



WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

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A NEWSLETTER OF THE WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

THE DIRECTOR-GENERAL OF WAIFEM URGES BANK SUPERVISORS TO IMPROVE RISK-BASED SUPERVISION FOR NON-BANK FINANCIAL INSTITUTIONS IN THE WEST AFRICAN SUBREGION



The Director-General of WAIFEM, Dr. Baba Y. Musa, at a 5-day Regional Workshop on Risk-Based Supervision for Non-Bank Financial Institutions in Accra (Ghana), advised bank supervisors to improve risk-based supervision for non-bank financial institutions in the West African subregion. The workshop was jointly organized by the West African Institute for Financial and Economic

Management (WAIFEM) and AFRITAC West-2 over the period, July 3-7, 2023.

The opening address, read on behalf of the Director-General by Mr. Amadou Koora (Director of Financial Sector and Payment Systems Department, WAIFEM), indicated that Non-Bank Financial Institutions (NBFIs) found it difficult to adapt to the standard requirements of

the prudential guidelines specified to ensure the safety and soundness of the financial sector. The address hinted that the workshop would focus on the challenges and benefits of adapting risk-based supervision processes for NBFIs in proportion to their complexity and sophistication. Furthermore, Dr. Musa assured the participants that the workshop would create an environment for the participants to share best practices and standards with the participating NBFIs staff. He encouraged participants to actively participate in the workshop. He, therefore, tasked participants to take every available opportunity to tap the knowledge and experience of the excellent faculty placed at their disposal.

After the Director-General's address, Mrs. Elsie Addo Awadzi (Second Deputy Governor of the Bank of Ghana) read the keynote address on behalf of the Governor of the Bank of Ghana, Dr. Ernest K. Y. Addison. The Governor emphasized that risk-based supervision was of paramount importance for Non-Bank Financial Institutions (NBFIs) as it enabled regulatory authorities to effectively identify, assess, and mitigate the risks associated with these entities. He indicated that NBFIs operated in a dynamic and rapidly changing financial landscape, which exposed them to various risks such as credit risk, market risk, liquidity risk, operational risk, and legal and regulatory risk. The Governor noted that risk-based supervision was to ensure that NBFIs have robust risk management frameworks in place to identify, measure, monitor, and control these risks effectively.

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: Overview of Regulatory and Supervisory Practices for NBFIs; Types of NBFIs (ownership; licensing; deposit taking vs non-deposit taking; business model); Aggregate Data on Key Financial and Performance Indicators; Regulatory and Supervisory Practices – Risk-Based vs Compliance-Based; Key Issues and Challenges in Regulation and Supervision, and Supervisory Response; Reserves Business Model Assessments of NBFIs and Implications for Financial Inclusion; Proportional Implementation of International Standards – Key Considerations; Overview of Risk-Based Supervision (RBS)– What it is/what it isn't; Key Tenets: Judgement-Based, Dynamic, and Intrusive; RBS Methodologies and Approaches to Assess Risk Profile of Supervised Institutions; Importance and Application of Developments in the Institution, Economy, and Industry to Assess Institution's Risk Profile and Likely Direction of Assessment Ratings; Key Elements: Developing Business Profile of FIs and Identifying Significant Business Activities, Risk Assessment, and Effectiveness of Risk Management and Governance; Importance of Strong Licensing Function: Core Supervisory Processes; Planning Supervisory Work; Executing Supervisory Work (On-site Reviews and Monitoring); Documentation (Updating FIs' Risk Profile) and Reporting as well as Regional Response/Progress in Adopting Proportional RBS for NBFIs.

A total of twenty (20) 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 three (3) from Bank of Cabo Verde and two (2) from The West African Monetary Institute (WAMI). Ten (50%) of the participants were male whilst the remainder (10 participants; 50%) were female.

The course was facilitated by two expert resource persons namely Dr. Eugene Asiamah-Boadi, (a Chartered Accountant and Lawyer from Ghana) and Mr. Vitus C Ukwuoma (the Regional Advisor, Financial Supervision at IMF/AFRITAC West-2).

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 of 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.
- 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. Also, 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.

Appreciation

All the participants appreciated the various organisations and institutions for the sponsorship of this course. Participants were particularly excited about improvement in their knowledge of Risk-based Supervision of NBFIs. They expressed gratitude to the facilitators for the exposure and experience exhibited during the training. The participants also thanked the Management and Staff of WAIFEM and AFITAC West - 2 for successfully organizing the course.

WAIFEM ORGANISES A REGIONAL COURSE ON EFFECTIVE REPORT WRITING SKILLS AND PRESENTATION TECHNIQUES



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 Dr. Musa Dukuly, the Deputy Governor for Economic Policy of the Central Bank of Liberia. In his keynote address, the Deputy Governor welcomed participants to the course and encouraged them to enjoy the warm hospitality and the tourist attractions in the city of Monrovia. He recognised WAIFEM's effort 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 the 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 provision of consolidated and updated information, means of internal communication within an organization and a medium to facilitate planning and decision-making processes as key functions of a report. 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.

The welcome remarks by Dr. Baba Y. Musa, the Director-General of WAIFEM, presented on his behalf by the Director of Governance and Institutional Development Department, Dr. Alvin Johnson, emphasized the importance of effective communication in achieving organisational success. He 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, since its operationalisation.

