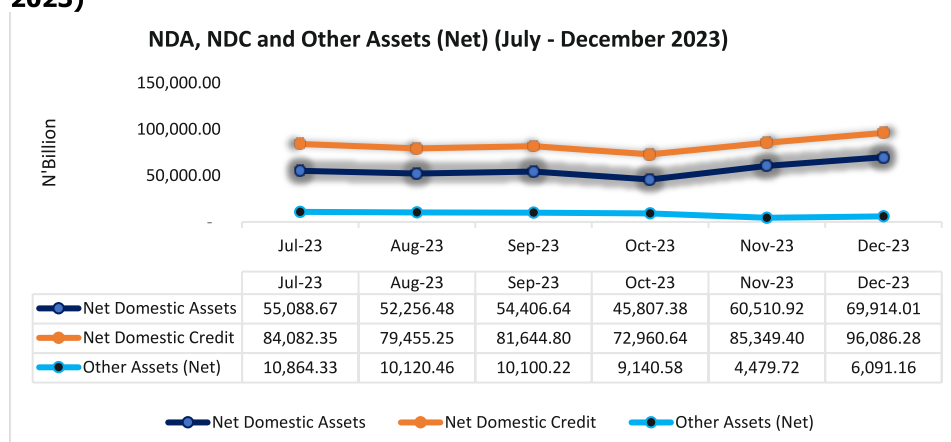
Net Domestic Assets (NDA)

Net Domestic Assets (NDA) increased from N59,721.89 billion at end-June 2023 to N69,914.01 billion at end-December 2023, representing an increase of 17.07 per cent. When compared with the end-December 2022 figure of N48,344.19 billion, NDA grew by 44.62 per cent. The NDA year-on-year growth of 44.62 per cent was significantly above the 2023 growth target of 17.85 per cent. This significant increase in the performance of NDA was attributable to the behaviour of Net Domestic Credit (NDC) coming from expansion in both NCg and CPs.

Figure 3.24 shows the historical patterns of the asset component of broad money supply (NDA, NDC and OIN) in year 2023. For example, NDC increased from N86,652.99 billion at end-June 2023 to N96,086.28 billion at end-December 2023, representing a growth of 10.89 per cent. Year-on-year, NDC grew from N66,124.71 billion at end-December 2022 to N96,086.28 billion at end-December 2023, and that represents growth of 45.31 per cent. Overall, growth in NDC of 45.31 per cent at the end-2023 performed relatively below the annual target of 49.16 per cent, this corroborates with the combined performance of NCg and CPs in the same period.

Chart 3.4.6: Nigeria - Net Domestic Asset (NDA) (July – December 2023)

Source: Statistics Department as at December 2023

Chart 3.4.7: Nigeria - NDA, NDC and Other Assets (Net) (July – December 2023)

Source: Statistics Department as of December 2023

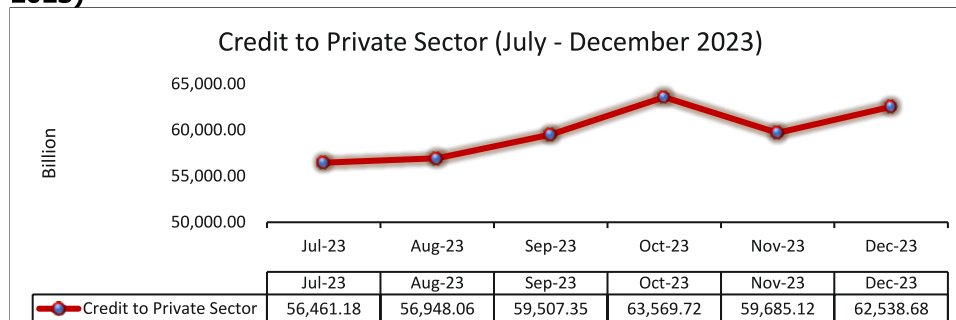
Credit to the Government (Cg)

Net Credit to Government (NCg) increased from N32,149.00 billion at end-June 2023 to N33,547.61 billion at end-December 2023, representing marginal growth of 4.35 per cent and when compared with the corresponding period of 2022 figure of N23,690.87 billion, it recorded a growth of 41.61 per cent. The NCg year-on-year growth of 41.61 per cent performed below the 2023 annual target of 58.63 per cent.

Credit to the Government (Cp)

Credit to the private sector (CPs) grew from N54,503.99 billion at end-June 2023 to N62,538.68 billion at end-December 2023, representing a growth of 14.74 per cent and 47.38 per cent when compared with the corresponding period figure of N42,433.84.

The CPs year-on-year growth of 47.38 per cent was marginally above the 2023 target of 44.09 per cent. A major driver of CPS in the year 2023 was credit to core private sector which grew by about N15.12 trillion year-on-year. The expansion in the credit to the private sector is an indication of increase in credit availability to the real sector which is expected to stimulate aggregate demand and promote growth in the economy.

Chart 3.4.8: Nigeria - Domestic Credit to Private Sector (July – December 2023)

Source: Statistics Department as of December 2023

Monetary Base (MB)

Monetary Base (MB) increased from N17,339.25 billion at end-June 2023 to N24,735.52 billion at end-December 2023, representing a significant increase of N7,396.27 billion and when compared with N16,032.96 in the corresponding period of 2022, it grew by N8,702.55 billion. The MB position of N24,735.52 billion at end-December 2023 exceeds the annual target of N19,933.75 by about N4,801.77 billion. The performance of MB in the review period was largely influenced by the expansion in Banks' reserves and currency in circulation by about N8.0 trillion and N641.25 billion, respectively.

Economic Outlook for 2024

The Nigerian macroeconomic environment is expected to continue to improve, with output growth projected to be sustained on its positive trajectory in 2024. The forecast is predicated on the implementation of Medium-Term National Development Plan (MTNDP) (2021-2025), improvement in manufacturing, oil production, and positive fiscal and monetary policies reforms. The industry sector's growth performance is expected to continue in the short to medium term, driven by oil output. This is based on the expectation of a

sustained increase in crude oil production and rising oil prices. The service sector is expected to remain the major growth driver in 2024, through the performance of ICT, financial & insurance, and trade sub-sectors, albeit at a slower pace. The agricultural sectors' output growth is also expected to be supported by favourable base effects from the first quarter of 2023, when cash shortages led to a contraction in agricultural output.

Despite the growth projections, the economy continues to grapple with downside risks from legacy headwinds, which has led to the underutilization of productive capacity. The non-oil sector continues to be impacted by rising energy costs, pressure in the foreign exchange market, legacy infrastructural deficit, and insecurity. The oil sector continues to be impacted by incidences of oil theft, which is however, abating due to improved security surveillance. In addition, ageing and inadequate oil production infrastructure and operational challenges continue to dampen output in the sector.

Other factors that pose a risk to the outlook of domestic output include: large fiscal deficit, rising public debt service; depreciation of the exchange rate, and rising inflation, which constricts consumer demand.

3.5 SIERRA LEONE: MACROECONOMIC DEVELOPMENTS IN 2023

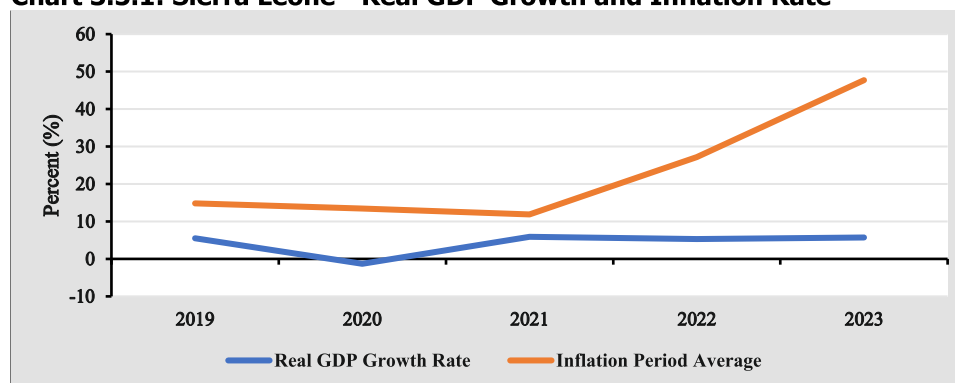
3.5.1 Real Sector Developments

Domestic economic growth was revised up to 5.7 percent from an initial estimate of 3.4 percent in 2023, compared to 5.3 percent in 2022. The revised growth outturn reflected robust activities in the mining sector, combined with improved informal activities. Growth is expected to moderate to 4.0 percent in 2024 owing to the combined effect of a drop in the price of iron ore and underperformance of the mining sector. Going forward, growth is projected to recover to 4.7 percent over the medium term driven primarily by strong activities in the agriculture and mining sectors and supported by continued recovery in the services sectors. Hence, the outlook of the economy remains positive and balanced due to government flagship programs which include food security and continued macroeconomic stability. On the other hand, geopolitical tensions, unprecedented increase in global food and energy prices could weigh

on domestic growth.

Assessment of sectoral contribution to domestic growth reveals that the industry sector recorded a robust growth, while both agricultural and services sectors' growth declined in 2023. The industry sector growth contribution rose to 14.4 percent in 2023 compared to 9.9 percent in 2022, mainly due to the strong performance in iron ore production, construction and quarrying. However, the agricultural and services sectors fell by 2.4 percent and 4.7 percent in 2023, down from 3.0 percent and 5.4 percent in 2022 respectively. The development in the agricultural sector reflected a slowdown in three of its major components except for crops which increased in the review period. Developments in trade (wholesale and retail), transport and storage sub-sectors, and accommodation and food services accounted for the moderation in the services sector.

Chart 3.5.1: Sierra Leone - Real GDP Growth and Inflation Rate



Source: Statistics Sierra Leone

Inflationary pressures persisted throughout 2023. Headline inflation which stood at 37.1 percent in December 2022, increased to 41.7 percent in March 2023 and then to 44.8 percent in June 2023. Inflation further increased to 54.59 percent in October 2023 before trending down to 52.2 percent in December 2023. The downward trend continued in the first quarter of 2024 with inflation declining further to 40.69 percent in March 2024. The high inflation in 2023 was driven by both food and non-food inflation. Food inflation rose to 57.2 percent in December 2023 compared to 46.7 percent in December 2022, largely accounted from the effects of the prolonged Russia-Ukraine war, which translated into higher food and energy prices coupled with supply chain disruptions. Similarly, non-food inflation rose to 48.3 percent in December 2023 from 30.6 percent in December 2022, partly reflecting the impact from changes in taxes (i.e. the introduction of specific taxes on alcoholic beverages, tobacco and narcotics). Average headline inflation increased from 27.2 percent in 2022 to 47.7 percent in 2023.

3.5.2 Fiscal Developments

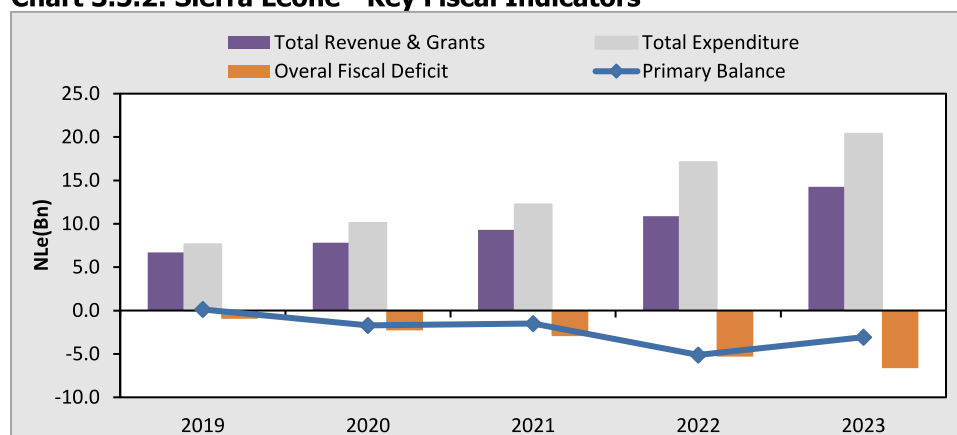
Fiscal Policy thrust in 2023 was aimed at enhancing domestic revenue mobilization, strengthening and rationalizing public expenditure management, and ensuring sustainable public debt, thus creating fiscal space to implement programs and policies to address

the needs of the vulnerable population.

