



WEST AFRICAN INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT

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THE DIRECTOR GENERAL OF WAIFEM EMPHASIZES THE NEED TO EMBRACE ECONOMETRIC METHODS FOR POLICY ANALYSIS



At the opening session of the ten (10) day Regional Course on Econometric Methods for Policy Analysis organized by the West African Institute for Financial and Economic Management (WAIFEM) at the Central Bank of Nigeria Learning Centre and Rock-view Hotel (Lagos) over the period, July 18-29, 2022, the Director General of WAIFEM, Dr. Baba Yusuf

Musa, echoed the need for policy makers to embrace Econometric Methods for policy analysis.

In a keynote address, Dr. Musa highlighted the various studies that have attempted to model the behaviour of the economies of ECOWAS and WAMZ countries. According to him, Econometric Methods allow for understanding and forecasting of

the behaviour of economic and other systems. Furthermore, he elucidated the motivation for the course and mentioned that the course would help the participants to understand and effectively manage their respective economies. He concluded his address by urging the participants to seize the opportunity to enhance their knowledge and skills in Econometrics by freely interacting with the facilitators, whilst they continue to build their professional relationships with fellow participants to deepen the regional integration agenda and declared the course open.

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

The main topics discussed during the regional course were: Overview of the Nature and Methodology of Econometric Modelling, and Forecasting; Univariate Time Series Modelling and Forecasting; Estimation of ARMA/ARIMA models for Forecasting, for Example, Inflation and Exchange Rates; Multivariate Models: Vector Autoregression Models; Quantile Regression; Modelling Long Run Relationships: Cointegration and Error Correction; Regime Switching Modelling (Markov Switching Models); Randomized Control Trials; Modelling and Forecasting Volatility; Introduction to Panel Data Analysis; Probit, Logit and Ordered Logistic Models and CoVar Models: Contribution to Systemic Risk.

The course was facilitated by resource persons from the WAIFEM sub-region, namely Prof. William Baah-Boateng (Head of Department of Economics, University of Ghana), Dr. Jamaladeen Abubakar (Central Bank of Nigeria), Prof. Michael Nkong-Nkan (University of Calabar, Nigeria and Fellow Institute of Operations Research and Centre for Economic Policy and Development Research, Covenant University, Nigeria), Dr. Nafiu Bashir Abdussalam (Monetary Policy Department, Central Bank of Nigeria) and Prof. Afees Adebare Salisu (Director, Centre for Econometrics and Applied Research, Ibadan, Nigeria). The course's mode of delivery involved face-to-face lectures, group workshops, and discussions.

The course was attended by twenty-four (24) participants from five (5) WAIFEM Member countries. Specifically, three (3) participants were from The Gambia, five (5) were from Ghana, eight (8) were from Nigeria, four (4) were from Liberia, and four (4) were from Sierra Leone.

An evaluation was conducted at the end of the course that reflected on the following: the content of the course, presentations, its usefulness to participants' work, time allotment, general satisfaction, and effectiveness. It emerged that

- About 85.7 percent of the participants agreed that the general objective of the course was achieved;
- Some 78.8 percent of the participants agreed that the course had equipped them with an understanding of pertinent information relating to exchange rate regimes and policies;
- Almost 89.0 percent of the participants agreed that the substantive impact of the resource persons as a team was very good;
- Similarly, about 92.9 percent of the participants agreed that the knowledge and skills acquired from this course would improve

their job performance;

- A significant proportion, reflecting 92.9 percent of the participants indicated that the blend of plenary and group exercises was effective.;
- All the participants rated the presentations as good;
- Almost all the participants (98.9 percent) rated the contents of the course as good;
- All the participants indicated that the course was useful to their work;

- Similarly, a significant proportion of 97.1 percent of the participants indicated that the time allotted to the course was enough;

- Also, 92.9 percent of the participants stated that their overall expectations about the course were met.;

Finally, 92.86 percent of the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

WAIFEM ORGANIZES A COURSE ON INSURANCE SUPERVISION



The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on **Insurance Supervision** from July 18 - 22, 2022, in Accra, Ghana.

The Opening Ceremony was presided over by the Hon. Governor, Bank of Ghana, Dr. Ernest K.Y. Addison, who was ably represented by Mr. Eric Koranteng, the Director and Head of the Governor's Department. Also present were, the Director General of WAIFEM, Dr. Baba Y. Musa, the Director of, the Financial Sector and Payment Systems Department, of WAIFEM, Mr. Amadou Koora, and one of the resource persons, Mr. Evans Bediako.

In his Keynote address, the Governor welcomed all participants to Accra on behalf of the President of the Republic of Ghana, His Excellency, Nana Addo Danquah Akuffo-Addo, and invited them to enjoy

the traditional hospitality of the people of Ghana. According to him, there are many approaches to insurance supervision across the globe. In some countries the Supervisory Authority is part of the Ministry of Finance, some are within the purview of the Central Bank, whilst others are independent authorities under the leadership of the Commissioner of Insurance. The Governor maintained that the different structural arrangements should not matter, but the role played by the supervisory authority is what is critical. The Governor noted that digital technology would disrupt the market significantly, and urged supervisors to be watchful so that good cultures are

not overtaken by a rapidly changing environment. Finally, Dr. Addison emphasized the need for adequate regulation and supervision to enhance policyholder protection.