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, that is, 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.

Analyses of the evaluation questionnaire 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 competences in the organisation of information in logical forms for both oral and written presentations.

- iv. Over 88 percent of the participants agreed the course will assist them to improve their skills in how to present technical reports.
- 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. The course was very relevant to their daily operations both in the professional and private spheres.
- ii. The course content was useful.
- iii. The course delivery was very interactive and engaging; thus, ensuring a high degree of participation.
- iv. The facilitators demonstrated in-depth knowledge of the subject matter.
- v. Participants were generally pleased with the course, among others.

Recommendations

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

WAIFEM ORGANISES A COURSE ON MANAGEMENT DECISION-MAKING AND BIG DATA ANALYTICS FOR MANAGERS AND DIRECTORS



The Business Development and Consultancy Unit (BDCU) 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, in Lagos, Nigeria, from July 10 – 14, 2023.

The opening ceremony was chaired by the Director-General of WAIFEM, Dr. Baba Y. Musa. He welcomed the 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 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 informed the participants that

the BDCU was established by the Institute to cater for the training needs of the private sector, demand-driven courses on topical issues as well as consultancy programmes. 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. According to Dr. Musa, big data analytics refers to the process of examining large and complex datasets to uncover hidden patterns, correlations, and insights. Dr. Baba Musa noted further that, with the aid of advanced technologies and algorithms, organizations could 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.

According to the Director-General, in management decision-making, big data analytics offers several benefits to organizations such as enhancing decision quality, improving operational efficiency and fostering innovation and strategic agility, among others. Dr. Musa, however, acknowledged that sheer volume, velocity, and variety of data requiring organizations to invest in robust infrastructure, skilled personnel, and sophisticated analytical tools were some of the challenges of the integration of big data analytics into management decision-making. He, therefore, enjoined the participants to put in their maximum effort to realise the objective of the course. He concluded his speech by formally declaring the course opened.

The main objective of the course was to up-scale 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 included: Understanding Data Fundamentals; Demystifying Reporting & Analytics; Harnessing Artificial Intelligence & Other Tools to Build Report; Overview of Power BI Desktop; Introduction to Management Decision Making and Big Data Analytics; Data Collection and Pre-processing; Framework for Building a Data Model; Building a Data Model in Power BI Desktop; Exploratory Data Analysis; Showing the Numbers; Review of the DAX Formula Language; Time Intelligence Calculation in DAX; Variance Calculations in DAX; Power BI Standard & Custom Visualizations; Visualizing Your Ideas; Introduction to Power Query; Publishing to Power BI.com and 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 Limited. Ten (10) participants attended the course from the sub-region, comprising 8 males and 2 females. Five (5) were 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:

- i. All the participants agreed that the objectives of the course have been achieved.
- ii. All the participants also concurred that the course upgraded their knowledge on Risk-Based Auditing, Governance and Operational Risk Management.
- iii. All 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. All the participants also rated the substantive impact of the resource persons as a team as '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 were of the view that the blend of plenary and group exercises was very effective.
- vii. About 92 percent of participants also concurred that the quality of training materials and documentation was 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 was effective.
- x. In the additional comments, majority of the participants agreed that the content, usefulness of the topics to their work and presentations were very good.
- xi. Time allotted for the course was good, according to the participants.

Observations

At the end of the course, the participants observed the following:

- i. The facilitators' lecture delivery was excellent, demonstrated their in-depth understanding of the topics.
- ii. The lectures created a deep insight into the course with practical examples.
- iii. The planning and arrangement of the logistics for participants were also very satisfactory.
- iv. Facilities/equipment and the learning environment for the programme were excellent.
- v. The accommodation provided for the participants was 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 as well as 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:

- WAIFEM should 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.

THE BANK OF GHANA INTRODUCES A MULTIPLE-PRICE FORWARD FOREX AUCTION



At a five-day regional course (July 24-28, 2023) organized by the West African Institute for Financial and Economic Management (WAIFEM) on Exchange Rate Regimes and Policies in Accra (Ghana), the Governor of the Bank of Ghana, Dr. Ernest Y. Addison, revealed that the Bank of Ghana had introduced a multiple-price forward forex auction with the primary aim of improving price discovery, deepening the forex market and reducing uncertainty about future availability of forex to meet the needs of banks' clients. In a keynote speech, read on behalf of the Governor by Dr. Christian R. K. Ahoritor (Head of Statistics and Publications Unit, Bank of Ghana), he emphasized that the implementation of the policy was expected to ease pressure on the spot market and thus, minimize front-loading of forex purchases by economic agents. He further noted that the exchange rate regime of Ghana had evolved over the years, reflecting macroeconomic

dynamics and the changing global and domestic economic landscape. According to the Governor, Ghana has 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 imported into the country, which was consistent with the Foreign Exchange Act, 2006 (Act 723). The Governor ended the keynote speech by commending the Director-General of WAIFEM, Dr. Baba Y. Musa, and urged him to continue to advance the Institute's mission of building the capacity of technical staff and policy-makers in critical areas of macroeconomic management in the sub-region.