Government fiscal operations recorded a widened deficit of NLe6.6bn (4.9 percent of GDP) in 2023 compared to NLe5.3bn (5.3 percent of GDP) in 2022. Excluding grants, deficit was NLe10.3bn (7.5 percent of GDP), up from NLe9.1bn (9.1 percent of GDP) in 2022. On the other hand, the primary deficit narrowed to NLe3.1bn (2.2 percent of GDP) from NLe5.1bn (5.1 percent of GDP) in 2022 (Figure 3.5.1).

Total government revenue and grants stood at NLe14.3bn (10.5 percent of GDP), representing 31.3 percent expansion compared to the NLe10.9bn (10.9 percent of GDP) in 2022. The improvements in total revenue resulted largely from the expansion in domestic revenue owing to the implementation of fiscal measures in the Finance Act 2023, coupled with increase in foreign grants received in the review period. Domestic revenue collected expanded by 43.3 percent to NLe10.1bn (7.4 percent of GDP) from NLe7.0bn (7.1 percent of GDP) in 2022, reflecting the increase in tax and non-tax revenue. Tax revenue rose to NLe7.8bn (5.7 percent of GDP) in 2023 compared to NLe5.4bn (5.4 percent of GDP) in 2022. The increase in tax revenue reflected increases in all its major components. Similarly, non-tax revenue and road user charges, increased to NLe2.0bn (1.5 percent of GDP) and NLe0.21bn (0.1 percent of GDP) in 2023 from NLe1.5bn and NLe0.17bn respectively, in 2022.

Chart 3.5.2: Sierra Leone - Key Fiscal Indicators



Source: Ministry of Finance of Sierra Leone

Foreign grants received in 2023 increased to NLe4.2bn (3.1 percent of GDP), from NLe3.8bn (3.8 percent of GDP) in 2022. This amount comprised of budgetary support of NLe1.5bn disbursed by the World Bank and a project grant of NLe2.7bn.

Total government expenditure and net lending amounted to NLe20.4bn (14.9 percent of GDP) reflecting a 26 percent increase compared to NLe16.1bn (16.1 percent of GDP) in 2022. The expansion in total expenditure was driven by recurrent and capital expenditures.

Recurrent expenditure increased by 25.0 percent to NLe13.8bn (10.1 percent of GDP) in 2023, from NLe11.1bn (11.1 percent of GDP) in 2022. The overrun in recurrent spending was attributed to the increase in the wage bill, debt servicing and non-interest, non-

salary expenditure in the review period. The overrun in these major categories of recurrent spending is mostly associated to increase spending in the security sector, conduct of National elections, establishment of new MDAs, subsidies allocation to EDSA for onward payment to Karpower and CLSG and depreciation of the exchange rate. Hence, wage bill rose to NLe5.3bn (3.9 percent of GDP), debt servicing amounting to NLe3.2bn (2.3 percent of GDP), and non-interest, non-salary expenditures amounted to NLe5.3bn (3.9 percent of GDP).

Capital expenditure expanded by 29.1 percent to NLe6.5bn (4.8 percent of GDP) in 2023, from NLe5.1bn (5.1 percent of GDP), driven by increase in foreign financed capital expenditure. On the other hand, domestic capital expenditure reduced during the

review year.

3.5.3 Public Debt Stock

At the end of December 2023, Sierra Leone had a total public debt stock of NLE63.69 billion (US\$2.78 billion) compared to NLE51.70 billion (US\$2.73 billion) as at end December 2022. The expansion in public debt was due to high domestic borrowing and external debt service payments. External debt amounted to NLE42.91 billion (US\$1.87 billion) while NLE20.78 billion (US\$0.90 billion) was recorded for domestic debt.

3.5.4 Monetary Development

Monetary policy management during 2023 was faced with several challenges, including supply side constraints, fiscal slippages, successive global shocks and exchange rate depreciation pressures. The combination of these factors led to the high and persistent inflationary pressures. In response to these challenges, the Bank of Sierra Leone (BSL) progressively raised the monetary policy rate by 525 basis points in 2023 to contain inflation. Inflationary pressures however, eased in the fourth quarter of 2023 but remains high. In addition to the tight monetary policy stance, the BSL also implemented complementary measures including forex interventions and regulatory reforms to tame inflation. Going forward, BSL is expected to continue tightening Monetary Policy to bring inflation down over the medium term.

3.5.4.1 Broad Money (M2)

Broad Money (M2) growth moderated to 32.83 percent in 2023, relative to 41.74 percent increase in 2022. The slowdown in M2 growth was largely attributed to decrease in Net Foreign Assets (NFA) growth of the banking system coupled with the slight decrease in the Net Domestic Assets (NDA) growth of the banking system.

The growth in the NFA of the banking system slowed down to 21.53 percent in 2023, compared to the 51.56 percent expansion in 2022. The moderation in NFA growth was mainly on account of the 26.49 percent deterioration in NFA of the Bank of Sierra Leone (BSL) coupled with the reduction in the growth of the NFA of the commercial banks. NFA of the commercial banks

grew by 23.31 percent in 2023 from 125.62 percent in 2022.

The growth in the NDA of the banking system declined to 36.77 percent in 2023, relative to an expansion of 38.61 percent in 2022. The growth in the NDA was mainly a reflection of the 40.59 percent increase in net claims on government by the banking sector in 2023 from 34.27 percent growth in 2022. Net claims on government by the Bank of Sierra Leone increased by 37.95 percent in 2023 compared to the 62.76 percent in 2022, while Net claims on government by commercial banks expanded by 43.38 percent in 2023 relative to the 13.28 percent increase in 2022. Credit to the private sector by commercial banks expanded by 24.99 percent in 2023, compared to a growth of 12.05 percent in 2022.

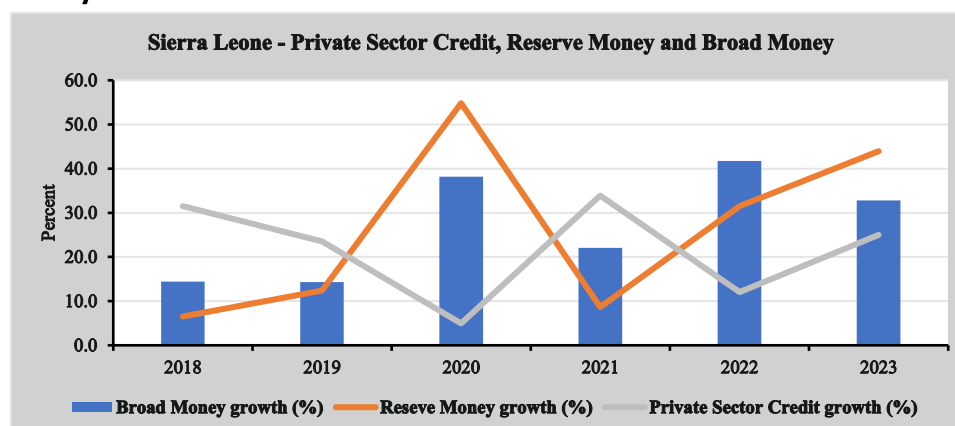
From the liability side, the moderation in M2 growth reflected the decrease in Quasi Money growth. Quasi Money growth declined to 33.82 percent in 2023, from a growth of 64.89 percent in 2022. The Foreign currency deposits increased by 40.27 percent in 2023 from 104.94 percent expansion in 2022, while time and savings deposits recorded 20.53 percent increase from 17.30 percent growth during the same review period. M1 grew by 31.59 percent in 2023, following an increase of 20.71 percent in 2022. The growth in M1 was mainly due to the 34.59 percent increase in currency outside banks and 28.54 percent expansion in demand deposits.

3.5.4.2 Reserve Money (RM)R

Reserve Money (RM) expanded by 43.95 percent in 2023, relative to the growth of 31.53 percent in 2022. The growth in RM was mainly on account of the increase in Net Domestic Assets (NDA) of the Bank of Sierra Leone (BSL), which was more than the deterioration in Net Foreign Assets (NFA) of the BSL. NDA of the BSL grew by 38.22 percent in 2023 but was lower when compared to the 88.92 percent increase in 2022. The expansion in NDA of the BSL was due to the 37.95 percent increase in net claims on government by the BSL. NFA of the BSL deteriorated by 26.49 percent in 2023 and was largely driven by drawdown in foreign reserves to finance foreign transactions.

From the liability side, the expansion in Reserve Money was due to increases in banks' reserves by 50.95 percent and currency issued by 42.48 percent in 2023.

Chart 3.5.3: Sierra Leone - Private Sector Credit, Reserve Money and Broad Money



Source: Bank of Sierra Leone

3.5.5 Interest Rates

The interest rate on the 364-day treasury bills increased from 28.23 percent in December 2022, to 34.71 percent in December 2023. Meanwhile, the 182-day and 91-day treasury bill markets remain inactive. The interbank rate increased from 18.90 per cent in December 2022 to 23.06 per cent in December 2023. The commercial banks' average lending and saving deposit rates increased from 20.10 percent and 2.17 percent to 20.26 percent and 2.23 percent, respectively during the same review period.

3.5.6 External Sector Development

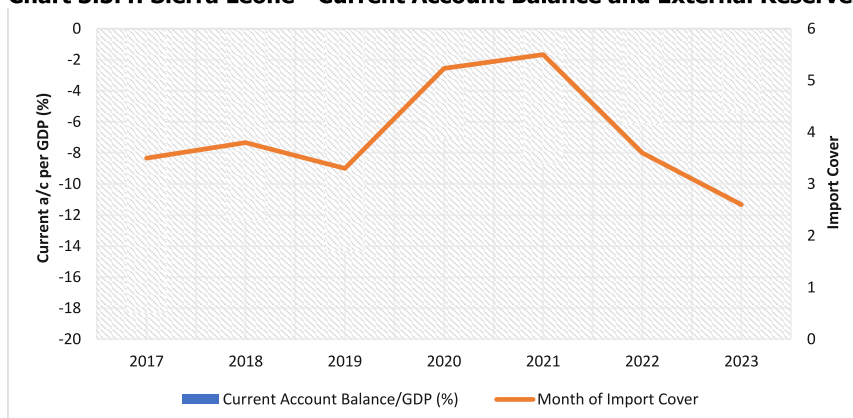
The global economy remained resilient in 2023, although there were potential drawbacks. This relative stability, coupled with a recovery in China, had positive implications for the outlook of the Sierra Leone economy. Sierra Leone's export trade increased during the period while imports decreased leading to an improvement in the country's trade balance. The increased demand for Sierra Leone's exports, especially iron ore and cocoa, could support higher GDP growth and generate more foreign exchange earnings. Lower global prices of food and energy, as well as unwinding global supply chains recorded in 2023, reduced the cost of Sierra Leone's imports. The resultant effect was a lower current account deficit and relatively less pressure on the domestic currency. The deficit in the overall balance of payment also improved in 2023. Gross foreign exchange reserves also decreased, and the Leone depreciated against major global currencies.

3.5.6.1 Balance of Payment (BoP)

The overall BOP position improved in 2023, reflecting improvements in the current and capital accounts. The deficit on the current account of the BOP narrowed to US\$319.4 million (5.3 percent of GDP) in 2023, compared to US\$424.3 million (6.1 percent of GDP) in 2022. The reduced current account deficit was mainly attributed to improvement in the trade balance and net income. The deficit in the trade account narrowed to US\$433.2 million (7.2 percent of GDP) in 2023 from US\$594.5 million (8.5 percent of GDP) in 2022, due to the combined effects of an increase in exports earnings and a decrease in import bills in 2023. Exports receipts were boosted mainly by iron ore, bauxite, gold, other minerals, cocoa, and other exports. The services account (net) also recorded a deficit of US\$305.0 million in 2023, compared to US\$265.0 million in 2022. Conversely, current transfers decreased to US\$472.5 million in 2023, compared with US\$502.10 million in 2022.

The capital and financial account recorded an estimated surplus of US\$445.2 million (7.5 percent of GDP) in 2023, compared to a surplus of US\$367.0 million (5.3 percent of GDP) in 2022. This development mainly reflects improvement in the capital account to a surplus of US\$346.7 million in 2023 from US\$220.1 million in 2022, which outweighed the deterioration in the financial account to US\$98.6 million in 2023 from US\$146.9 million in 2022.