In his welcoming remarks, the Director General of WAIFEM, Dr. Baba Y. Musa, expressed his gratitude to the Hon. Governor, Management, and Staff of the Bank of Ghana for the warm welcome accorded WAIFEM since arrival. He also intimated to the participants about WAIFEM's activities and achievements since its inception. Finally, Dr. Musa enjoined participants to tap into the knowledge and experience of the facilitators at their disposal.

The objectives of the course were:

- To broaden participants' understanding of the nature and requirements of insurance supervision;
- Equip them with the skills to conduct on-site examinations and off-site surveillance of Insurance companies;
- Assist participants to be able to assess the viability, solvency, as well as the design of

policies and regulations, to ensure the continued smooth operation of insurance companies; and

· Enhance their skills in risk-based supervision and the monitoring of risks for the identification of emerging problems in insurance companies.

The broad themes covered included the following:

- The role and extent of Insurance penetration;
- The licensing processes for the Insurance business;
- Liquidity and solvency requirements for Insurance Firms;
- Insurance products and policies;
- Re-insurance – issues and challenges;
- On-site examination, including Risk Based Approach;
- Off-site examination and Analysis of Insurance Firms;
- Takaful Insurance and Risk Management;
- The ECOWAS Brown Card – issues and challenges; and

WAIFEM STRENGTHENS CAPACITY IN CORPORATE GOVERNANCE AND REGULATORY COMPLIANCE



The West African Institute for Financial and Economic Management (WAIFEM) organized a Regional Course on Corporate Governance and Regulatory Compliance in Banjul, The Gambia, from July 25-29, 2022 to enhance the capacity of staff from member countries (The Gambia, Ghana, Nigeria, Liberia and Sierra Leone) on Corporate Governance and Regulatory Compliance.

During the opening ceremony, the Director General of WAIFEM, Dr. Baba Y. Musa, welcomed all participants and facilitators and expressed his utmost appreciation to the President of the Republic of The Gambia, His Excellency Adama Barrow, and the Honorable Governor and Management of the Central Bank of The Gambia for the tremendous support offered WAIFEM over the years. He expressed his pleasure for the return of in-person execution of the WAIFEM programmes following the relaxation of restrictions put in place by member countries over two years ago due to the outbreak of the COVID-19 pandemic. Dr. Musa affirmed that during the period of the imposition of the COVID-19 restrictions, WAIFEM successfully executed several programmes through virtual learning

formats. Nonetheless, he admonished the participants to continue to observe the social distancing protocols, washing of hands and wearing of nose masks and other directives from governments and relevant health institutions if required.

Regarding the course, the Director General highlighted that good corporate governance is the foundation for a healthy and functional organization and that the course could not have come at a better time than now when most countries and institutions are grappling with governance and regulatory compliance issues. He concluded his remarks by urging participants to engage excellent and experienced facilitators to build an ethical culture and establish acceptable corporate governance standards and mitigation of compliance risks in their respective organizations.

The keynote address was delivered by the Second Deputy Governor, Dr. Paul J. Mendy, on behalf of the Governor of the Central Bank of The Gambia, Hon. Buah Saidy, who was unavoidably absent due to other equally important official engagements. The Governor also welcomed all participants to

Banjul and particularly recognized the Director General of WAIFEM and his team for organizing this important course after a nearly two-year break in hosting in-person regional courses due to the COVID-19 pandemic. The Governor praised the achievements of WAIFEM under the leadership of Dr. Musa who has been unrelenting in contributing immensely to the building of capacity in macroeconomic, debt, and financial sector management, as well as governance and institutional development across the sub-region.

He noted that one of the most obvious reasons for corporate failure was the lack of an effective board and cited the importance of an effective corporate governance structure in organisations. Governor Saidu further pointed out that another crucial corporate governance issue that makes organisations and companies fail was risk blindness. The Governor indicated that good corporate governance involved a framework that is put in place to get the most value for the shareholders legally, ethically, and sustainably. He assured participants that the course would provide the right forum for the exchange of ideas towards ensuring that good corporate governance practices are strengthened in organisations within the sub-region. With these final remarks, he took the honour and privilege to declare the Regional Course on Corporate Governance and Regulatory Compliance open.

The main objective of the course was to provide practical and theoretical insights that would help participants and organisations build an environment of trust, transparency, and accountability necessary for fostering long-term investment, financial stability, and business integrity, thereby supporting stronger ethical culture, growth, and more inclusive societies. The course was also expected to enable leaders and

compliance managers in organisations to learn good corporate governance strategies and regulatory compliance ethics. Another aim of the course was to assist participants to develop core operational skills that focus on best-fit practices in risk management, creating regulatory compliance culture, and strengthening relationships with key stakeholders.

The broad themes covered included:

- Introduction to the Value Proposition of Corporate Governance, Risk Management & Regulatory Compliance;
- Red-flags Associated with Regulatory Compliance & Governance Failures;
- Development and Implementation of Corporate Governance, Risk Management & Compliance Policies and Procedures;
- Framework for Compliance Risk Assessment; and
- Corporate Governance Framework for Public Agencies, Banks, and Other Financial Institutions, among others.

The Course was attended by thirty-six (36) participants from central banks, core policy ministries, regulatory agencies, revenue authorities, and other public sector organizations in The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. A team of experienced facilitators from both public and private sector institutions in the sub-region who articulated the subject matter in detail facilitated the Course.