Following the keynote speech, the Director of Research and Macroeconomic Management Department of WAIFEM, Dr Emmanuel Owusu-

Afriyie, emphasized the objective of the course. He made known to the participants that the course was designed to introduce them to the different exchange rate regimes and arrangements that countries and regional bodies may adopt to manage their exchange rates. According to him, the course also addressed the factors that determine the choice of exchange rate regimes and the consequences of such choices. 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. Concluding his remarks, Dr. Owusu-Afriyie on behalf of the Director-General of WAIFEM expressed appreciation to the facilitators for their continued commitment to providing short- and long-term technical support to the Institute.

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 from the sub-region 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 discussion.

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. In terms of gender representation, 14 (46.71%) of the participants were male whilst 16 (53.31%) were female. However, in terms of institutional distribution of participants, 18 (60.01%) were from the Central Banks, 6 (20.01%) were from the Ministries, Department and Agencies whilst 6 (20.00%) were from other public sectors.

The course evaluation conducted at the end of the course 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.

Finally, all the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

WAIFEM ORGANISES A REGIONAL COURSE ON RETIREMENT PLANNING, PERSONAL FINANCE MANAGEMENT, AND MANAGING NEW BEGINNING



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 the participants, who were selected by their various organisations. Dr. Musa stated that retirement was a significant milestone in employees' lives, and it marked 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. According to him, the course was 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. According to him, retirement in the past was often viewed as a short period of rest after a lifetime of work. However, he noted that, as life expectancy increases and societal norms evolve, retirement now spans several decades for many individuals. With a longer retirement period, proper planning becomes paramount, the Governor stressed. 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 requires 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 ended his address by encouraging 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;
- 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.

The 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. WAIFEM initiative in rolling out the regional course on retirement planning was laudable, especially at a time when most employees think that retirement was 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.
- 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 onboarding 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).
- 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.

WAIFEM ORGANISES A COURSE ON DESIGNING AND IMPLEMENTING POLICY, PROJECT AND PROGRAMME EVALUATION SYSTEMS



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 in Lagos (Nigeria) from July 31 – August 4, 2023.

The opening ceremony programme was chaired by the Director-General of WAIFEM, Dr. Baba Y. Musa. 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 Y. Musa, gave a brief history of the Institute and maintained that the principal mandate of WAIFEM was to enhance the skills of policymakers and practitioners in financial and economic management sector, with focus on governance and institutional management, fiscal policy and debt management, macroeconomic management,

and financial sector and payment systems. The Director-General revealed that the Business Development and Consultancy Unit of WAIFEM (BDCU) was established by the Institute to cater for the training needs of the private sector (i.e. demand-driven courses on topical issues), and offer consultancy services. Dr. Musa added that the BDCU programmes being private sector target programmes, were offered on a cost-recovery basis with minimal fee to primarily cover the cost of conducting the courses. On the importance of the training, the Director-General 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 placed emphasis on 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 measure the set objectives against output so as to determine their impact. He further noted that it was a continuing function that

provide management and stakeholders with valuable feedback on what was working, what was not working and why, as well as early indications of progress and achievement of objectives. Continuing, the Director-General mentioned that policy monitoring and evaluation were critical in effectively designing, implementing, and delivering public policies and services. This, he said, would ensure that policymaking was informed by sound evidence on what works, which was 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. Musa urged the participants to make maximum use of the opportunity given them and also encouraged them to ask pertinent questions to realise the objective of the course. He concluded his speech by formally declaring the course on Designing and Implementing Policy, Project, and Programme Evaluation Systems officially open.

The overall objective of the training was to enable participants, on completion of the programme, to develop better policies by incorporating evaluation into the policymaking process. The broad topics of the course included the following: Meaning of Monitoring and Evaluation; Results-Based Management (RBM); M&E and the Project/Programme Cycle; Baseline and End-line Studies; Monitoring and Evaluation (M&E) Standards and Ethics; Minimizing Bias and Errors; 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 Analysis; 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 M&E Experts - Professor Omo Aregbeyen of the University of Ibadan, Professor Okunlola Olaniyi of the Federal University of Technology, Akure, and Dr. Adeboye Adeyemo, an international development consultant.

In terms of participation, nine (9) participants attended the course from the sub-region, comprising three (3) males and six (6) females. On the other hand, in terms of institutional representation, six (6) were from the Bank of Ghana, one (1) from Bank of Sierra Leone and two (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. All participants agreed that the course enhanced their understanding of designing and implementing policy, project, and programme evaluation systems.
- ii. All the participants agreed that the course increased their knowledge of key steps for project/programme monitoring and evaluation.

- iii. All the participants agreed that the course provided in-depth understanding of Policy Making Process & Policy Evaluation.
- iv. All the participants also agreed that the topics covered at the course were appropriate.
- v. Majority of the participants (88 percent) concurred that the group presentation session was effective in showcasing participants of the topics.
- vi. All the participants were of the opinion that the substantive impact of the resource persons as a team was very good.
- vii. All the participants agreed that the documents (lecture materials, etc.) were very useful.
- viii. On the administration of the course, the participants agreed that the overall administration and coordination of the course by WAIFEM was very effective.
- ix. On the expectations about the course, all the participants agreed that the course met their expectations.
- x. Lastly, majority of the participants commented that more time should be allotted to the course to enable participants to have more case studies and practical session.