Chart 3.5.4: Sierra Leone - Current Account Balance and External Reserves



Source: Bank of Sierra Leone

Accordingly, the overall balance of payments position improved from a deficit of US\$298.6 million (4.3 percent of GDP) in 2022 to an estimated deficit of US\$118.9 million (1.8 percent of GDP) in 2023, mainly reflecting the improvement in other investment inflows under the financial account.

3.5.6.2 Gross Foreign Exchange Reserves

On the back of weak financial inflows and high current account deficit, the gross foreign exchange reserves of the Bank of Sierra Leone decreased to US\$473.35 million (2.6 months of imports cover) in 2023 from US\$610.42 million (3.6 months of import cover) in 2022. The drawdown on reserves mainly reflected the increase in external debt service payments, Government outlays, and embassy/mission payments.

3.5.6.3 Exchange Rate

The Leone continued to depreciate against major

foreign currencies in 2023, reflecting excess demand for foreign currency over supply. This is due to balance of payments fluctuations emanating from external shocks and depletion of the reserves. The official exchange rate of the Leone to the US dollar, depreciated by 52.23 percent in 2023, compared to a depreciation rate of 34.48 percent in 2022.

3.5.6.4 Status of the ECOWAS Macroeconomic Convergence Criteria

Sierra Leone's performance on the primary convergence criteria in 2023 shows that the country did not meet any of the four primary criteria (i.e. the criteria on inflation, fiscal deficit, central bank financing, and gross external reserves). The country, however, met one of the two secondary convergence criteria, which is the criterion on Public Debt / GDP, but missed out on the second criterion on exchange rate variation.

4.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN WEST AFRICA

4.1 INTRODUCTION

West African economies continued to grapple with significant structural challenges and multiple severe shocks such as increasing food and energy prices, driven by Russia's invasion of Ukraine, climate change, and political instability. In 2023, average GDP growth in the West African sub-region plummeted to 4.5 percent, from 4.9 percent in 2022 (Table 4.1). This was characterised by variations in the growth performance among the various countries in the sub-region. Whilst countries such as Benin, Burkina Faso, Guinea-Bissau, Mali, Senegal, Togo, The Gambia, Guinea and Liberia experienced a spike in their growth rates, others such as Niger, Cabo Verde, Ghana, Nigeria and Sierra Leone experienced a slump in their growth performances (See Table 4.1).

The key drivers of the increased growth experienced by countries in the sub-region included both supply-side and demand-side factors. The supply-side factors were growth in industry, agriculture, telecommunication, and services in general whilst the demand-side factors included hikes in both private and public investment as well as rising final consumption.

However, for countries in the sub-region that experienced a slump in their growth rates, the underlying factors were military coup d'état and economic/financial sanctions imposed by the Economic Community of West African States and West African Economic and Monetary Union (in Niger), high vulnerability to climate change (in Cabo Verde), the spillover effects from Russia's invasion of Ukraine (in Ghana and Sierra Leone), tight global financial conditions and macroeconomic challenges (in Ghana), high inflation and sluggish growth in the global economy (in Nigeria).

A full implementation of the African Continental Free Trade Area (AfCFTA) agreement signed in March 2018 will see intra-regional trade improve, with consequences for increased economic growth and development in the West African sub-region. In addition to the AfCFTA, many of the countries in the sub-region have also embarked on specific plans and policy reforms to restructure their respective economies to spur socio-economic development. These are Benin's effort to deepen its access to the international capital market; Burkina Faso's reform programme with the International Monetary Fund (signed in September 2023); The Interim Transition Reform Programme by Guinea (2022-2025); Senegal's flagship projects such as the train express, highways and renewable energy; The Gambia's G20 Debt Service Suspension Initiative among others.

Average inflation in the sub-region in 2023 was estimated at 12.8 percent, 1.1 percentage points higher than that of the previous year (Table 4.2). The rise in inflation in 2023 could be attributed mainly to high food prices, high fuel cost, and depreciating domestic currencies against major international currencies.

4.2 CFA COUNTRIES

Average real GDP growth in CFA countries slightly plummeted to 4.7 percent in 2023, from 5.0 percent in 2022 (Table 4.1). Despite this development, not all CFA countries experienced a slump in their growth performance. Countries such as Benin, Burkina Faso, Guinea-Bissau, Mali, Senegal and Togo experienced improvement in their growth performance, whilst others such as Cote d'Ivoire and Niger experienced slump in their growth rates (Table 4.1).

The deterioration in growth experienced by some countries of the CFA zone was mainly due to the spillover effects of the Russian-Ukraine war, drop in cocoa production (Cote d'Ivoire) and financial/economic sanctions imposed by ECOWAS, WAEMU and other technical partners (Niger). However, in Benin, Burkina Faso, Guinea-Bissau, Mali, Senegal, and Togo, the increase in economic growth was due to boost in the performance of agriculture, industry and services.

In terms of inflation, the CFA countries experienced deceleration in average inflation from 7.7 percent in 2022 to 4.1 percent in 2023 (Table 4.2). Specifically, inflation declined in all CFA countries in 2023, except Benin (Table 4.2). The rise in Benin's inflation was attributed to hikes in fuel and food prices whilst the decline in inflation in all the other CFA countries was mainly attributed to improved food supplies, restrictive monetary policy, good agricultural season (Niger), government's 25 percent customs duty exemption in return for setting ceiling prices on sugar (Mali), lower food prices, and subsidies on fuel and electricity prices (Togo).

4.3 NON-CFA COUNTRIES

Sequel to Russia's invasion of Ukraine and the lingering effects of the COVID-19 pandemic, there was a decline in GDP growth in the non-CFA countries. Average real GDP growth in the non-CFA countries declined from 4.7 percent in 2022 to 4.2 percent in 2023 (Table 4.1). However, there were country variations in the growth performance of the countries in the non-CFA zone. Specifically, whilst countries such as The Gambia, Liberia and Guinea experienced increase in their growth rates, Cabo Verde, Ghana, Nigeria, and Sierra Leone experienced declined growth rates (Table 4.1). The significant decline in the growth rate of Cabo Verde (i.e. from 10.5 percent in 2022 to 5.1 percent in 2023) significantly pulled down the average growth rate for the non-CFA countries.

It is worth noting that, among the non-CFA economies, the economy of Guinea experienced the highest growth rate (5.7 percent) in 2023, despite supply constraints. On the other hand, the lowest growth rate in the non-CFA zone in 2023 (2.6 percent) was recorded by Sierra Leone (Table 4.1).

The dip in real GDP growth of countries in the non-CFA zone was largely due to over-dependence on tourism-intensive activities, vulnerability to climate-related shocks, spillover effects from the Russia-Ukraine war, tight global financial conditions, macroeconomic challenges, high inflation, and sluggish

growth in the global economy.

Contrary to the experience of CFA countries, the average inflation rate for non-CFA countries nose-dived upward between 2022 and 2023. Specifically, the average inflation rate significantly leaped from 16.2 percent in 2022 to 24.5 percent in 2023 (Table 4.2). However, there were mixed experiences in terms of inflation variation in the individual non-CFA countries between 2022 and 2023. Specifically, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone experienced significant hikes in their inflationary rates, whilst Guinea experienced a dip (Table 4.2).

The hike in inflation rates of The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone was largely due to higher food and energy prices (induced by Russia's invasion of Ukraine and climate-related shocks). On the contrary, the dip in inflation rate of Guinea was attributed to exchange rate stability which offset imported inflation.

4.4 OUTLOOK FOR 2024 AND BEYOND

Average real GDP growth in West Africa is expected to remain at 5.6 percent in 2024 but increase significantly to 5.8 percent in 2025 (Table 4.1).

All countries in West Africa (both CFA and non-CFA), except Guinea, are optimistic of growth resurgence in 2024 and beyond. However, the following headwinds are likely to pose a threat to their positive growth outlook for 2024 and beyond: climate-related shocks, political instability, spillover effects from the Russia-Ukraine war, tighter international financial conditions, disruptions in oil supply chains, limited access to foreign exchange, among others.

Average inflation in West Africa is expected to remain at 12.0 percent in 2024 but decrease significantly to 8 percent in 2025 (Table 4.1).

All countries in West Africa (both CFA and non-CFA), except Burkina Faso, Niger and Nigeria, are optimistic of deceleration of their inflation rates in 2024 (Table 4.1).

Table 4.1: Real GDP Growth in West Africa (percent)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*	2025**
CFA													
Benin	7.2	6.4	1.8	3.3	5.7	6.7	6.9	2	3.8	6	6.4	6.5	6.2
Burkina Faso	5.8	4.3	3.9	6	6.2	6.8	5.7	-2	6.9	3.2	3.6	4.1	4.3
Cote d'Ivoire	9.3	8.8	8.8	7.2	7.4	6.8	6.5	1.8	7.4	6.7	6.5	7	7
Guinea-Bissau	3.3	1	6.1	5.3	4.8	3.4	4.5	-2.9	6.4	3.7	4.3	4.7	5.2
Mali	2.3	7.1	6.2	5.9	5	5.2	5.1	-2	3.1	3.7	4.3	4.7	5.3
Niger	5.3	7.5	4.3	5.7	5	7.2	5.9	0.5	1.4	7.2	2.5	10.4	7.4
Senegal	2.4	6.2	6.4	6.4	7.4	6.4	5.3	-0.7	6.5	4	4.3	9.3	10.2
Togo	6.1	5.9	5.7	4.9	4.4	4.9	5.3	0	6	5.5	5.6	5.3	6
Average for CFA Countries	5.2	5.9	5.4	5.6	5.7	5.9	5.7	-0.4	5.2	5	4.7	6.5	4.2
Non-CFA													
Cabo Verde	0.8	0.6	1	4.7	3.7	4.5	5.7	-6.8	7	10.5	5.1	5.2	5.4
The Gambia	2.9	-1.4	4.1	1.9	4.8	7.2	6.1	-1.8	4.3	4.4	5.6	6.1	5.8
Ghana	7.3	2.9	2.2	3.4	8.1	6.3	6.5	0.9	5.4	3.3	2.9	3.4	4.3
Guinea	3.9	3.7	3.8	10.8	10.3	6.2	5.6	1.4	4.4	4.8	5.7	4.2	5.4
Liberia	8.8	0.7	0	-1.6	2.5	1.2	-2.5	-3	5	4	4.5	5.2	6.2
Nigeria	5.4	6.3	2.7	-1.6	0.8	1.9	2.2	-4.3	3.6	3.3	2.9	3.2	3.4
Sierra Leone	20.7	4.6	-20.5	6.3	3.8	3.5	5.4	-3.1	4.1	2.8	2.6	4.7	5.2

Source: IMF, AfDB, GSS, BoG, MoF, World Bank

*2024 and **2025 are based on projections

Table 4.2: Consumer Price Inflation (Annual Averages, percent)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*	2025**
CFA													
Benin	0.2	-0.8	1.8	0.8	1.8	0.8	-0.9	2.5	1.7	2.5	2.7	---	---
Burkina Faso	0.7	0.4	1.5	2	0.4	2	-3.2	2	3.7	14.4	0.7	2.1	2.2
Cote d'Ivoire	1.3	0.7	0.7	0.4	0.7	0.4	0.8	1.2	4.2	5.2	4.4	---	---
Guinea-Bissau	6.6	6.3	8	4.7	-0.2	0.4	0.2	2	3.3	7.9	7.2	5.4	3.1
Mali	3.2	1.5	2.3	3	1.8	1.7	-2.9	0.5	3.9	9.7	2.2	2	1.8
Niger	9	15.7	16.5	12.1	0.2	2.8	-2.5	4.4	3.8	4.2	3.7	10.4	7.4
Senegal	4	-1	2.9	3.7	1.1	0.5	1	2	2.2	9.7	5.9	---	---
Togo	2.6	1.3	-1	0.9	-0.2	0.9	0.7	1.4	4.6	7.8	5.6	2.7	2.1
Average for CFA	3.5	3	4.1	3.5	0.7	1.2	-0.8	2	3.4	7.7	4.1	4.5	3.3
Non-CFA													
Cabo Verde	0.1	-1.4	0.8	1.3	0.8	1.3	1.1	1	1.9	8	---	2.1	2.1
The Gambia	17.1	17.5	12.4	7.8	8	6.5	7.1	6.1	7.4	9.6	17	12.5	11
Ghana	10.8	8.2	8.9	9.8	12.4	9.8	7.2	10.4	10	31.5	40.3	20.9	11.15
Guinea	1.5	1.5	1	0.4	8.9	9.8	9.5	9.1	12.6	12.2	7.8	---	---
Liberia	9.8	25.9	28.5	13.6	12.4	23.5	27	11.9	7.9	7.4	10.5	8.4	5.7
Nigeria	2.3	2.5	7.2	8.3	16.5	12.1	11.4	12.9	17	18.8	24.5	31.6	20.7
Sierra Leone	1.4	2.3	2.9	5.1	18.2	16	14.8	15.7	11.9	26.1	46.6	33.6	20.2

Source: IMF, AfDB, GSS, BoG, MoF, World Bank

*2021 Figures are based on estimates

**2022 and **2023 are based on projections

5.0 OVERVIEW OF ECONOMIC DEVELOPMENTS IN AFRICA

5.1 INTRODUCTION

The post-COVID-19 global economy remained fragile with regional geopolitical tensions causing supply disruptions. The Russia-Ukraine war in 2022 and the Israel-Hamas conflicts have affected the pace of the global recovery especially for developed and emerging market economies. Although, global GDP growth is projected to be 3.2 percent in 2024 and a slight increase of 0.1 percent to 3.3 in 2025. However, this will all depend on the impact of several factors including strong exports from Asia and a mild recession in China.