At the end of the course, the participants made several observations including the balancing of case studies and examples for both public and private institutions; the inclusion of West African-related case studies of corporate failures and successes; and that member countries should develop policies on gifts and reward register, among others.

WAIFEM BUILDS CAPACITY ON DEBT SUSTAINABILITY ANALYSIS (DSA) FOR LAGOS STATE DEBT MANAGEMENT OFFICE



The West African Institute for Financial and Economic Management (WAIFEM) organized a training course on Debt Sustainability Analysis (DSA) for staff of the Lagos State Debt Management Office for the period, August 1 – 5, 2022.

The course commenced with a brief introduction by the Hon. Commissioner of the Ministry of Finance (Lagos State), Dr. Rabiul Olowo, represented by the Permanent Secretary of Lagos State Debt Management Office, Mrs. Sanusi Rukayat. Also present were Professor Douglasson G. Omotor (Advisor, Business Development & Consultancy Unit, WAIFEM) Dr. Mohammed Momoh, Dr. Gbenga Oyewole, Mr. Nura Adamu, and Mr. Aniekan B. James.

In her remarks, the Permanent Secretary, Mrs. Sanusi Rukayat, reiterated the commitment of the Lagos State Debt Management Office to build the capacity of the states' officials to master the DSA template. She urged participants to be actively involved in the Workshop for the State to actualize the purpose for which the training was conceived.

The Director General of WAIFEM, Dr. Baba Yusuf

Musa, expressed his gratitude on behalf of the Management and Staff of WAIFEM to the Permanent Secretary of Lagos State Debt Management Office, staff of the DMO, and the Lagos State Government for funding the programme. He also expressed a similar sentiment to the staff of the Lagos State Debt Management Office for the excellent logistics support in organizing/conducting the Workshop. Dr. Musa also reiterated WAIFEM's appreciation to Lagos State Debt Management Office (DMO) for their relentless efforts in building staff capacity through various training. He asked participants to pay utmost attention to maximize the opportunity given to them. Dr. Musa also highlighted the importance of maintaining Debt Sustainability by States and urged participants to devote themselves to understanding the DSA template tool as an efficient

working tool. He concluded by warmly welcoming the participants, wishing them fruitful deliberations, and assuring them that key experts and administrators of the program were on standby and ready to assist them with their work.

The overall objective of the training was to provide hands-on training on the State Debt Sustainability Framework for Lagos Debt Management Officials. The training was also aimed at providing more in-depth knowledge to the attendees and greater insight into the nexus underpinning the debt sustainability framework, as well as the procedure for consistency checks using the SDSA template. The themes covered during the course include the following:

- Introduction to Sub-National Debt Sustainability
- Macroeconomic Linkages;
- Key Concepts in DSA Template;
- Introduction to Sub-National Debt Sustainability Framework;
- Macroeconomic Linkages and Debt Dynamics;
- Realism of Baseline Projections and Improving the analysis of Fiscal Risks
- Role of the Debt Level in a DSA and

Vulnerabilities associated with the profile of Public Debt;

- A Risk-Based Approach to DSA;
- Preparation of DSA Reports;

A total number of twenty-nine (29) senior-level officials drawn from the Debt Management Office and other parastatals of the state government attended the programme. The 29 participants comprised 15 females and 14 males, including the Ministry of Finance, Economic Planning, and Budget, etc.

At the end of the training, 94% of participants rate the course as well-organized and easy to follow, thus, indicating that participants were highly satisfied with the workshop. Furthermore, all participants agreed that the training achieved its stated objectives, while 90% approved that the instructors and resource persons were clear and effective in delivering the course content. Lastly, about 90.5% of the delegates averred that the workshop was useful and planned to apply the benefits gained in their duties.

WAIFEM BUILDS CAPACITY ON MICRO FINANCE AND FINANCIAL INCLUSION



The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Microfinance and Financial Inclusion in Abuja, Nigeria, from August 8 – 12, 2022.

The opening ceremony was presided over by Dr. Omolara Duke who represented the Hon. Governor, Central Bank of Nigeria, Mr. Godwin Emefiele. Also present were, the Director General of WAIFEM, Dr Baba Y. Musa, who was ably represented by the Director of the Financial Sector and Payment Systems Department, Mr. Amadou S. Koora, and Mr. Amoa-Awuah, one of the resource persons.

In his welcome remarks, the Director General of WAIFEM warmly welcomed the participants and

facilitators to Abuja and encouraged them to have an interactive course. Dr. Baba Musa also apprised the participants of WAIFEM's mandate and achievements since its inception on July 22, 1996. He stated that WAIFEM had successfully executed over eight hundred and thirty (830) training and capacity-building programmes, which has benefited more than 23,200 participants from the sub-region and beyond. Finally, Dr. Musa stressed the importance of financial inclusion as a strategic tool to alleviate poverty and meet the goal of inclusive economic growth.

The Hon. Governor, Central Bank of Nigeria, Mr. Godwin I. Emefiele, in his keynote address, commended WAIFEM for executing the invaluable course on microfinance and financial inclusion.