Recommendations

In view of the observations, participants made the following recommendations, that:

- i. In view of the above participants recommend that the course should be restructured into three levels.
- ii. Despite the above observations, participants agreed that the programme was useful and beneficial as monitoring and evaluation when applied appropriately could result in safeguarding scarce resources of organisations, leading to attainment of organisational objectives. Also, implementation of M & E would facilitate central banks' price stability objectives, anchor inflation expectations, contribute to financial stability, and implement sound and stable monetary policies.
- iii. Participants unanimously agreed that central banks should leveraged on the programme and build capacity of the staff in RBM & E.
- iv. Despite the in-depth treatment of Concepts of M&E by the Facilitators, the participants suggested that the PowerPoint slides should incorporate pictures to give learners pictorial view of the concepts.

WAIFEM ORGANISES A REGIONAL COURSE ON MONETARY POLICY FRAMEWORKS AND ANALYTICAL TOOLS



The West African Institute for Financial and Economic Management (WAIFEM) organised a five-day Regional Course on Monetary Policy Framework and Analytical Tools at the Bolton White Hotel, Abuja (Nigeria) over the period, 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) and Dr. Emmanuel Owusu-Afriyie (Director of Research and Macroeconomic Management Department and the 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, 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.

Delivering the keynote address on behalf of the Acting Governor of the Central Bank of Nigeria, Hon. Folashodun Shonubi, Dr. Isa Audu emphasized 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 remained 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 on Monetary Policy Frameworks and Analytical Tools 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 course 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. Patricks Ogiji (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 very practical, interactive, and engaging.

The course was attended by a total of thirty-six (36) professionals from WAIFEM 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. In terms of gender distribution of participants, 17 (47.2 %) were male whilst 19 (52.8 %) were female. The institutional distribution of participants indicated that 16 (44.4%) of the participants were from Central Banks, 16 (44.4%) from the Ministries, Department and Agencies, and four (11.1%) 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:

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|---|---|
| <ul style="list-style-type: none"> 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. | <ul style="list-style-type: none"> 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. |
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THE DIRECTOR-GENERAL OF WAIFEM EMPHASIZES THE IMPORTANCE OF BUILDING STRONG FINANCIAL MARKET INFRASTRUCTURE AND PAYMENT SYSTEMS IN THE SUB-REGION



At a 5-day regional course organised by the West African Institute for Financial and Economic Management (WAIFEM) on Financial Market Infrastructure and Payment Systems from August 14 - 18, 2023 in Freetown, Sierra Leone, the Director-General of WAIFEM, Dr. Baba Y. Musa, emphasized the importance of effective financial market infrastructure and payment systems in the sub-region. In his address at the opening ceremony of the course, Dr. Musa, who was ably represented by Mr. Amadou S. Koora (Director of Financial Sector and Payment Systems Department, WAIFEM), 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. According to him, the course was specifically designed to give participants comprehensive understanding of the critical components that underpin the functioning of modern financial systems. He also revealed in his address that the course aimed at providing participants with in-depth understanding of the intricacies, challenges, and opportunities associated with the critical components of the financial market infrastructure and payment systems. Dr. Musa concluded his remarks by expressing gratitude to the President of Sierra Leone, His Excellency, Brig. Rtd. Julius Maada Wonie Bio, for the permission to hold the course in

Freetown. 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 staff, facilitators, and participants on arrival.

The keynote address read on behalf of the Acting Governor of the Bank of Sierra Leone by Mr. Sheik Sesay 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 also disclosed that financial market infrastructure and payment systems played 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 open by the Acting Governor, Dr. Ibrahim Stevens.

The topics covered during the course included the following: Understanding Financial Market Infrastructure; Structure of Payment Systems; Authorization of Payment Systems; Role of Central Banks in the Supervision and Regulation of Payment Systems; Money Transfer (Remittance) System; Payment System Aspects of Financial Inclusion; New Central Bank Digital Currency; Payment and Settlement Systems Statistics; Payment and Settlement Systems (EPSS) Project; Harmonization of Payment and Settlement Systems (PSS); Capital Markets:

Legal, Regulatory, and Institutional Framework; Development of Capital Markets; Role of Participants in Capital Markets; Interconnectedness and Interoperability; Systemic Risk Management; Industry Trend and Challenges; Controlling Risk in the Financial Systems; and Practical Applications.

With regard to participation, the course was attended by seventeen (17) participants made up of senior and middle level officials from the central banks, ministries of finance and economic affairs from The Gambia, Ghana, Nigeria and Sierra Leone as well as officials from the West African Monetary Agency (WAMA). 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 the various Central Banks in the sub-region and the Nigerian Stock 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 Stock 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 percent of the 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 the 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 market participants.
- 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) on 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 regimes 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 5% 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:

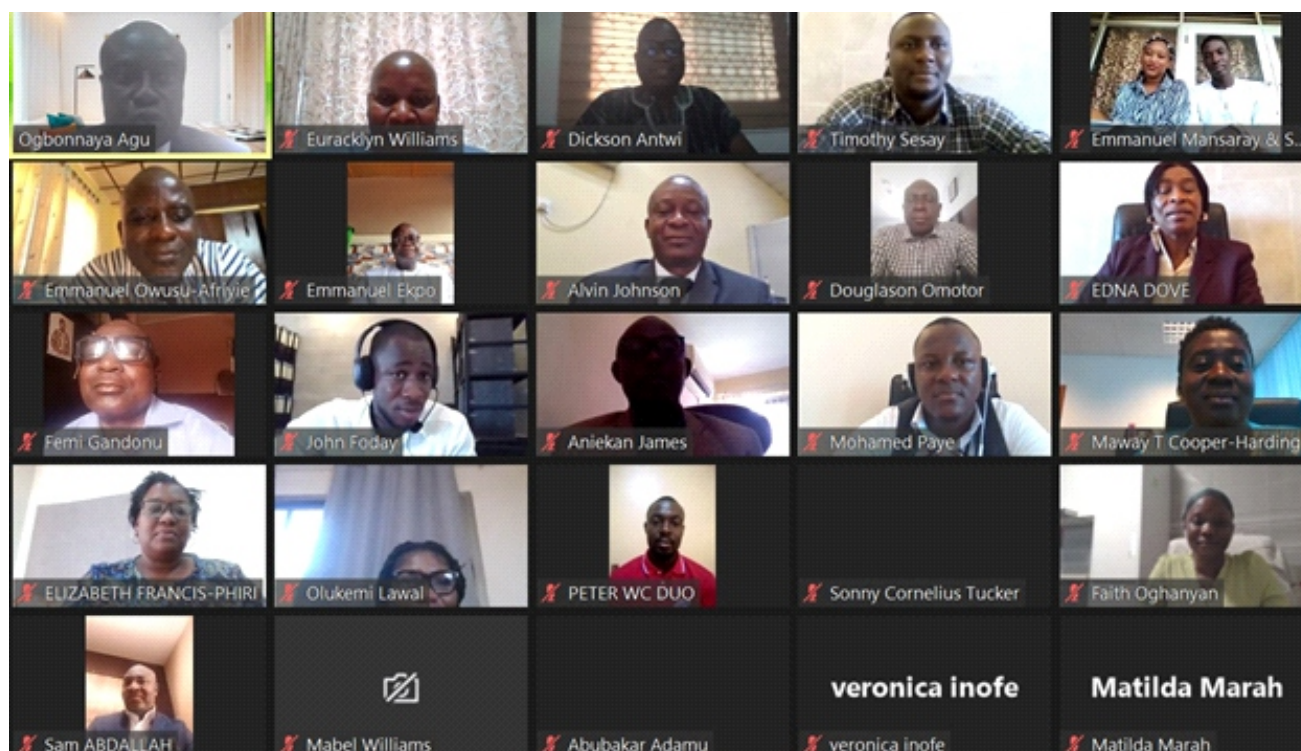
- i. ECOWAS countries should perform frequent Vulnerability and Penetration Tests (VAPT) to limit their exposure to risks to their Payment Systems.
- ii. ECOWAS countries should have effective Business Continuity and Disaster Management Plans to avert disruption in case of emergencies.
- iii. There should 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 relatively developed sister countries. The integration of West African countries' payment systems would go a long way to enhance their financial market infrastructure and payment systems.

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.

WAIFEM ORGANISES AN ONLINE REGIONAL COURSE ON FISCAL INSTITUTIONS, FISCAL DISCIPLINE AND STRENGTHENING THE MANAGEMENT OF FISCAL AND CREDIT RISKS



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.

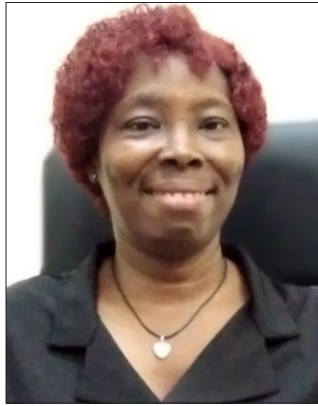
The opening ceremony was attended by the Director General of WAIFEM, Dr. Baba Y. Musa, who was ably represented by the Director of Research and Macroeconomic Management Department, Dr. Emmanuel Owusu-Afriye. Other WAIFEM officials and a distinguished resource person, Hon. Seth E. Terkper (Former Minister of Finance, Republic of Ghana, and

currently the Executive Director of PFM-TAX AfricaNetwork) were also present.

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.