5.2 MACROECONOMIC OUTCOMES IN 2023

In 2023, real GDP growth on the continent was estimated at 3.4 percent, down from 3.8 percent in 2022. Despite the declining economic activity in the region, the estimated GDP growth in 2023 was above the global average of 3.3 percent. The slump in economic growth was occasioned by supply-chain disruptions, exacerbated by Russia's invasion of Ukraine, the Israel-Hamas war, declined global growth constraining demand for Africa's exports, residual effects of the COVID-19 pandemic, and growing impacts of climate change which affected rain patterns, among others.

Furthermore, compared to 2022 (i.e. 4.0 percent), Africa's fiscal deficit was estimated to have increased to 4.1 percent in 2023, reflecting the increase in the cost of borrowings due to monetary policy tightening aimed at taming inflationary pressure. The current account deficit as a percentage of GDP was 2.8 in 2023, this estimate is expected to remain the same in 2024. Whilst average inflation was estimated at 16.2 percent in 2023, from 14.2 percent in 2022. The increase in inflation also reflected strong exchange rate pass-through effects, supply-chain disruptions, and structural factors in some of the countries in the region.

Furthermore, public debt remained high in 2023, thereby increasing the vulnerabilities. In spite of the fact that the median public debt in Africa was estimated to have declined to 60.1 percent of GDP in 2023 (from 65 percent in 2022), debt levels will continue to remain above the pre-pandemic level of 57 percent of GDP. In addition, many countries' difficulties in accessing international capital markets, amidst limited revenue mobilization, have led to the issuance of local currency debt, which increased considerably from 35 percent of GDP on average in 2019 to 42 percent in 2021. But for the factoring cost of subsidies and cash transfers to reduce energy and food prices, domestic borrowing could have risen further in 2022. Domestic debt

restructuring, therefore, should be part of the negotiations for the resolution of public debt crises in countries facing heightened risks. However, continued appreciation of the US dollar could also heighten risks of debt distress and perpetuate debt vulnerabilities, dampening the growth momentum.

5.2.1 GDP Growth

The continent's recovery effort in 2023 was quite remarkable but that was challenged by the Russian-Ukraine war amid global trade tensions. Growth dipped from 64.0 percent (in 2022) to 3.4 percent in 2023 (Table 5.1). Despite the general decline in growth, there were variations in growth experience across the sub-regions. For instance, non-resource-intensive countries' GDP grew from 5.7 percent in 2022 to 5.8 percent in 2023 (Table 5.1). This is largely attributed to increased commodity prices at the international market; especially agricultural produce.

On the other hand, although massive economic diversification is currently ongoing in East Africa, the region could have overcome to a large extent the negative spillovers of the Russian-Ukraine war and global trade tensions. The average GDP growth in East Africa increased from 4.8 percent in 2021 to 5.2 percent in 2022 (Table 5.1) and 5.3 percent in 2023. The increase in the region's GDP was attributable to the normalization of activities after the Tigray war, appreciable increase in public investment, increased commodity prices, eased global financial conditions and rebounded external demand for exports.

In Central Africa, growth increased to 3.1 percent in 2022 from 1.8 percent in 2021 (Table 5.1), benefiting from high commodity prices. Central Africa mainly comprises net exporters of crude oil, minerals, and other commodities such as timber. However, growth moderated to 2.7 percent in 2023 and is expected to pick up at 3.4 percent in 2024 as global commodity demand rebounds and domestic conditions improve, supporting investment, after the weak performance induced by the COVID-19 pandemic and geopolitical conflicts.

Furthermore, growth in West Africa slowed to 3.4 percent in 2023 from 3.9 percent in 2022. All countries except Cabo Verde, The Gambia, Ghana, Guinea, and Senegal, recorded growth decelerations in 2023.

Southern Africa, saw a mild decline in GDP growth of 0.2 percent from 3.4 percent in 2022 to 3.2 percent in 2023. South Africa's economy posted a declined growth of 0.6 percent in 2023, lower than the 5.8 percent recorded in 2022, reflecting the impact of geopolitical tension on the supply chain. Growth in the region is projected to decelerate to 2.6 percent

in 2024 reflecting the base effect, especially in South Africa, which is projected to post 0.9 percent growth. Among the top economies of Southern Africa in 2023 were Botswana with 3.2 percent and Mauritius with 6.9 percent growth.

Across country groupings in Africa, the oil-exporting countries slowly recovered from the effects of the pandemic, but the momentum continued to weaken in 2023, with growth estimated at 2.5 percent, down from 3.2 percent in 2022. This slowdown was largely blamed on a sharp decline in Libya and weaker growth in Nigeria. Africa's oil-exporting countries account for about 51 percent of the continent's GDP. Hence, their growth has a significant influence on Africa's average performance.

The tourism-dependent economies on the other hand grew by an estimated 8.4 percent in 2023, sustaining the momentum from 2022. Tourist arrivals in Africa's major destinations were also boosted by domestic strategies, including the award of long-term temporary residency permits and suspension of visa requirements for high-end tourism markets such as Mauritius and Seychelles. These strategies underscore policy efforts to help the sector to secure sustainable tourism revenues and employment.

5.2.2 Debt Dynamics and Implications for Growth

Public debt is projected to remain high, with lingering vulnerabilities. The median public debt in Africa was estimated to have declined to 60.1 percent of GDP in 2023 from 65 percent in 2022, due to debt relief initiatives that helped countries withstand the confluence of global shocks including the COVID-19 pandemic.

Public debt-to-GDP ratios are especially high among other resource-intensive (non-oil) economies. For this group of countries, the median public debt-to-GDP ratio declined in 2023 from 74.5 percent of GDP in 2022 to 65.9 percent in 2023 mainly due to a decline of more than 60 percentage points in Sudan's debt, which reached the Heavily Indebted Poor Countries Initiative decision point in 2021 and is expected to receive substantial external debt relief. However, public debt remains above the pre-pandemic level of 57 percent of GDP and is expected to revolve around 58.5 percent and 56.8 percent respectively, in 2024 and 2025, mainly due to rising interest costs of debt, depreciation of national currencies and growing financing needs.

For oil-rich countries, debt is set to increase to 53.9 percent of GDP in 2023 from 45.8 percent in 2022 with Nigeria as the major driver of the debt dynamics. Nigeria's public debt has increased steadily due to a weak revenue position, depreciation of local currency, and a high budget deficit. Nigeria's debt to GDP has increased to 46.3 percent in 2023 from 39.4 percent in 2022. For other countries in this group, despite the gain from export

earnings boosted by high oil prices have strengthened their currencies and improved their external position the public debt has increased. Debt burden have increased by double digits in Angola (19.7 percentage points), Equatorial Guinea (7.8 percentage points), and Gabon (6.9 percentage points). In Equatorial Guinea, an appreciation of the national currency as well as improved receipts from oil exports accounted for the sharp decline in public debt in 2023. Most countries in this group are expected to see an increase in their public debt-to-GDP ratios in 2023 and 2024.

Non-resource-rich countries exhibit a similar pattern in the evolution of public debt, which marginally increased to 65.9 percent of GDP in 2023 from 65.4 percent the previous year, reflecting stronger fiscal discipline. Projected higher economic growth and efforts to reduce the fiscal deficit through fiscal consolidation and expenditure restraint are expected to bring down the debt ratio to 65.3 percent of GDP in 2024 and 64.3 percent in 2025.

For the key drivers of debt dynamics during 2013-23, the decomposition of debt-creating flows indicates that the projected exchange rate depreciation and high primary deficits will have a greater cumulative impact on external debt dynamics than historical drivers such as real GDP growth. Similarly, interest-related expenditures, through increased nominal interest rates, are projected to contribute significantly to higher debt accumulation relative to past values, due to the current normalization of monetary policy across the world, reversing the historically ultra-low interest rate environment.

5.2.3 Inflationary Pressure

Average consumer price inflation in Africa increased by an estimated 1.7 percentage points to 16.2 percent in 2023 from 14.5 percent in 2022. The rise in inflation in 2023 was due to domestic factors such as drought, expansionary public investment, and, more importantly, the direct effect of imported inflation, and external factors such as rising oil and food prices, and exchange rate pass-through, exacerbated by supply chain disruptions. The rise in inflation was broad-based, surpassing central bank target rates for most countries with explicitly defined bands.

5.3 OUTLOOK FOR 2024 AND BEYOND

Africa remains resilient amidst multiple shocks with average growth projected to stabilize at 3.8 percent in 2024, higher than the estimated 3.4 percent in 2023. However, the outlook for growth recovery in Africa is subject to some risks.

The projected stable growth in 2024 and 2025 reflects the expected benefits from a slight improvement in global economic conditions—mainly underpinned by the slower pace of interest rate

adjustments following aggressive tight monetary policy and projected increase in the growth of global output. However, elevated inflation, persistent fragility in supply chains, and climate change impacts will remain on the watch-list as potential constraints to accelerated growth in the continent.

The general elections scheduled in several African countries in 2024 and 2025 could increase political uncertainty, weaken investor confidence, derail the recovery in investment flows and disrupt economic activity. Other outstanding downside risks include prolonged global tightening of monetary policy and the resulting drag on global growth that could dampen demand for Africa's exports and investment flows.

Also, any further escalation of Russia's prolonged invasion of Ukraine could exacerbate already disrupted supply chains and reverse the recent decline in global commodity prices— which could affect growth in Africa's net commodity importing countries.

Debt-to-GDP ratio remains higher than the pre-pandemic level of 57 percent of GDP, and it is expected to increase further to 58.4 percent in 2024 and then to stabilize at around 56.8 percent in 2025. The expected increase in debt reflects growing financing needs associated with rising food and energy import bills, high debt service costs due to interest rate hikes, exchange rate depreciations, and roll-over risks.

Inflation in Africa is projected to increase further to a record 15.3 percent in 2024 but declined to 12.4 percent in 2025, close to the pre-pandemic levels of 10.2 percent in 2020 and 8.3 percent in 2011-19. The projected increase in inflation in 2024 is largely attributed to prevailing structural weaknesses in most African countries—including supply chain constraints, output gaps, high-interest environment, and imported inflation—and an exchange rate pass-through from the stronger US dollar, despite declining international commodity prices. It is expected to decrease in 2024 in Central Africa (0.6 points), West Africa (0.7 points), East Africa (1.3 points), and Southern Africa (0.3 points) and increase

in North Africa (3 percentage points). The strong increase in North Africa is mainly attributed to developments in Egypt, where currency devaluations, foreign currency shortages, and import shortfalls continue to cause a surge in prices. A decline in inflation is expected in 2025 in all sub-regions and most countries, reflecting the expected benefits from the current monetary policy tightening cycle. Despite the expectations of single-digit inflation in Africa in 2024, double-digit inflation could persist in East Africa, West Africa and a few countries that have a history of high inflation such as South Sudan, Sudan, and Zimbabwe.