Mr. Emefiele enumerated the broad range of financial services to low-income micro-enterprises and households that conventional financial institutions do not serve. He stated that financial inclusion, poverty reduction, and economic growth are all tenants of microfinance. In particular, the Hon. Governor emphasised the positive impact of financial inclusion on the economic wellbeing of women, citing examples of countries such as Bangladesh, which through microcredits were able to increase their living standards.

In conclusion, Mr. Emefiele challenged the participants to come out with implementable recommendations that could facilitate the achievement of wide outreach and operational sustainability of microfinance institutions in the sub-region.

Objectives:

The course was designed to enable participants' understanding of the features, operations, and contributions of microfinance institutions to the financial intermediation process. Specifically, the course was to enable participants:

- learn innovative strategies in leadership and management of microfinance institutions;
- up-scale their skills in microfinance operations;
- enhance their skills in developing a critical analysis of the broader issues and environment in which microfinance initiatives are based; and
- analyse and adapt current best practices from varied experiences to their local situations.

The broad themes covered during the course included the following:

- Development and Management of Micro Enterprises: Prospects and Challenges;
- Strategic Planning for MFIs and measuring

Performance and Future Growth;

- Improving Operating Efficiency;
- An Overview of Financial Inclusion Vehicles;
- Opportunities and Challenges of Financial Inclusion, Financial Instruments, and Lending Methodologies;
- Regulatory Frameworks for Microfinance Operations;
- Accounting and Financial Analysis for MFIs;
- Governance Issues (Ethics, Staff Development, etc.);
- Issues Relating to Consumer Protection;
- Product Development and Client Analysis
- Delinquency Management and Interest Rate Setting;
- Management Information System for MFIs; and
- Risk Management in Microfinance Institutions.

The course was facilitated by seasoned and resourceful individuals and practitioners from the private and public sectors in the sub-region.

About eighteen (18) senior and middle-level participants were drawn from central banks, ARB Apex Bank, and the Ministry of Finance from Ghana, Liberia, Nigeria, and Sierra Leone.

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

- 58.8 percent of the participants rated their understanding of the various concepts and practices in Microfinance and Financial Inclusion as 'excellent', while 41.2 affirmed that it was 'very good'.
- About 69 percent of the participants concurred that the topics covered in the course were excellent, while 31 percent rated it as 'very good'.
- 96.5 percent of the participants claimed that

the course was very useful and would assist them in performing their job functions.

- The majority of the participants asserted that the quality of facilitation assisted them in understanding the concepts.
- The participants unanimously agreed that the course met their expectations.
- In terms of time allotment, more than 87 percent of the participants believed that the time allotment for the delivery of the sessions was adequate.

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

Observations:

- Microfinance operators did not participate in the course.
- Management Information System (MIS) solutions are expensive and not affordable by

most microfinance operators within member states in particular and the region as a whole. Acquisition of the software may wipe out their working capital since their activities were tilted towards poverty alleviation.

- The presentations were informative, enlightening, and engaging, as practical experiences were shared among participants across diverse institutions in the sub-region.
- The facilitators were very knowledgeable on the subject matter.

Recommendations:

WAIFEM ORGANIZES COURSE ON MEDIUM TERM BUDGETARY FRAMEWORKS (MTBFs) AND MONITORING



The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Medium Term Budgetary Frameworks (MTBFs) and Monitoring. The training was conducted at the Central Bank of Nigeria's International Training Institute (CBN-ITI) from August 15 - 19, 2022, 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 Fiscal Policy, Debt Management, and Regional Integration Department, WAIFEM, Mr. Yakubu Aliyu, the Representative of the Hon. Governor, Central Bank of Nigeria (CBN), Dr. Hassan Mahmud, Director of Monetary Policy Department (MPD), CBN who was capably represented by Dr. Yusuph D. Bulus, Deputy Director, MPD, CBN, and other WAIFEM officials. In his welcoming remark, Mr. Yakubu Aliyu, on behalf of the Director-General cordially

welcomed all the participants for the course and recognized the Distinguished representative of the Honourable Governor of the Central Bank of Nigeria, Honourable Godwin I. Emefiele, CON., and one of the resource persons, Honourable Seth E. Terkper, who was able to joint via Zoom.

Mr. Aliyu also took the opportunity to express the Director General's appreciation and commendation to the Honourable Governor for his remarkable leadership in the area of monetary policy in Nigeria, which served to engender macroeconomic stability, despite the global economic turbulence. He went further to thank the distinguished resource persons for their constant support to WAIFEM and for taking their busy schedules to share their extensive and invaluable expertise.

The Keynote address was delivered by the Distinguished representative of the Director of the Monetary Policy Department (CBN), Dr. Yusuph D. Bulus, (Deputy Director, Monetary Policy Department). In his Keynote address, Dr. Hassan

Mahmud, who was ably represented by Dr. Yusuph D. Bulus, extended commendation on behalf of the Honourable Governor to the Director General of WAIFEM, Dr. Baba Y. Musa, and staff of WAIFEM for their unwavering dedication to sustaining the momentum of capacity building in our sub-region, despite the global challenges of the Covid-19 pandemic. Dr. Bulus, started by highlighting the ongoing policy turmoil in the global economy which impacted every policy area, including fiscal policy. He noted that over the past two years, WAIFEM member countries have experienced a significant worsening in their fiscal balance and dramatic growth in their public debt, which have put them at risk of debt distress and, in some cases, even debt distress. This has hampered our growth prospects and weakened our debt-carrying capacity in terms of debt-to-GDP ratio and prolonging fiscal disequilibrium over the medium term.