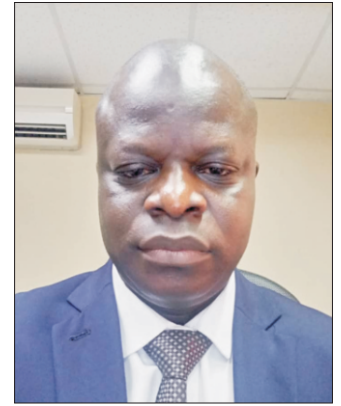
MR KAMAL MUSA
JULY 17



Linda S R Beckley-Thomas
JULY 21



MRS JOSEPHINE ROBERT
AUGUST 15



MR ADEKANNBBI SOLOMON
AUGUST 24



MR JAMES NNDIFREKE
SEPTEMBER 9



MR PHILIP EFFIONG
SEPTEMBER 18



MR EURACKLYN WILLIAMS
SEPTEMBER 19



MR SUNDAY AGADOGU
SEPTEMBER 24



MR USMAN SHEHU
SEPTEMBER 25



DR. BABA YUSUF MUSA
SEPTEMBER 27



MRS ADELINE AJOKPAEZI
SEPTEMBER 27



MR MOSES O. OGUNNIYI
SEPTEMBER 28



DR. EMMANUEL OWUSU AFRIYE
OCTOBER 4



CEMBER



MR KHALILU
OCTOBER 10



MR DANIEL ORANNYE
OCTOBER 18



MR EMMANUEL E OKON
OCTOBER 22



MR JAMES ANIEKAN
NOVEMBER 24



MR. USMAN IBRAHIM
NOVEMBER 15



MR BASSEY UDOEKPO
NOVEMBER 15



MR. LINUS GIMOH
NOVEMBER 27



MS REBECCECA IKPEME
DECEMBER 4



MRS CCHRISTY OBOZUWA
DECEMBER 10



MR. YAKUBU ALIYU
DECEMBER 25



With regard to 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 are 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 such as 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. According to him, fiscal discipline required responsible management of government finances to ensure prudent fiscal policies, prevent excessive borrowing, and safeguard economies from external and domestic shocks. He also mentioned that it also contributed to macroeconomic stability, investor confidence, and sustainable growth.

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 noted that in recent times, WAIFEM member countries had experienced a complex economic situation, characterized by fiscal and debt vulnerabilities, thus contributing to an elevated fiscal-risk environment.

The course was designed to build the capacity of policymakers 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 to fiscal and credit risk management challenges 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).

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

Key Lessons

- i. 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).
- ii. Therefore, a mastering of the Fiscal Framework is important for evaluating the impact it makes on both Macroeconomic and Macro-fiscal management.
- iii. 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.”
- iv. “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.
- v. 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).
- vi. Fiscal risks matter because they 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.

- vii. 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).
- viii. 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.
- ix. 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.
- x. The two main methods used in credit risk assessment include 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).
- xi. A successful credit risk assessment involves proper collaboration and continuous improvement that will lead to a better financial performance and growth.

Observations

- i. 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.
- ii. 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.

- iii. Participation was encouraging so participants were able to ask questions and also expressed their views. This allowed for different country experiences to be shared.
- iv. The coordinators of the programme were very professional, resourceful, and committed throughout the programme.
- v. 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.
- vi. Most participants' active involvement in the course could not be determined and punctuality was in general, not encouraging.
- vii. 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

- i. The deterioration in fiscal performance in most economies such as WIAFEM member countries, owing to recent external shocks, has 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.

- ii. 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.
- iii. Member countries should undertake study tours to learn from others with better fiscal institutions and risk management techniques and experiences.
- iv. Governments should ensure strengthening of institutions, capacity-building, and sound management of internal operations.
- v. Learning from our mistakes and continuously improving models and strategies will help to enhance effective credit risk management among member countries.

To WAIFEM

- i. 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.
- ii. Involve political office holders and other policymakers to educate them on the role of government in fiscal risk management and enforcing the regulatory frameworks within which our institutions operate.
- iii. 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.
- iv. Participants should be given a day off to properly work on their Group Presentations to ensure quality work.
- v. 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.

- vi. 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 had 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 would ensure that the suggestions, recommendations, and observations in the communique from their respective countries, receive adequate attention.

WAIFEM ORGANISES A REGIONAL COURSE ON PUBLIC FINANCIAL MANAGEMENT (PFM) AND TAXATION



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 remarks, 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 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 averred 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 broad-based complex developmental challenges. He 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 resource envelop. He further mentioned that despite the efforts by policymakers 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. According to him, 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, he made known to the participants that WAIFEM organized 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 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 were also group works 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, 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).

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

Key Lessons

- i. 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.
- ii. The objective of PFM is to ensure fiscal discipline, efficient mobilization and allocation of resources, and efficient service delivery.
- iii. Taxation serves as the cornerstone of government revenue generation and has far-reaching implications for economic growth, income distribution, and social welfare.
- iv. Budgets should be consistent with realistic macroeconomic frameworks, with efficient

resource allocation reflecting the policies and priorities of government strategies and programs.

- v. 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.
- vi. 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.
- vii. 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.
- viii. Adoption of green PFM systems would promote environmental protection, climate change mitigation, climate adaptation and resilience to enable economic sustainability.
- ix. 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.
- x. A fiscal regime which captures pure economic rent satisfies the equity principle of taxation.
- xi. 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

- i. The participants found the course content to be rich and comprehensive.
- ii. Content delivery by the facilitators was effective, even for those done virtually.
- iii. The sessions were interactive, and participants shared their country experiences.
- iv. The group assignments enabled participants to work as teams, engage, share ideas, understand, and appreciate the various aspects of the course outline.
- v. 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, 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 communique would be given due regard and attention to enhance the experience and value-addition on future programmes.

GOVERNOR OF THE CENTRAL BANK OF THE GAMBIA EMPHASIZES THE IMPORTANCE OF COMPILING BALANCE OF PAYMENTS AND INTERNATIONAL INVESTMENT POSITION STATISTICS IN THE SUBREGION



At a five-day (September 18-22, 2023) regional workshop on Balance of Payments/International Investment Position Statistics jointly organized by the West African Institute for Financial and Economic Management (WAIFEM) and the Statistics Department of the International Monetary Fund (IMF) in Banjul (The Gambia), Mr. Buah Saïdy, Governor of the Central Bank of The Gambia, uncovered the importance of compiling Balance of Payments (BoP) and International Investment Position (IIP) Statistics in the subregion. In a keynote address read on his behalf by the Director of Human Resources Department of the Bank, Mr. Babucarr-Chams, the Governor noted that external sector statistics assist economic agents to determine the linkage between the domestic and external economy, and the sustainability of the factors influencing external transactions. He also noted that BoP and IIP statistics were among the primary statistics on which policy-makers and markets rely as a basis for their decisions in globalised economies. Furthermore, according to the Governor, BoP and IIP Statistics were among the important economic indicators used in analysing the performance of an economy. He mentioned that various central banks in member countries were then at varied stages in the implementation of the BoP Manual VI and thus, were adapting their data collection methodologies

to the new guide as well as broadening the scope of the collection.