In terms of policy options to ameliorate the macroeconomic conditions of African economies, a combination of short-term and medium to long-term policies is needed. In the short term, a clearly communicated anti-inflation monetary policy (supported by prudent fiscal policy) will achieve lower inflation faster at minimum cost to the economy. Macro-prudential policies to build capital and liquidity buffers in addition to monetary policy actions will be necessary to address financial stability risks and maintain price stability. A coordinated debt treatment strategy between official and private creditors is key to avoiding debt crisis, given tight global financial conditions and a bunching of debt service payments. In the medium to long term, a boost in domestic revenue mobilization is critical to restore fiscal sustainability and finance-inclusive growth and sustainable development. Enacting strategic industrial policies to accelerate economic diversification in Africa would limit the effects of recurrent headwinds and the transmission of global shocks to growth. Boosting regional trade would enhance Africa's resilience to spillovers from global economic growth slowdown and reduce the persistent trade deficit. Reforming the global financial and debt architecture would reduce the cost, time, and legal complications associated with debt restructuring for African countries. Governance reforms should strengthen public financial management to deal with increased debt and tight fiscal space.

Table 5.1: Real GDP Growth in Africa, 2016-2025.

Indicator and Country Group	2016	2017	2018	2019	2020	2021	2022	2023*	2024**	2025***
Central Africa	0.2	1.1	2.2	2.9	-0.5	3.4	5.0	4.3	4.1	4.7
East Africa	5.1	5.9	5.7	5.3	1.5	4.8	4.4	1.5	4.9	5.7
North Africa	3.2	4.9	4.3	4.0	-1.3	11.7	4.1	4.1	3.6	4.2
Southern Africa	1.6	0.7	1.6	0.3	-6.0	4.2	2.7	1.6	2.2	2.7
West Africa	3.2	0.5	2.7	3.6	-0.6	4.3	3.8	3.6	4.2	4.4
Africa	3.5	2.1	3.6	3.3	-1.6	6.9	3.8	3.1	3.7	4.3
Sub-Saharan Africa	3.4	1.5	2.9	3.0	-1.7	4.3	3.7	3.4	3.8	4.0
Sub-Saharan Africa (Excluding South Africa & Nigeria)	3.9	1.8	3.3	3.6	-0.7	4.2	4.1	4.5	4.9	5.3
Oil-Exporting Countries	3.3	1.5	3.2	3.2	-1.0	8.1	4.0	2.5	3.3	3.0

2023* Figures Estimated, 2024** and 2025*** Figures Projected

Source: African Development Bank Statistics & IMF WEO



FINANCIAL STATEMENTS & ACCOUNTS

**WEST AFRICAN INSTITUTE FOR FINANCIAL
AND ECONOMIC MANAGEMENT**
Lagos, Nigeria

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

INSTITUTE INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2023

Office Address:	Central Bank of Nigeria Learning Centre P. M. B. 2001 Satellite Town Lagos, Nigeria	
Board of Governors	Dr. Ibrahim Lahai Stevens	Governor, Bank of Sierra Leone, & Chairman, Board of Governors Appointment effective 30 Oct. 2023
	Prof. Kelfala Kallon	Governor, Bank of Sierra Leone - Tenure ended on 2 Oct. 2023
	Dr. Olayemi Michael Cardoso	Governor, Central Bank of Nigeria - Appointment effective 26 Sept. 2023
	Godwin Emeziele	Governor, Central Bank of Nigeria - Tenure ended on 9 Jun. 2023
	Mr. Buah Saidy	Governor, Central Bank of the Gambia
	Mr. Jolue Aloysius Tarlue	Executive Governor, Central Bank of Liberia
	Dr. Ernest Kwamina Yedu Addison	Governor, Bank of Ghana
Institute Directors:	Dr. Baba Yusuf Musa	Director-General
	Mr. Euracklyn Williams	Director, Administration and Finance
	Dr. Alvin G. Johnson	Director, Governance and Institutional Development
	Dr. Emmanuel Owusu-Afriyie	Director, Research and Macroeconomic Management - Resigned effective 31 Dec. 2023
	Dr. Christian Regobeth Kofi Ahorator	Director, Research and Macroeconomic Management - Appointment effective 1 Feb. 2024
	Mr. Yakubu Aliyu	Director, Fiscal Policy, Debt Management and Regional Integration
	Mr. Amadou Koora	Director, Financial Sector and Payment Systems
Legal Adviser:	Chris Eyisanmi & Co. Legal Practitioners Block AB Suite No. 8 Tinubu Shopping Complex, Gowon Estate Moshalashi, Iyana-Ipaja Agege, Lagos	
Independent Auditor:	Ernst & Young 10 th & 13 th Floors, UBA House 57 Marina Lagos, Nigeria	

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
BOARD OF GOVERNORS' REPORT IN RELATION TO THE PREPARATION OF
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

The Board of Governors of West African Institute for Financial and Economic Management ("the Institute") are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Institute as at 31 December 2023 and its financial performance, changes in equity and cash flows for the year then ended, in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the Headquarters Agreement between the Government of the Federal Republic of Nigeria and the Institute.

In preparing the financial statements, the Board of Governors are responsible for:

- Properly selecting and applying accounting policies
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Institute's financial position and financial performance, and
- Making an assessment of the Institute's ability to continue as a going concern

The Board of Governors are responsible for:

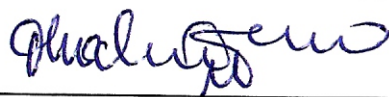
- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Institute
- Maintaining adequate accounting records that are sufficient to show and explain the Institute's transactions and disclose with reasonable accuracy at any time the financial position of the Institute
- Maintaining statutory accounting records in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the Headquarters Agreement between the Government of the Federal Republic of Nigeria and the Institute
- Taking steps that are reasonably available to them to safeguard the assets of the Institute; and
- Preventing and detecting fraud and other irregularities

Going Concern

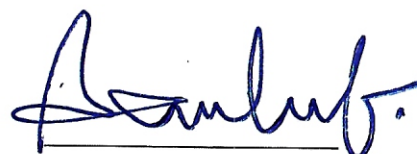
The Board of Governors have made an assessment of the Institute's ability to continue as a going concern and have no reason to believe the Institute will not remain as a going concern at least twelve months from the date of this statement.

The financial statements of the Institute for the year ended 31 December 2023 were approved by the Board of Governors on 12 September 2024.

On behalf of the Board of Governors of the Institute



Dr. Ibrahim L. Stevens
Chairman of the Board of Governors



Dr. Baba Yusuf Musa
Director General

31 October 2024



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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF GOVERNORS OF THE WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of West African Institute for Financial and Economic Management ("the Institute"), which comprise the statement of financial position as at 31 December 2023, and the statement of income and expenditure and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of West African Institute for Financial and Economic Management as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Governors is responsible for the other information. The other information comprises the information included in the document titled "West African Institute for Financial and Economic Management Annual Report and Financial Statements for the year ended 31 December 2023", which includes the Corporate Information, Statement of Board of Governors' Responsibilities in Relation to the Preparation of the Financial Statements, the Value Added Statement and the Five-Year Financial Summary. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT - Continued

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - Continued

Responsibilities of the Board of Governors for the Financial Statements

The Board of Governors is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as the Board of Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Governors are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intend to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Governors.



INDEPENDENT AUDITOR'S REPORT - Continued

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS - Continued

Auditor's Responsibilities for the Audit of the Financial Statements - Continued

- Conclude on the appropriateness of the Board of Governors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Governors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oluwasayo Elumaro, FCA

FRC/2012/PRO/ICAN/00000000139

For: Ernst & Young

Lagos, Nigeria

12 NOV. 2024



WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 US\$	2022 US\$
Income			
Subscription	4	4,741,004	4,339,412
Training income	5	87,277	91,583
Other operating income	6	361,545	260,869
Total operating income		5,189,826	4,691,864
Expenditure			
Personnel expenses	7	2,606,194	2,493,116
Training expenses	8	1,270,892	1,180,147
Depreciation	10	183,795	176,298
Amortisation	11	2,560	2,469
Operating expenses	9	1,118,168	715,197
Total expenses		5,181,609	4,567,227
Surplus for the year		8,217	124,637
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		8,217	124,637

The accompanying notes to the financial statements form an integral part of these financial statements.

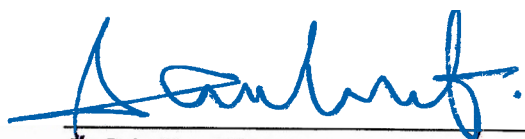
WEST AFRICAN INSTITUTE FOR **FINANCIAL AND ECONOMIC** MANAGEMENT
STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2023

	Note	31 December 2023 US\$	31 December 2022 US\$
Assets			
Non-current assets			
Property and equipment	10	416,612	427,703
Intangible assets	11	557	3,117
		<u>417,169</u>	<u>430,820</u>
Current assets			
Cash and cash equivalents	12	2,832,340	2,951,916
Cash held for staff provident fund (SPF)	13	2,273,138	2,153,207
Inventories	14	8,453	6,640
Other receivables	15	362,965	192,632
		<u>5,476,896</u>	<u>5,304,395</u>
Total assets		<u><u>5,894,065</u></u>	<u><u>5,735,215</u></u>
Liabilities			
Non-current liabilities			
Staff provident fund	17	2,273,138	2,153,207
		<u>2,273,138</u>	<u>2,153,207</u>
Current liabilities			
Other liabilities	16	66,708	36,006
		<u>66,708</u>	<u>36,006</u>
Total liabilities		<u><u>2,339,846</u></u>	<u><u>2,189,213</u></u>
Equity			
Accumulated funds	18	3,554,219	3,546,002
Total equity and liabilities		<u><u>5,894,065</u></u>	<u><u>5,735,215</u></u>

The financial statements were approved by the Board of Governors on 12 September 2024 and signed on its behalf



Dr. Ibrahim L. Stevens
 Chairman of the Board of Governors



Dr. Baba Yusuf Musa
 Director General

The accompanying notes to the financial statements form an integral part of these financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Accumulated funds US\$
As at 1 January 2023	3,546,002
Surplus for the year	8,217
Other comprehensive income	-
Total comprehensive income	<u>8,217</u>
As at 31 December 2023	<u><u>3,554,219</u></u>
As at 1 January 2022	3,421,365
Surplus for the year	124,637
Other comprehensive income	-
Total comprehensive income	<u>124,637</u>
As at 31 December 2022	<u><u>3,546,002</u></u>

The accompanying notes to the financial statements form an integral part of these financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 US\$	2022 US\$
Operating activities			
Surplus for the year		8,217	124,637
<i>Adjustment for non-cash items:</i>			
Depreciation of property & equipment	10	183,795	176,298
Amortization of intangible assets	11	2,560	2,469
Net foreign exchange loss/(gain)	6 & 9	50,599	(12,017)
<i>Working capital adjustments:</i>			
(Increase)/decrease in inventory		(1,813)	6,515
Increase in trade & other receivables		(170,333)	(192,632)
Increase in cash held for staff provident fund (SPF)		(119,931)	(166,878)
Increase/(decrease) in trade and other payables		30,702	(4,849)
Increase in other liabilities		119,931	166,878
Net cash flows from operating activities		103,727	100,421
Investing activities			
Purchase of property, plant & equipment	10	(172,704)	(197,233)
Purchase of intangible assets	11	-	(4,340)
Net cash flows used in investing activities		(172,704)	(201,573)
Net decrease in cash and cash equivalents		(68,977)	(101,152)
Net foreign exchange difference on cash and cash equivalents		(50,599)	12,017
Cash and cash equivalents at 1 January		2,951,916	3,041,051
Cash and cash equivalents at 31 December	12	2,832,340	2,951,916

The accompanying notes to the financial statements form an integral part of these financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The West African Institute for Financial and Economic Management ("WAIFEM"; "the Institute") was established in 1996 by the Central Banks of Nigeria, The Gambia, Sierra Leone, Ghana and Liberia. The Institute commenced operations in January 1997. The Institute is domiciled at the Central Bank of Nigeria Learning Centre, P. M. B. 2001, Satellite Town, Lagos, Nigeria.