Dr. Bulus further lamented that budget deficits and public debt can have direct and negative consequences on fiscal sustainability, and these are essential factors to consider when assessing macroeconomic policies' credibility. As countries engage in mobilising and allocating resources, the role of the public budget as a policy tool becomes increasingly central to the process. The public budget serves as a financial reflection of the government's policies, and getting it right is essential for the effective management of the economy.

Thus, it is in this regard that WAIFEM organized this regional course on medium-term budgetary frameworks (MTBFs) and monitoring is a multi-year approach to budgeting that links expenditure plans to the policy objectives of the government based on a reliable estimate of available resources and with a singular focus on results over the medium term.

The course was designed to equip participants to better understand the importance and features of MTBFs; how MTBFs promote sound fiscal policy based on international experiences; analyse the readiness of countries for MTBFs; and address barriers to implementation; as well as the application of the acquired knowledge and skills to group-based assessment of real case studies.

The training covered key areas such as The importance of medium-term budgetary frameworks in enhancing fiscal discipline and fiscal sustainability; Recent developments in medium-term budgeting; Regional and international practice in medium-term budgeting; Medium-term budgetary frameworks in the context of Fiscal Rules and Fiscal Councils; Medium-term budgetary frameworks, strategic planning, and public investment management; Importance of medium-term budgetary frameworks to ECOWAS convergence programmes; Fiscal oversight of the Parliament, Supreme Audit Institutions, Internal Audit Institutions, and Fiscal Councils. There were also group country presentations to share the issues and challenges confronting member countries in the implementation of MTBF through experience sharing.

The course was facilitated by six (6) highly seasoned and experienced practitioners within our sub-region. They included: Mr. Hon. Seth E. Terkper (Former Finance Minister of Ghana); Dr. Iddrisu Alhassan (Director, Economic Research & Forecasting, Ministry of Finance, Ghana); Mr. Bai Madi Ceesay (Director, State Owned Enterprise, The Gambia); Dr. Jake Dan-Azumi (Director, Nigerian Institute of Legislative and Democratic Studies, Abuja, Nigeria); Mr. Ayodeji Ogunyemi, FCCA (Office of the Auditor-General of Nigeria); and Mr. Gbenga Oyeboode Falana (ECOWAS).

The course was attended by thirty-five (35) participants consisting of nine (9) females and twenty-six (26) males drawn from all member countries namely, The Gambia (4), Ghana (3), Liberia (13), Nigeria (10) and Sierra Leone (5).

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

Key Lessons

- The need to review and enhance our laws to enforce the implementation of the MTBF.
- The need to review standardized charts of accounts to facilitate linking National Budgets to Policies and Plans.
- The need to strengthen the implementation of fiscal responsibility laws to enforce fiscal rules.
- the need to enhance the credibility of national budgetary processes – the need for a Budget Act.
- The establishment of Integrated data systems is critical for a failsafe budgetary process.
- Capacity building of Planners, Economists, Budget Officers, National Assembly Members, Civil Society Groups, and any other person involved in the budget cycle.
- The need to Improve political commitment to sound budget practices.
- Defining key performance indicators in sector strategic plans is critical to ease monitoring.
- Legislation of Budget Monitoring and Evaluation to enforce submission of M&E reports to the Budget Office.
- The need to legislate adherence to ceilings defined in the Budget Framework Paper to avoid overshooting of budgets submitted by Supreme Independent Institutions beyond the limits of the national fiscal space.
- The need to legislate external audits in the budgetary cycle with sanctions for default by the executive.

Observations

- The training was highly educative and well organized.
- The sessions were very interactive and country experiences enriched the interactions between member countries.
- The presenters/facilitators were very knowledgeable on the subject matter and course delivery was excellent.
- The participants found the training very relevant.
- The training objectives were achieved, as participants were kept abreast of best practices in the budget cycle and MBTF.
- Core budget officers for countries like Nigeria were not at the training.

Recommendations

To Member Countries:

- Member countries need to send more representatives that are responsible for the budgetary frameworks, including parliamentary staff.
- Parliamentarians, civil society groups, and the private sector should be encouraged to attend since they are critical stakeholders in the budget cycle.

To WAIFEM

- WAIFEM should ensure a more organized interaction and sharing of country experiences.
- Need to have Macroeconomic modeling as part of the course content.
- The venue of training was not conducive, particularly the sitting arrangement. There is a need to have spacious sitting arrangements to avoid hindrance during movement. Some of the Lecturers had to breeze through their presentation as there was not enough time. The time allotted to lectures should be increased to promote better learning.

WAIFEM ORGANIZES A COURSE ON NATIONAL DEBT SUSTAINABILITY ANALYSIS (DSA) LEVEL 1, FOR STAFF OF THE CENTRAL BANK OF NIGERIA (CBN)



The West African Institute for Financial and Economic Management (WAIFEM) organized a course on National Debt Sustainability Analysis (DSA) level 1 for the Staff of Central Bank of Nigeria (CBN) at the CBN International Training Institute (ITI), Abuja, for the period, August 22 – 26, 2022.