Regarding the challenges facing compilers of external sector statistics, the Governor cited recent changes like institutional units, the nature of current account transactions, and an increase in cross-border financial activity, among others. He, however, revealed that lessons from the global financial and economic crises lent 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 BoP 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 BoP/IIP statistics in the ECOWAS sub-region. After the brief remarks, the Governor formally declared the workshop opened.

Following the official opening of the course, Ms. Rita Mesias (the leader of the IMF Facilitation Team), in a brief opening remark, explained the

core functions of the Statistics Department of the IMF and introduced her Co-Facilitator, Mr. Bderi Zymeri, to the participants. She remarked 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. Mesias, however, added that the STA had responded to the challenges by developing and adjusting current statistical standards/methodologies and compilation practices by updating BPM6, which would be shared during the workshop. Furthermore, according to the IMF team leader, the main purpose of the workshop was to assist participants in building their capacity to produce high-quality BoP and IIP statistics with thorough understanding of the conceptual framework of external sector statistics and to provide practical guidance for addressing current collection and compilation challenges. She ended her remarks by assuring the participants that the training would assist in building synergies in the compilation of the BOP and IIP statistics among data producers, which underscored the importance of institutional collaboration.

With regard to its target participants, 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 BoP statistics. The workshop was designed to get participants abreast with the revised System of National Accounts (SNA) and Balance of Payments (BOP) compilation.

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; 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.

With regards to participation, the workshop was attended by a total of twenty-nine (29) professionals drawn from WAIFEM member countries. Out of this number, fifteen (15) were from The Gambia, six (6) from Ghana, four (4) from Nigeria, three (3) from Sierra Leone and one (1) from Liberia. Regarding the gender of participants, 17 (58.6%) were male, whilst 12 (41.4%) were female. With regard to institutional affiliation of participants, 16 (55.2%) of them were from Central Banks, 11 (37.9%) were from the Ministries, Department, and Agencies and 2 (6.9%) were from other public institutions.

Workshop evaluation was conducted using the Likert Scale framework. On a scale of 1 to 5 (with 1=strongly disagree and 5=strongly agree), participants were asked to rank the extent to which they were satisfied with the training, its delivery mode and administration, as well as the environment within which the training was organized.

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 organized (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.

Furthermore, on the workshop evaluation questionnaire, the participants made the following recommendations:

- The time allotted to the practical sessions should be improved.
- Internet connectivity and electricity services at the workshop venue, Paradise Suites Hotel, should be improved.
- More hands-on exercises should be given.

WAIFEM ORGANISES A COURSE ON DEBT SUSTAINABILITY ANALYSIS (DSA) & MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS).

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 Center, Banjul, The Gambia.

The opening ceremony was chaired by Mr. Yakubu Aliyu, Director of Fiscal Policy, Debt Management and Regional Integration (FPDMRI) Department of WAIFEM, on behalf of the Director-General. The dignitaries at the occasion were 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) and Mr. Hamang Manjang, Monitoring and Evaluation (M&E) Specialist.

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 officials involved in debt management and poverty reduction in The Gambia. The trained staff were 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.

The workshop included presentations on 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); and
- use of 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;
- analyze the combined results of debt restructuring and new borrowing scenarios and their implications for debt sustainability;
- write executive reports to senior policymakers on domestic debt strategy in easily digestible form; and
- 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.

A team was tasked to make a presentation of the strategy to the senior officials of the participating institutions on the last day of the workshop. The DSA and MTDS reports were presented and submitted at the end of the training. 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; and
- discuss strategies for managing debt within the MTDS framework.

WAIFEM ORGANISES A REGIONAL COURSE ON BANKING SUPERVISION AND RESOLUTION LEVEL II



The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with the College of Supervisors in the West Africa Monetary Zone (CSWAMZ), organized 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, according to the Director-General, it was 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 Ghanaian 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 countries (The Gambia – 2, Ghana - 5, Liberia – 3 and Nigeria – 6). With regard to gender, ten (10) participants representing 62.5% were female whereas six (6), representing 37.5% were males.

The course was facilitated by resource persons from WAIFEM Member 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).

The evaluation conducted at the end of the course revealed the following:

- i. 98% 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.
- 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 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. Regulatory frameworks in the 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. 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.

WAIFEM COLLABORATES WITH THE INTERNATIONAL MONETARY FUND (IMF) TO ORGANIZE A REGIONAL COURSE ON MONETARY POLICY



The West African Institute for Financial and Economic Management (WAIFEM) organised a ten-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 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, gave 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 appreciation on behalf of WAIFEM to the

President and citizens of Ghana 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 concurred 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, differ 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 using the inflation targeting framework had become fashionable with explicit inflation targets set as nominal anchors for monetary policy implementation. 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 of facilitators was led by Dr. Klakow Akepanidaworn, assisted by Prof. Marco Terrones and Dr. Rodrigo Cubero. After a brief self-introduction, they expressed their pleasure to be with the participants. They admitted 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, Prof. 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). In his address, the Hon. Governor welcomed the participants and thanked the ICD for the continuous 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, the Governor 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 cannot 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.