1.1 Principal activities

The principal activities of the Institute continue to be strengthening capacity building for macro-economic management in the West African sub-region by offering short-term customized courses to professional staff of Central banks, Ministries of finance and economic planning and other agencies involved in the formulation and implementation of macro-economic policies in the West African sub-region.

1.2 Approval of financial statements

The financial statements were approved by the Board of Governors and authorised for issue at its meeting held on 12 September 2024.

1.3 Statement of compliance

The financial statements of the Institute has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

1.4 Basis of measurement

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the considerations given in exchange for the assets or liabilities.

1.5 Functional and presentation currency

Items included in the financial statements of the Institute are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity (the functional currency). These financial statements are presented in US Dollars (\$), which is the entity's functional currency.

2 Material accounting policies

The following are the significant accounting policies applied by the Institute in preparing its financial statements:

a) Income recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institute and the income can be reliably measured. Income is measured at the fair value of the consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognized.

Subscription

This relates to contributions from member Central Banks of the Institute in accordance with the agreed distribution policy of 35%, 25% for the Central Banks of Nigeria and Ghana respectively and 13.33% for each of Liberia, The Gambia and Sierra Leone against the approved budget for the year. Contributions are made directly to the Institute's bank account housed with the Central Bank of Nigeria. The income is recognized on an accrual basis.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

a) Income recognition - continued

Grants

These represent grants received from donor organizations towards specific training programs.

Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Institute receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

The spending of these grants is usually monitored by the donors.

Other income

This represents income from consultancy, course executions and business development programs. These are recognized on an accrual basis.

b) Expenses

This comprised of personnel expenses, training expenses and other operating expenses. These are recognized on an accrual basis, as services are incurred.

c) Property and equipment

Recognition and measurement

Property and equipment are stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred and if it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Institute and its cost can be measured reliably. The costs of the day-to-day repairs and maintenance of property and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis to write down the cost of items of property and equipment, to their residual values over the estimated useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5, Non-current assets held for sale and discontinued operations. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The useful lives for significant items of property and equipment are as follows:

	Years
Motor vehicle	5
Office furniture	4
Office equipment	4
Household furniture	4
Household equipment	5

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

c) Property and equipment - continued

Derecognition

An item of property and equipment is derecognized upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

d) Intangible assets

Computer Software

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of comprehensive income in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss when the asset is derecognized.

The Institute's intangibles assets are Computer software. These represent the cost of procuring computers software. Computer software is amortized on a straight line rate of 50%. Cost associated with maintaining the software programs are recognized as an expense when incurred.

e) Inventories

Inventories are valued 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. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

f) Financial assets and liabilities

All financial assets and liabilities- which include derivative financial instruments- have to be recognized in the statement of financial position and measured in accordance with their assigned category.

- Initial recognition and measurement

Financial assets are initially measured at fair value plus transactions costs that are directly attributable to the acquisition or issue of the financial Instruments.

- Subsequent measurement

Subsequent to initial measurement, financial instruments are measured either at fair value or amortised cost depending on their classification.

- Classification and related measurement

Subsequent to initial measurement, financial instruments are measured either at amortised cost or fair value depending on their classification category.

i) Financial assets

Subsequent to initial recognition, all financial assets within the Institute are measured at

Amortized cost

Fair value through other comprehensive income (FVOCI); or

Fair value through profit or loss (FVTPL)

Debt instruments at amortised cost or at FVTOCI

The Institute assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Institute's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Institute determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Institute's business model does not depend on management's intentions for an individual instrument. Therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument- by- instrument basis.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

f) Financial assets and liabilities - continued

Debt instruments at amortised cost or at FVTOCI - continued

The Institute has more than one business model for managing its financial instruments which reflects how the Institute manages its financial assets in order to generate cash flows. The Institute's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Institute considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Institute does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Institute takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Institute determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Institute reassesses its business models at each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period, the Institute has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

As at 31 December 2022, the Institute did not hold any debt instrument measured at fair value through other comprehensive income (FVOCI).

Debt instruments at Fair value through profit or loss

Financial assets at FVTPL are:

Assets with contractual cashflows that are SPPI; or/and assets that are held in a business model other than held to collect contractual cash flows or held to collect and sell; or assets designated at FVTPL using the fair value option.

These assets are measured at fair value, with any gains/losses arising on remeasurement recognised on profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

Impairment

The Institute recognises loss allowances for expected credit losses (ECLs) on the following financial instruments at amortised cost:

Debt investment securities;

Other receivables;

ECLs are required to be measured through a loss allowance at an amount equal to:

-12-month ECL, i.e. lifetime ECL that result from those default events on the financial instruments that are possible within 12 months after the reporting date, (referred to as Stage1); or full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument. (referred to as Stage 2 and Stage 3).

-A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal significantly or insignificantly to the 12-month ECL.

-ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Institute under the contract and the cash flows that the Institute expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

-The Institute measures ECL on an individual basis, or on a collective basis for debt instruments that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Significant increase in credit risk

The Institute monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Institute will measure the loss allowance based on lifetime rather than 12 month ECL. The Institute's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Institute monitors all financial assets that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Institute compares the risks of a default occurring on the financial statements at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Institute considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort; based on the Institute's historical experience and expert credit assessment including forward-looking.

Multiple economic scenarios form the basis of determining the probability of default at initial recognition and at subsequent reporting dates. Different economic scenarios will lead to a different probability of default. It is the weighing of these different scenarios that forms that basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

f) Financial assets and liabilities - continued

As a back-stop, when an asset becomes 30 days past due, the Institute considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when the covenants are breached).

When a financial asset is modified, the Institute assesses whether this modification results in derecognition. In accordance with the Institute's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Institute considers the following:

Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or change of counterparty, the extent of change in interest rates, maturity, covenants. If these do not clearly indicate a substantial modification, then;

A quantitative assessment is to be performed to compare the present values to the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest.

In the case where the financial asset is derecognised, the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasion where the new loan is considered to be originated credit impaired. This applies only in the case when the fair value of the new loan is recognised at a significant discount to its revised paramount because there remains a high risk of default which has not been reduced by the modification. The Institute monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Institute determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimate based on data at initial recognition and the original contractual terms; with
- the remaining lifetime of PD at the reporting date based on the modified terms.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

i) Financial assets and liabilities - continued

Modification and derecognition of financial assets - continued

The Institute derecognizes a financial asset only when contractual rights to the asset's cashflows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Institute neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Institute neither recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Institute retains substantially all the risks and rewards of ownership of a transferred financial asset, the Institute continues to recognize the financial asset and recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognized in OCI and accumulated in equity is recognized in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than its entirety (e.g. when the Institute retains an option to repurchase part of a transferred asset), the Institute allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain/loss allocated to it that had been recognized in OCI is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI as the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss.

Write-off

Debt securities and other receivables are written off when the Institute has no reasonable expectations of the financial asset (either in its entirety or portion of it). This is the case when the Institute determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Institute may apply enforcement activities to the financial assets written off. Recoveries resulting from the Institute's enforcement activities will result in impairment gains.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- for debt instruments measured at FVTOCI: no loss allowance is recognized in the statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in the investments revaluation reserve;

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

f) Financial assets and liabilities - continued

ii) Financial liabilities and equity

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Institute's own equity instruments and is a non-derivative contract for which the Institute is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Institute's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) held for trading, or (ii) it is designated as at FVTPL. A financial liability is classified as held for trading if:

It has been incurred principally for the purpose of repurchasing it in the near term; or on initial recognition it is part of a portfolio of identified financial instruments that the Institute manages together and has a recent actual pattern of short term profit taking or it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if: such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis; in accordance with the Institute's documented risk management or investment strategy, and information about the accompanying is provided internally on that basis; or it forms part of a contract containing one or more embedded derivatives and IFRS 9 permits the entire hybrid (combined) contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at their fair value, with any gains/losses arising on remeasurement recognized in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain/loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'net income from other financial instruments at FVTPL' line in the profit or loss account.

The Institute does not have any financial liabilities at fair value through profit or loss at the reporting date.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate method (EIR).

The effective interest method is a method of calculating the amortized cost of a financial liability and allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period to the net carrying amount on initial recognition.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

f) Financial assets and liabilities - continued

ii) Financial liabilities and equity - continued

Derecognition of financial liabilities

The Institute derecognizes financial liabilities when, and only when, the Institute's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit and loss.

When the Institute exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Institute accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Institute are recognized as the proceeds received, net of direct issue costs.

Repurchase of the Institute's own equity instruments is recognized and deducted directly in equity. No gain/loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Institute's own equity instruments.

g) Employee benefits

Staff provident fund (SPF)

The Institute operates a defined contribution pension scheme. The scheme is managed in-house.

The SPF is a contributory fund where all employees of the Institute make a contribution of 10% of their basic salary and the Institute contributes 20% of the employee's basic salary. Management administers this Fund in accordance with the approved Regulations of the Staff Provident Fund. Employees can make withdrawals of up to 60% of their total contributions from the fund as long as certain conditions are met. This withdrawal can be made after the employee has worked for the Institute for more than 3 years.

Employees are entitled to the full balance of their total contribution, less any withdrawals, upon termination or resignation or retirement from employment with the Institute. There is no requirement for interest to be paid on these contributions except the money is invested. The fund is currently held in a US dollar domiciliary account with the Central Bank of Nigeria where it generates little or no interest.

h) Foreign currency translations

Transactions denominated in currencies other than the United States Dollar are translated at the rate of exchange ruling at the reporting date.

Monetary assets and liabilities in foreign currencies are converted to USD at the rate of exchange ruling at the reporting date.

Gains and losses arising there from are included in the income and expenditure account.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

2 Significant accounting policies - Continued

i) Taxation

According to Article vii (1) of The Headquarters agreement between WAIFEM and the Government of the Federal Republic of Nigeria, West African Institute for 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.

j) Current versus non-current classification

The Institute presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Institute classifies all other liabilities as non-current.

3 Significant accounting judgments, estimates and assumptions

The preparation of the Institute's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Institute based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Institute. Such changes are reflected in the assumptions when they occur.

Useful lives and carrying value of property and equipment, and intangible assets

The estimation of the useful lives of assets is based on management's judgment. The useful lives are determined based on the expected period over which the asset will be used and benefits received by the Institute from the use of the asset. Residual values are determined by obtaining observable market prices for the asset with the same age that the asset would be at the end of its useful life. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items (See note 10).

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

3 Significant accounting judgments, estimates and assumptions - continued

Determination of impairment of property and equipment, and intangible assets

Management is required to make judgments concerning the cause, timing and amount of impairment. In the identification of impairment indicators, management considers the impact of changes in current competitive conditions, cost of capital, availability of funding, technological obsolescence, discontinuance of services and other circumstances that could indicate that impairment exists. The Institute applies the impairment assessment to its separate cash generating units. This requires management to make significant judgments and estimates concerning the existence of impairment indicators, separate cash generating units, remaining useful lives of assets, projected cash flows and net realizable values. Management's judgment is also required when assessing whether a previously recognized impairment loss should be reversed. There was no indicator of impairment of property and equipment throughout the year.

Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. The Institute uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Refer to Note 21.

3.1 New and amended standards and interpretations

There are several amendments and interpretations that apply for the first time in 2023, but do not have an impact on the financial statements of the Institute. These include the following:

(a) IFRS 17 - Insurance Contracts

The IASB issued IFRS 17 in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. The new IFRS 17 standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard.

The objective of IFRS 17 is to ensure an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cashflows.

These amendments have no impact on the financial statements of the Institute.

(b) Amendments to IAS 8 - Definition of Accounting Estimates

The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board.

The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information.

These amendments have no material impact on the financial statements of the Institute.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single

(c) Transaction

The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

This amendment does not have any impact on the Institute's financial statements.

(d) *Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies.
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosure.

These amendments have no material impact on the financial statements of the Institute.

(e) **International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12**

On 23 May 2023, the International Accounting Standards Board (the IASB or Board) issued International Tax Reform-Pillar Two Model Rules - Amendments to IAS 12 (the Amendments) to clarify the application of IAS 12 Income Taxes to income taxes arising from tax law enacted or substantively enacted to implement the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) Pillar Two model rules (Pillar Two income taxes).

This amendment does not have any impact on the Institute's financial statements.