The course commenced with brief remarks by the Director General of WAIFEM, Dr. Baba Y. Musa, who was represented by Professor Douglasson G. Omotor, Advisor to the Business Development and Consultancy Unit (WAIFEM). On behalf of management and staff of WAIFEM, Dr. Baba Musa welcomed the participants to the training. The Director General noted that in recent years, the international financial crisis and the associated large fiscal deficits and debt levels in many countries underscored the importance of reliable and timely NDSA on general government and more broadly, public sector debt as a critical element in a country's fiscal and possibly external sustainability. He further noted that improving the quality and

timeliness of key debt statistics and promoting convergence of recording practices are important. He highlighted the importance of maintaining Debt Sustainability and entreated the participants to devote themselves to understanding the DSA template tool and its inputs. He concluded his remarks by warmly welcoming the participants of the training, wishing them fruitful deliberations, and assuring them of excellent facilitation and administration of the course.

The overall objective of the course was to provide hands-on training on the National Debt Sustainability Framework (NDSF) for some selected staff of the Central Bank of Nigeria (CBN). The training also aimed at providing more in-depth knowledge and greater insight into the underpinnings of NDSF as well as the procedure for consistency checks using the DSA template. The themes covered during the course included the following:

- ü Introduction to Debt Sustainability Analysis (DSA) in Low-Income Countries and New Features of the Debt Sustainability Framework

(DSF) Coverage of Fiscal balance and Public Debt,

- ü Inputs: Definitions and Coverage of Public Sector and Macroeconomic Projections;
- ü Inputs: Financing Assumptions;
- ü Macroeconomic Linkages and Debt dynamics;
- ü Realism Tools: Drivers of Debt Dynamics, Realism of Planned Fiscal

Adjustment, Fiscal Adjustment, and Growth, and Public Investment and Growth;

- ü Standardized Stress Tests, Contingent Liability Stress Tests;
- ü Other Tailored Stress Tests (Natural Disaster, Commodity Price, Market Financing);
- ü Discussion exercises -Realism tools;
- ü Debt Carrying Capacity (Composite Indicator) and Thresholds;
- ü Risk Signals: External, Total Public Debt, and Market Financing Pressures;
- ü Use of Judgement: Short and Marginal Breaches, Domestic Debt and

Market Financing Vulnerabilities, External Private Debt, Availability of Liquid Financial Assets, Long-Term Considerations, and Other Considerations;

- ü Final Risk Ratings;
- ü Granularity: Moderate Risk Category (space to absorb shock), Assessing Sustainability;
- ü Walk through the New LIC DSF Template: General Structure and Inputs; Hands-on Exploration
- ü Introduction to the hands-on exercise: Country Case Study's Structure, Background Information, and Flow Chart
- ü Template exercise:
- ü Checking Macroeconomic Projections and Financing Assumptions
- ü Interpreting and Discussing Results of the Realism Tools.
- ü MAC DSA

The course was facilitated by experienced resource persons drawn from Debt Management Office (DMO) namely, Mr. Maraizu Nwankwo and Dr.

Bartholomew Aja. In terms of participation, the workshop was attended by Thirty-five (35) senior-level officials drawn from various departments of the Central Bank of Nigeria (CBN). This comprised 15 females and 20 males.

At the end of the course, the evaluation revealed the following:

- i. 97 percent of the participants believe that the course met the objectives.
- ii. The overwhelming totality of participants agreed that the course upgraded their knowledge of Debt Sustainability Analysis.
- iii. 93 percent concurred the workshop provided pertinent issues relating to Debt Sustainability Analysis which will be of immense benefit to their organization.
- iv. 93 percent affirmed the substantive impact of the resource persons as a team to be very good.
- v. 97 percent of participants shared the sentiment that knowledge and skills acquired from the workshop will improve their understanding of Debt Sustainability Analysis.
- vi. 73 percent agreed the blend of the plenary sessions was effective.
- vii. Participants also confirmed 97 percent of the quality of training materials and documentation is very good.
- viii. 90 percent of the participants agreed the course met expectations.
- ix. On 3 topics of the course with the greatest practical value, participants listed: 1. Macroeconomic Linkages and Debt Dynamics; and 2. Realism tools; and 3. Risk signals

In addition, the participants recommended the following:

- The organizers should not relent in their efforts in sensitizing policy makers on the use of the outcome of the DSA exercise to ensure that the total public debt is sustainable in the medium to

long term.

- There is a need for the government to ensure effective and efficient implementation of macro-economic policies to ensure that the overall macroeconomic goals are met.
- Government should strengthen the revenue reform initiatives in order to shore-up government revenue to moderate the growth rate of public debt.
- Government should also continue to explore the use of non-debt creating an approach to funding infrastructure.
- The conduct of DSA is a multi-agency activity; therefore, there is a need for coordination of all agencies involved in macroeconomic policy formulation.
- Given the rising public debt, there is a need for efficient public debt financing and effective utilization of debt proceeds (Borrowed funds).
- There is a need for the government to comply with fiscal rules as provided in the Fiscal

Responsibility Act (2007) to ensure Fiscal and Debt sustainability.

- Government should optimize expenditures and ensure that borrowed funds are utilized for projects that will engender economic growth and development.
- Government should enthrone efficient budgetary processes in order to minimize fiscal spillages.

Training on the National Debt Sustainability Framework should be annually and organized periodically by WAIFEM to sustain and enhance capacity development.