The Governor 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 is 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. The Governor 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 open.

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 seeks 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 the three (3) ICD staff - Dr. Klakow Akepenidaworn, Prof. Marco Terrones, and Dr. Rodrigo Cubero. It consisted of presentations, group assignments, and pre- and post-course 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, nineteen (19) were from Ghana, nine (9) from Nigeria, and four (4) from Sierra Leone. However, with respect to gender, 25 (78.1%) of the participants were male and 7 (21.9%) were female. The institutional distribution of the participants indicated that 20 (62.5%) of the participants were from the central banks, whilst 5 (15.6%) and 7 (21.9%) were from the ministries and other public institutions, respectively.

Course evaluation was conducted using the Likert Scale framework. On a scale of 1 to 5 (with 1=strongly disagree and 5=strongly agree), participants were asked to rank the extent to which they were satisfied with the course administration, usefulness, effectiveness, and 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.

Furthermore, on the course evaluation questionnaire, the participants made the following recommendations to improve the course:

- i. There is a need to expatiate on the monetary targeting framework given that most countries in West Africa target monetary aggregates.
- ii. The course should incorporate fiscal responses in the face of fiscal dominance in

emerging and developing economies.

- iii. Country case studies and data simulations using the Graphic User Interface (GUI) should be more focused on African Economy examples since all the participants were coming from Sub-Saharan Africa as well as working with data from these economies.
- iv. A data set of participating countries should be incorporated into GUI.
- v. The course could be converted into an E-diploma course.
- vi. The time for the course should be increased. The materials were too many to be comprehended in just two weeks, despite the remarkable work of the facilitators and the organizers.
- vii. Regular face-to-face capacity-building programmes, especially for junior to mid-level staff of member countries, should be held to expose them to the dynamics of macroeconomic policies, and their application to Central Banks and other government parastatals.

WAIFEM COLLABORATES WITH THE INTERNATIONAL MONETARY FUND (IMF) TO ORGANIZE A REGIONAL COURSE ON FINANCIAL SOUNDNESS INDICATORS (FSIs)



A regional course on Financial Soundness Indicators (FSIs) was organized 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 of the Bank of Ghana, who was represented by Dr. Kwasi Osei Yeboah, Acting Head, Financial Stability Department, Bank of Ghana. Also in attendance were the Director-General of WAIFEM, Dr. Baba Y. Musa, Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department of WAIFEM, Dr. Mahmut Kutlukaya and Dr. Pawel Pisany, both facilitators from the IMF Statistics Department.

In his welcome remarks, the Director-General of WAIFEM expressed sincere gratitude to the management and staff of the Bank of Ghana for the hospitable reception accorded WAIFEM, the 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 metadata 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. Institutional-wise distribution shows 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% were males, whereas twelve (12), representing 60% 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.

The 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% 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 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 were duly noted for consideration in future activities. The issues could be summarised under the following headings:

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.
- 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.
- vii. Other countries in the sub-region yet to submit FSIs to the IMF are encouraged to do so.

WAIFEM MOURNS THE DEATH OF MRS. ESTHER UDUAK NWOSU, OWNER OF STRESS-TAKERS (OWNER OF FORMER WAIFEM CATERING SERVICES)



On 14th November 2023, the Management and Staff of the West African Institute for Financial and Economic Management (WAIFEM) were stunned with the sudden death of Mrs. Esther Uduak Nwosu (AKA Madam Stress-Takers), the owner of Stress-Takers (Owner of Former WAIFEM Catering Services). She died at the St. Nicholas Hospital (Victoria Island, Lagos) after a short illness. She was 45 years old. It is an indisputable fact that her death created an immeasurable vacuum in the Institute, which was felt by all and sundry within the Institute's community.

She served the Institute whole-heartedly with her quality catering services. She began her catering services to the Institute in 2015 and was in charge of managing the Institute's canteen. As her business name, Madam Stress-Takers connotes,

she shouldered the stress of searching and worrying about where to eat breakfast and lunch. Although she has passed on, Mrs. Nwosu is survived by her husband, Mr. Kingsley Nwosu and her daughter, Chisom Paula Kingsley.

At her funeral service of songs on 19th December 2023, WAIFEM was represented by a group of junior and senior staff. The Institute's tribute to the late Mrs. Esther Uduak Nwosu was read by Mr. Emmanuel Okon (WAIFEM's Administrative Assistant), on behalf of the Director-General of WAIFEM, Dr. Baba Y. Musa. In the tribute, the Institute described Mrs. Nwosu as very brilliant, innovative and creative in her catering services. Mrs. Nwosu's life was also deeply characterized by positive traits such as kindness, friendliness, affability, vivacity, loyalty, dedication, uprightness, among others. With those positive traits that she exhibited in her lifetime, she would forever remain in the memories of the Institute.

Her impact on lives will never be forgotten!

After the service of songs, she was interred on 21st December 2023 at the Atan Cemetery, Yaba, Lagos.

May her soul continue to rest in paradise!