3.2 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Institute's financial statements are disclosed below. The Institute intends to adopt these standards, if applicable, when they become effective.

(a) **Classification of Liabilities as current or non-current - Amendments to IAS 1**

In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendment clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability, is itself an equity instrument would the terms of a liability not impact its classification.

The impact of this standard on the Institute's financial statements is currently under assessment.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

3.2 Standards issued but not yet effective - continued

(b) Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full termination of a lease.

The amendment is not expected to have any significant impact on the Institute at the time it will take effect, as there is non-existent of such transaction as Sale and Leaseback with external parties.

(c) Amendments to IAS 7 & IFRS 7 - Supplier Finance Arrangements

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions

The amendments are not expected to have a material impact on the Institute's financial statements.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - Continued

4 Subscription		2023	2022
	Note	US\$	US\$
Central Bank of Nigeria		1,659,353	1,518,803
Bank of Ghana		1,185,252	1,084,857
Bank of Sierra Leone		632,133	578,584
Central Bank of The Gambia		632,133	578,584
Central Bank of Liberia		632,133	578,584
		<u>4,741,004</u>	<u>4,339,412</u>
5 Training income			
Net consultancy fees	(Note 5.1)	82,977	89,160
Course fees		3,000	-
Sundry income & E-learning		1,300	2,423
		<u>87,277</u>	<u>91,583</u>
5.1 Net consultancy fees			
Consultancy fees		410,331	753,264
Demand Driven Courses expenses		(327,354)	(664,104)
		<u>82,977</u>	<u>89,160</u>
<p>These relate to fees earned from training, learning and development organised by the Institute to Central Bank of Nigeria, African Development Bank, and other governmental, ministries, agency and departments from member countries and associated expenses of organising these trainings.</p>			
6 Other operating income		2023	2022
	Note	US\$	US\$
Grants	(Note 6.1)	354,047	240,028
Interest		7,498	8,824
Foreign exchange gain		-	12,017
		<u>361,545</u>	<u>260,869</u>
6.1 Grants			
World Bank		308,072	192,632
International Monetary Fund Institute (IMF)		45,975	47,396
		<u>354,047</u>	<u>240,028</u>

- i There are no unfulfilled conditions or contingencies attached to these grants.
- ii World Bank Grant relates to grant received for expenses incurred by the Institute in organising various courses under the World Bank Debt Management Facility (DMF). The Funds were utilised inline with the Grant Agreement.
- iii International Monetary Fund (IMF) Grant relates to grant received to implement a Regional Training Programme on Macroeconomic Diagnostics.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - Continued

7	Personnel expenses	2023 US\$	2022 US\$
	Salaries and wages	1,654,594	1,591,560
	Provident fund contribution	447,346	429,343
	Leave allowance, home leave and ex-gratia allowance	221,482	203,792
	13-month salary	141,711	135,541
	Utility allowance	65,060	63,630
	Resettlement, recruitment costs and shipment of personal effects	68,933	61,423
	Overtime allowance	7,068	7,827
		<u>2,606,194</u>	<u>2,493,116</u>

7.1	Staff Remuneration	2023	2022
	Salary range	Number	Number
	\$1001 - \$10,000	7	7
	\$10,001 - \$20,000	25	25
	\$20,001 - \$30,000	1	1
	\$30,001 - \$40,000	5	5
	\$40,001 - \$50,000	3	3
	Above \$50,000	11	11
		<u>52</u>	<u>52</u>

8	Training expenses	2023	2022
	Programme fees	906,767	866,589
	Training materials, cost of administration & transportation	364,125	313,558
		<u>1,270,892</u>	<u>1,180,147</u>

These are expenses incurred on training and development for employees of the institute to improve on the job and be in tune with the latest development in the industry. These include flight expenses within and outside country, accommodation, transportation, feeding and their per diems etc.

9	Operating expenses	2023 US\$	2022 US\$
	Board expenses	321,460	36,368
	Official mission and travels	303,732	242,212
	Staff training	97,001	90,844
	Social programmes	51,544	43,182
	Net foreign exchange loss	50,599	-
	Electricity, lighting and rates	39,372	26,811
	Motor vehicle running expenses	38,106	35,787
	Printing, stationery and computer consumables	34,728	34,547
	Bank charges	33,490	33,353
	Audit fees	31,000	31,000
	Internet subscription/ website	28,122	22,064
	Upkeep of grounds and buildings	17,205	9,235
	Repairs and maintenance	16,344	13,449
	Postages and telecommunications	14,393	35,438
	Souvenir teaching aids	12,611	13,895
	General insurance	8,621	12,702
	Medical expenses	7,437	7,284
	Hospitality and security	4,857	12,315
	Cleaning materials and staff uniforms	2,701	2,866
	Journals, periodicals and newspapers	2,197	2,822
	Entertainment	1,607	6,048
	Management expenses	1,041	2,975
		<u>1,118,168</u>	<u>715,197</u>

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - Continued

10 Property and equipment

	Motor Vehicles US \$	Office Furniture US \$	Office Equipment US \$	Household Furniture US \$	Household Equipment US \$	Total US \$
Cost						
At 1 January 2021	727,804	13,667	451,637	45,188	110,415	1,348,711
Additions	116,888	-	14,081	21,322	44,942	197,233
At 31 December 2022	844,692	13,667	465,718	66,510	155,357	1,545,944
Additions	148,000	397	24,145	-	162	172,704
At 31 December 2023	992,692	14,064	489,863	66,510	155,519	1,718,648
Accumulated depreciation						
At 1 January 2021	475,537	5,644	356,836	28,766	75,160	941,943
Depreciation charge	100,026	2,072	36,092	10,949	27,159	176,298
At 31 December 2022	575,563	7,716	392,928	39,715	102,319	1,118,241
Depreciation charge	116,260	2,141	29,758	8,899	26,737	183,795
At 31 December 2023	691,823	9,857	422,686	48,614	129,056	1,302,036
Net book value:						
At 31 December 2023	300,869	4,207	67,177	17,896	26,463	416,612
At 31 December 2022	269,129	5,951	72,790	26,795	53,038	427,703

i) There were no restrictions on title and no asset pledge as security for liabilities during the year.

ii) At the end of the reporting period, management has assessed all items of property and equipment for any indication of impairment and based on judgement there is no such indication.

11 Intangible assets

	Computer Software ₦'000
Cost	
At 1 January 2022	81,577
Additions	4,340
At 31 December 2022	85,917
Additions	-
At 31 December 2023	85,917
Accumulated amortisation:	
At 1 January 2022	80,331
Amortisation	2,469
At 31 December 2022	82,800
Amortisation	2,560
At 31 December 2023	85,360
Net book value:	
At 31 December 2023	557
At 31 December 2022	3,117

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

12	Cash and cash equivalents	2023 US\$	2022 US\$
	Cash on hand	43,470	249,492
	Endowment fund at bank	149,444	128,751
	Cash at bank	2,639,426	2,573,673
		<u>2,832,340</u>	<u>2,951,916</u>

- 12.1 Cash & cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Endowment fund is credited with surpluses from the Institute's overall operations.

13	Cash held for Staff Provident Fund (SPF)	2023 US\$	2022 US\$
	Cash held for Staff Provident Fund (SPF) (See note 13.1)	2,273,138	2,153,207

- 13.1 60% of the Staff Provident Fund are payable to staff on demand if certain conditions are met. The full balance is payable to staff upon termination or resignation or retirement from employment with the Institute. Refer to note 17 for movement in the Staff Provident Fund (SPF) account.

14	Inventories	2023 US\$	2022 US\$
	Computer consumables	5,703	3,821
	Cleaning materials	577	954
	Household items	437	267
	Stationery	1,736	1,598
		<u>8,453</u>	<u>6,640</u>

- 14.1 Inventories are carried at the lower of cost and net realisable value. There were no write-downs of inventory during the year and all inventory balances are current in nature. Inventory balances will be turned over within 12 months after the financial year.

15	Other receivables	2023 US\$	2022 US\$
	World Bank	132,033	192,632
	Africa Development Bank (AFDB)	220,925	-
	Central Bank of Nigeria (CBN)	10,007	-
		<u>362,965</u>	<u>192,632</u>

- 15.1 The World Bank receivables are grants to the Institute as contained in the donor agreement between the parties, whilst the receivables from AFDB and CBN are for trainings and workshop organized by the Institute. These balances were outstanding as at 31 December 2023.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

16	Other liabilities	2023 US\$	2022 US\$
	Accruals (note 16.1)	66,708	36,006
16.1	Accruals are in respect of various expenses (e.g. audit fees, printing, medical bills), which have been incurred during the year but remained unpaid as at year end. The Institute normally settles such expenses within one to three months from the date of receipt of service to which they relate.		
17	Staff Provident Fund (SPF)	2023 US\$	2022 US\$
	Balance at 1 January	2,153,207	1,986,329
	Contributions by Staff (10% of total salary)	149,116	143,127
	Contributions by the Institute (20% of total salary)	298,230	286,216
		2,600,553	2,415,672
	Payment to withdrawn staff (withdrawals by staff for the year) (Note 17.2)	(327,415)	(262,465)
	Balance at 31 December	2,273,138	2,153,207
17.1	Staff provident provisions		
	Contributions by Staff (10% of total salary)	149,116	143,127
	Contributions by the Institute (20% of total salary)	298,230	286,216
		447,346	429,343
17.2	Staff provident payment		
	Payment to withdrawn staff (withdrawals by staff for the year)	(327,415)	(262,465)
17.3	SPF is a contribution platform provided by the Institute to all staff. This is usually deducted at source from staff salary at 10% of monthly salary. While the Institute contributes 20% of staff's monthly salary. Staff are entitled to 60% of total contribution after the staff has spent more than 3 years in the Institute. Approval of SPF withdrawal is given when it is primarily meant for house building purposes only.		
18	Accumulated fund	2023 US\$	2022 US\$
	As at January	3,546,002	3,421,365
	Surplus for the year	8,217	124,637
		3,554,219	3,546,002
19	Related parties		
	All related parties transactions are from the Business Development and Consultancy Unit and fees are charged on a cost recovery basis.		
		2023 US\$	2022 US\$
	<u>Directors remuneration</u>		
		758,297	749,409
	The number of Directors excluding the Board of Governors, whose emoluments fall within the following ranges were:		
		2023	2022
	\$50,000 - \$120,000	5	5
	\$120,001- \$200,000	1	1

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

20 Financial risk management objectives and policies

The nature and carrying values of financial instruments that the Institute deploys in carrying out its activities are included in notes 12 to 17. The Institute's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance operations and to provide guarantees that support its operations. The Institute has trade and other receivables, and cash and bank balance that arise directly from its operations. The major risks that the Institute is exposed to as a result of deploying financial instruments include market risk, credit risk, liquidity risk and Operational risk. The Institute oversees the management of these risks. The Management advises on financial risks and the appropriate financial risk strategy within its policy framework to ensure that risks are kept at a minimum level. The Management provides assurance that the financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed to reduce the impact on its operations. The Management reviews and agrees policies for managing each of these risks which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. The Institute is not exposed to any significant market risks resulting from its financial instruments.

(b) Interest rate risk

The Institute does not have any long term debt obligations. The Institute's trade and other payables are for working capital and as such the Institute has little or no exposure to interest rate risk as at the year end.

(c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Institute's exposure to the risk of changes in foreign exchange rates relates primarily to the Institute's operating activities (when revenue or expense is denominated in a different currency from the Institute's presentation currency).

The table below summarises the Institute's exposure to foreign currency exchange rate risk at 31 December 2023 and 31 December 2022. Included in the table are the Institute's financial instruments at carrying amounts, categorised by currency.

	NAIRA US\$	EURO US\$
As at 31 December 2023		
<i>Net foreign currency exposures</i>		
Cash and bank balances	5,641	77,961
As at 31 December 2022		
<i>Net foreign currency exposures</i>		
Cash and bank balances	57,390	70,481

Foreign currency sensitivity

The Foreign exchange sensitivity analysis of the Institute is presented below.