WAIFEM ORGANIZES A COURSE ON MONETARY POLICY FRAMEWORKS AND ANALYTICAL TOOLS FOR MONETARY POLICY



The West African Institute for Financial and Economic Management (WAIFEM) organized a five (5) day **Regional Course on Monetary Policy and Analytical Tools for Monetary Policy** at the Paradise Suites Hotel (Banjul, The Gambia) for the period, August 29-September 2, 2022.

The course began with an opening address delivered by Dr. Emmanuel Owusu-Afriyie (Director of the Research and Macroeconomic Management Department, WAIFEM) on behalf of the Director General of WAIFEM, Dr. Baba Yusuf Musa. He conveyed the apologies and well wishes of the Director General. He expressed the Director General's appreciation of the commitment of the facilitators to provide technical support to participants. He noted the timelines and relevance of the course and urged the participants to optimize 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 fraternize with one another

to leverage the expertise and experiences of their colleagues. Finally, he encouraged participants to make the course interactive and develop professional networks with fellow participants to further the course of regional integration.

The keynote address by the Governor of the Central Bank of The Gambia, Hon. Buah Saidy, was delivered by Dr. Paul Mendy (Second Deputy Governor of the Central Bank of The Gambia). He noted the discretionary power of monetary policy to influence the desired level of output, price, and macroeconomic stability. He also touched on the recent review of The Gambian economy, where the Monetary Policy Committee (MPC) considered the effects of global economic developments on the short- and medium-term prospects of The Gambian economy. He concluded by stating that global developments notwithstanding, The Gambian economy remained stable and resilient.

A reflection on the course Monetary Policy Frameworks and Analytical Tools for Monetary

Policy indicated that it was designed to provide an introductory perspective on 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 in-person regional course on Monetary Policy Frameworks and Analytical Tools for Monetary Policy were: Review of Theoretical Basics of Monetary Policy (Including Transmission Mechanism); Key Building Blocks of Monetary Policy Frameworks (Strategic vs Operational Framework); Consistency and Conflict of Interests; Key Elements of Strategic Framework (Monetary Policy Objectives, Intermediate Targets, and Nominal Anchors); Key Elements of Operational Frameworks (Operational Targets and Monetary Policy Instruments) and Money Market Analysis, Monetary Analysis, Capital Markets Analysis, and Monetary Transmission Analysis.

The course was facilitated by experts on monetary policy from the Central Banks of Ghana, Liberia, Nigeria, Sierra Leone, and The Gambia. These were Dr. Zakari Mumuni (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), and Mr. Ebrima Wadda (Central Bank of The Gambia), all directors of Research and Monetary Policy Department of their respective central banks. The course was very practical, interactive, and engaging.

The course was attended by a total of nineteen (19) professionals from member countries, out of which three (3) were from The Gambia, five (5) from Ghana, one (1) from Liberia, five (5) from Nigeria and five (5) from Sierra Leone.

An evaluation was conducted at the end of the course to gauge participant's responses to the following issues: the course content, presentations,

its usefulness to their work, appropriateness of time allotment, general satisfaction, and effectiveness of the course. It was revealed that

- Some 81.3 percent of the participants agreed that the general objective of the course was achieved;
- About 93.8 percent of the participants agreed that the course had equipped them with an understanding of pertinent information relating to exchange rate regimes and policies;
- Similarly, 93.8 percent of the participants agreed that the substantive impact of the resource persons as a team was very good;
- In addition, 93.3 percent of the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- Some 2.50 percent of the participants indicated that the blend of plenary and group exercises was effective.;
- Close to 93.8 percent of the participants agreed that the quality of training materials and documentation was very good.
- Some 87 percent of the participants rated the presentations as good;
- A significant proportion of 95.6 percent of the participants rated the contents of the course as good;
- All the participants indicated that the course was useful to their work;
- Almost all the participants (96 percent) indicated that the time allotted to the course was enough;
- About 87.5 percent of the participants stated that their overall expectations about the course were met;

Finally, 93.8 percent of the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

WAIFEM COLLABORATES WITH THE COMMONWEALTH SECRETARIAT (COMSEC) TO ORGANIZE TRAINING ON USING COMMONWEALTH MERIDIAN FOR FISCAL DEBT DATA COMPILATION, REPORTING, AND MONITORING



The West African Institute for Financial and Economic Management (WAIFEM) in collaboration with The Commonwealth Secretariat (COMSEC) organised a joint Regional Training on Using Commonwealth Meridian for Fiscal Debt Data Compilation, Reporting, and Monitoring. The training was conducted at Mamba Point Hotel, Monrovia, Liberia from August 29 – September 2, 2022, 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, Honourable Executive Governor, Mr. Aloysius J. Tarlue, Governor Central Bank of Liberia (CBL), Adviser and Head of Commonwealth Secretariat's Debt Management Unit, Mrs. Pamella McLaren, WAIFEM officials and distinguished resource persons from COMSEC.

In his welcoming remarks, the Director General warmly welcomed all the participants to the course. He extended a warm welcome and appreciation to Mr. Aloysius J. Tarlue, the Honourable Executive Governor of CBL. He commended the Honourable Governor for his remarkable leadership in steadying the regional economic integration agenda in our sub-region, despite the domestic and global economic challenges.