For each foreign currency net exposure it is reasonable to assume a 5% appreciation/depreciation against the functional currency. If all other variables are held constant, the tables below present the impacts on profit or loss before tax if these currency movements had occurred.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

20 Financial risk management objectives and policies - continued

(c) Foreign currency risk - continued

The following table details the sensitivity to a 95% increase and 1% decrease in US Dollar against the Naira and a 88% increase and 2% decrease against the Euro. Management believes that the percentage movement above is reasonably possible at the reporting date. The sensitivity analysis below include outstanding Naira and Euro denominated assets and liabilities. A positive number indicates an increase in profit where US Dollar strengthens by 95% against the Naira and 1% against the Euro. For a 88% and 2% weakening of US Dollar against the Naira and Euro respectively, there would be an opposite impact on profit, and the balance below would be negative.

Foreign exchange sensitivity analysis (31 December 2023)	NAIRA US\$	EURO US\$
<i>US Dollar strengthens by 95% (Naira) & 88% (Euro)</i>		
Profit/ (loss)	5,358	68,606
<i>US Dollar weakens by 1% (Naira) & 2% (Euro)</i>		
Profit/ (loss)	(56)	(1,559)
Foreign exchange sensitivity analysis (31 December 2022)		
<i>US Dollar strengthens by 11% (Naira) & 1% (Euro)</i>		
Profit/ (loss)	6,313	705
<i>US Dollar weakens by 1% (Naira) & 3% (Euro)</i>		
Profit/ (loss)	(574)	(2,114)

(d) Price risk

The Institute does not carry any financial instrument that exposes it to significant price risk.

(e) Credit risk

Credit risk is the risk of financial loss to the Institute if members or donors fail to meet their contractual obligations, and arises principally from the Institute's receivables from members and donor agencies. The Institute's principal exposure to credit risk is influenced mainly by the individual characteristics of each member and/or donor agency. Management is responsible for analysing each existing and new members based on experience and relevant available information on an ongoing basis. This is to ensure that the subscriptions and/or grants in form of subscription/contribution are made good by the respective members and donors. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Institute evaluates the concentration of risk with respect to cash and bank balances and trade and other receivables as low. This is because its customers are located in several jurisdictions and operate in largely independent markets and also, it uses the services of several banks.

i) Credit Collateral

The Institute generally does not hold collateral over its financial assets and no such collaterals were held as at 31 December 2023 (2022: Nil).

ii) Credit exposure

The credit risk analysis below is presented in line with how the Institute manages the risk. The Institute manages its credit risk exposure based on the carrying value of the financial instruments.

iii) Industry analysis

	Financial services US\$	Government US\$	Consumer US\$	Others US\$	Total US\$
As at 31 December 2023					
Other receivables	362,965	-	-	-	362,965
Cash and cash equivalents	2,788,870	-	-	-	2,788,870
Total credit risk exposure	3,151,835	-	-	-	3,151,835
As at 31 December 2022					
Other receivables	192,632	-	-	-	192,632
Cash and cash equivalents	2,702,424	-	-	-	2,702,424
Total credit risk exposure	2,895,056	-	-	-	2,895,056

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
NOTES TO THE FINANCIAL STATEMENTS - Continued

20 Financial risk management objectives and policies - continued

(e) Credit risk - continued

The table below provides information regarding the credit risk exposure of the Institute by classifying assets according to the Institute's credit ratings of counterparties:

Neither past-due nor impaired

	Investment grade US\$	Non- investment grade: satisfactory US\$	Non- investment grade: unsatisfactory US\$	Past-due but not impaired US\$	Total US\$
As at 31 December 2023					
Cash and cash equivalents	2,788,870	-	-	-	2,788,870
Other receivables	362,965	-	-	-	362,965
Total	3,151,835	-	-	-	3,151,835
As at 31 December 2022					
Cash and cash equivalents	2,702,424	-	-	-	2,702,424
Other receivables	192,632	-	-	-	192,632
Total	2,895,056	-	-	-	2,895,056

Age analysis of financial assets past due but not impaired

	< 30 days US\$	31 to 60 days US\$	> 60 days US\$	Total US\$
As at 31 December 2023				
Other receivables	362,965	-	-	362,965
Total	362,965	-	-	362,965
As at 31 December 2022				
Other receivables	192,632	-	-	192,632
Total	192,632	-	-	192,632

(f) Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Institute's approach to managing liquidity is to ensure, as far as practicable, that it will always have sufficient liquidity to meet its liabilities as at when due, without incurring unacceptable losses or risking damage to the Institute's reputation.

However, the Institute ensures that it has sufficient cash on demand to meet current and expected operational needs.

Maturity profiles

The table that follows summarises the maturity profile of the financial assets and financial liabilities of the Institute based on remaining undiscounted contractual obligations, including interest payable and receivable.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

20 Financial risk management objectives and policies - continued

Maturity analysis (contractual undiscounted cash flow basis)

	Carrying amount US\$	Up to 3months US\$	3-6 months US\$	Total US\$
As at 31 December 2023				
Financial assets				
Other receivables	362,965	362,965	-	362,965
Cash and cash equivalents	2,788,870	2,788,870	-	2,788,870
Total assets	3,151,835	2,788,870	-	3,151,835
Less: Financial liabilities				
Other liabilities	66,708	66,708	-	66,708
Total liabilities	66,708	66,708	-	66,708
Total liquidity surplus	3,085,127	2,722,162	-	3,085,127

(f) Liquidity risk - continued

	Carrying amount US\$	Up to 3months US\$	3-6 months US\$	Total US\$
As at 31 December 2022				
Financial assets				
Other receivables	192,632	192,632	-	192,632
Cash and cash equivalents	2,702,424	2,702,424	-	2,702,424
Total assets	2,895,056	2,895,056	-	2,895,056
Less: Financial liabilities				
Other liabilities	36,006	36,006	-	36,006
Total liabilities	36,006	36,006	-	36,006
Total liquidity surplus	2,859,050	2,859,050	-	2,859,050

(g) Capital management

Capital is the equity attributable to the equity holders of an entity. The primary objective of the Institute's capital management is to ensure that it maintains strong accumulated funds in order to support its operations and to sustain future developments. The Institute is not subject to any internally or externally imposed capital requirements.

(h) Operational risk

Operational risk is the risk of loss in both financial and non-financial terms resulting from human error and the failure of internal processes and systems.

Managing operational risk is seen as part of the day-to-day operations and management, which includes explicit consideration of both opportunities and the risks of all business activities. Operational risk management includes Institute-wide policies that describe the standard required of both staff and specific internal control systems designed for implementation in the Institute. Compliance with corporate policies and departmental internal control systems are managed by departmental management and an active internal audit function.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

NOTES TO THE FINANCIAL STATEMENTS - Continued

21 Fair value of financial assets and liabilities

Financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in

Level 2: for equity securities not listed on an active market and for which observable

Level 3: fair value measurements are those derived from valuation techniques that

There were no assets or liabilities measured at fair value at reporting date (2022: Nil).

21.1 Financial instruments not measured at fair value

Table below shows the carrying value of financial assets not measured at fair value.

As at 31 December 2023	Level 1	Level 2	Level 3
Financial assets			
Cash and bank balances	-	-	2,832,340
Cash held for Staff Provident Fund (SPF)	-	-	2,273,138
Other receivables	-	-	362,965
	-	-	<u>5,468,443</u>
Financial liabilities			
Other liabilities	-	-	66,708
Staff provident fund	-	-	2,273,138
	-	-	<u>2,339,846</u>
 As at 31 December 2022			
Financial assets			
Cash and bank balances	-	-	2,951,916
Cash held for Staff Provident Fund (SPF)	-	-	2,153,207
Other receivables			192,632
	-	-	<u>5,297,755</u>
Financial liabilities			
Other liabilities	-	-	36,006
Staff provident fund	-	-	2,153,207
	-	-	<u>2,189,213</u>

The Institute considers the carrying value of all financial assets and liabilities to approximate their fair values. There were no transfers between the different levels in 2023 (2022: Nil).

22 Contingent liabilities

There were no pending litigations against the Institute as at 31 December 2023 (2022: Nil).

23 Capital Commitments

There was no capital expenditure contracted but not provided for in these financial statements as at 31 December 2023 (2022: Nil).

24 Events after the reporting period

There are no other events after reporting date which could have a material effect on the financial position of the Institute as at 31 December 2023 and income and expenditure and other comprehensive income on that date which have not been adequately adjusted for or disclosed.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT
STATEMENT OF VALUE ADDED
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023		2022	
	US\$	%	US\$	%
Gross earnings	5,189,826	185	4,691,864	168
Less:				
Bought in material and services	(2,389,060)	(85)	(1,895,345)	(68)
Value added	2,800,766	100	2,796,519	100
Applied as follows:				
To employees:				
- Personnel expenses	2,606,194	93	2,493,116	89
Retained for the Institute's future:				
- Depreciation	183,795	7	176,298	6
- Amortisation	2,560	-	2,469	1
- Surplus for the year	8,217	-	124,637	4
Value added	2,800,766	100	2,796,519	100

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 allocation of that wealth between employees and that retained for the future creation of more wealth.

WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

FIVE-YEAR FINANCIAL SUMMARY

Statement of financial position

At 31 December

	2023 US\$	2022 US\$	2021 US\$	2020 US\$	2019 US\$
Assets					
Non-current assets					
Property and equipment	416,612	427,703	406,768	591,041	425,759
Intangible assets	557	3,117	1,246	1,126	2,798
	<u>417,169</u>	<u>430,820</u>	<u>408,014</u>	<u>592,167</u>	<u>428,557</u>
Current assets					
Cash and bank balances	2,832,340	2,951,916	3,041,051	3,889,572	1,834,812
Cash held for Staff Provident Fund (SPF)	2,273,138	2,153,207	1,986,329	1,978,148	1,679,541
Inventories	8,453	6,640	13,155	13,001	14,437
Trade and other receivables	362,965	192,632	-	-	40,470
	<u>5,476,896</u>	<u>5,304,395</u>	<u>5,040,535</u>	<u>5,880,721</u>	<u>3,569,260</u>
Total assets	<u>5,894,065</u>	<u>5,735,215</u>	<u>5,448,549</u>	<u>6,472,888</u>	<u>3,997,817</u>
Equity					
Accumulated funds	3,554,219	3,546,002	3,421,365	4,430,901	2,270,857
Total equity	<u>3,554,219</u>	<u>3,546,002</u>	<u>3,421,365</u>	<u>4,430,901</u>	<u>2,270,857</u>
Liabilities					
Non-current liabilities					
Staff provident fund	2,273,138	2,153,207	1,986,329	1,978,148	1,679,552
Other liabilities	-	-	-	-	11,233
	<u>2,273,138</u>	<u>2,153,207</u>	<u>1,986,329</u>	<u>1,978,148</u>	<u>1,690,785</u>
Current liabilities					
Trade and other payables	66,708	36,006	40,855	63,839	36,175
	<u>66,708</u>	<u>36,006</u>	<u>40,855</u>	<u>63,839</u>	<u>36,175</u>
Total liabilities	<u>2,339,846</u>	<u>2,189,213</u>	<u>2,027,184</u>	<u>2,041,987</u>	<u>1,726,960</u>
Total equity and liabilities	<u>5,894,065</u>	<u>5,735,215</u>	<u>5,448,549</u>	<u>6,472,888</u>	<u>3,997,817</u>
Statement of income and expenditure					
	2023 US\$	2022 US\$	2021 US\$	2020 US\$	2019 US\$
Total operating income	<u>5,189,826</u>	<u>4,691,864</u>	<u>2,743,075</u>	<u>5,254,608</u>	<u>5,602,482</u>
Expenditure					
Personnel expenses	(2,606,194)	(2,493,116)	(2,540,962)	(2,269,508)	(2,265,982)
Training expenses	(1,270,892)	(1,180,147)	(360,314)	(181,350)	(1,287,169)
Depreciation	(183,795)	(176,298)	(194,794)	(151,961)	(225,584)
Amortisation	(2,560)	(2,469)	(1,133)	(1,672)	(1,128)
Operating expenses	(1,118,168)	(715,197)	(655,408)	(490,073)	(952,376)
Total expenses	<u>(5,181,609)</u>	<u>(4,567,227)</u>	<u>(3,752,611)</u>	<u>(3,094,564)</u>	<u>(4,732,239)</u>
Surplus/(deficit) for the year	<u>8,217</u>	<u>124,637</u>	<u>(1,009,536)</u>	<u>2,160,044</u>	<u>870,243</u>

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