The Director General also welcomed Mrs. Pamella McLaren, Adviser and Head of the Commonwealth Secretariat's Debt Management Unit, and her distinguished COMSEC Faculty, led by Mr. Mac Banda, Adviser and Team Leader (IT Systems), Economic, Youth & Sustainable Development Directorate. He expressed his gratitude and commendation to COMSEC for staying committed to WAIFEM and remaining responsive to the needs of our member countries amidst changing global financial environment.

The Keynote address was delivered by the Honourable Executive Governor of the Central Bank of Liberia (CBL), Mr. Aloysius J. Tarlue. In his address, Mr. Tarlue extended his commendation to the Director General of WAIFEM, Dr. Baba Y. Musa, and the staff of WAIFEM for their unwavering dedication to sustaining the momentum of capacity building in our sub-region, despite the recent global challenges and their implications for the economies of our member countries. The Honourable Executive Governor noted that as our economies prepare for post-pandemic recovery, a critical key success factor would be how to effectively and efficiently mobilize domestic and external resources to address our developmental challenges. Fundamental to these efforts would be the strengthening of not only our fiscal management but most specifically, aligning our medium-term public debt management strategies, with our national development objectives. On the Commonwealth Meridian, the Governor of the CBL highlighted that there have been significant transformations and development in the public debt management landscape. Those included considerable shifts in lending patterns, creditor composition, disbursement procedures, and overall debt portfolios. Thus, there was a stronger emphasis on medium-term debt management strategy development, increasing awareness of risk management, the growing importance of managing contingent liabilities, new reporting standards, and the need for improved transparency.

In her remarks, Mrs. Pamela McLaren, Adviser and Head of the Commonwealth Secretariat's Debt Management Unit, extended her warm greetings and welcome to the Honourable Executive Governor of CBL, Mr. Aloysius J. Tarlue, the Director General of WAIFEM, Dr. Baba Y. Musa, distinguished participants, and members of the press. She mentioned that COMSEC was happy to be

collaborating with WAIFEM on this workshop to train participants or debt managers on concepts related to debt data compilation and how to use Commonwealth Meridian to support them in debt data compilation, reporting, and monitoring.

The Commonwealth Meridian was developed to replace CS-DRMS and since its launch in June 2019, 25 Commonwealth member countries inclusive of the present company, The Gambia, Ghana, Nigeria, and non-Commonwealth countries, like Liberia are currently in various stages of implementation of the system in their debt offices.

Mrs. McLaren gave a brief about the Commonwealth Meridian system that it is organized around a central repository of data from which key stakeholders can access information through web-based state-of-the-art software. This ensures that real-time data is always available even to remote offices, and it integrates with External systems (i.e. IFMIS systems) to provide straight-through processing and accurate data to stakeholders. It can also record, manage, and analyze public and publicly guaranteed debt, lending portfolios as well as private sector external debt among other things. Thus, it was in this regard that WAIFEM and COMSEC jointly organized this regional course on using Commonwealth Meridian for Fiscal Debt Data Compilation, Reporting, and Monitoring.

The training was designed to train participants on using Commonwealth Meridian for debt data compilation, reporting, and monitoring. It was also intended to showcase the recommended configuration of the system to better support debt management and prepare users for the transition from CS-DRMS to Meridian. The training covered key areas such as Debt Data Compilation – Concepts; Recording and Management of Instruments in Commonwealth Meridian (session on the various Commonwealth Meridian features

through recording of a Loan Instrument); Recording and Management of Instruments in Commonwealth Meridian (session on disbursements and recording of debt service transactions and cash flow interpretation); Fiscal Debt Data Compilation Concepts (Data Collection, Compilation, and Dissemination); Using Commonwealth Meridian for debt data compilation, reporting and monitoring; Definitions of the various stocks, indicators, and cashflows generated in Commonwealth Meridian; Reporting tools in Commonwealth Meridian and use of the dashboard; General discussion on Commonwealth Secretariat Technical Assistance Programme and Commonwealth Meridian Implementation projects and experiences. There were case studies and country group presentations on “issues and challenges confronting member countries in terms of fiscal debt data compilation, reporting and monitoring”.

The course was facilitated by seven (7) highly seasoned and experienced experts from the Commonwealth Secretariat, practitioners within our sub-region, and WAIFEM faculty. They included: Mrs. Pamella McLaren (Adviser and Head of the Secretariate’s Debt Management Unit, Commonwealth Secretariate (COMSEC)); Mr. Mac Banda (COMSEC); Mr. Amit Mishra (COMSEC); Mr. Jawara Mendy (COMSEC/Directorate of Loan and Debt Management, The Gambia); Mrs. Adama Sowe (COMSEC/Directorate of Loan and Debt Management, The Gambia); Mr. Yakubu Aliyu (WAIFEM); and Mr. Gabriel Y. Asante (WAIFEM).

The course was attended by twenty-eight (28) participants consisting of nine (9) females and nineteen (19) males drawn from all WAIFEM member countries namely, The Gambia (3), Ghana (8), Liberia (11), Nigeria (2) and Sierra Leone (4).

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

Key Lessons

- A comprehensive debt database and accurate statistics are critical for effective public debt management operations.
- An in-depth understanding of the various concepts in debt data collection, compilation, and dissemination is essential for effective fiscal debt reporting.
- The Commonwealth Meridian, a cutting-edge, state-of-the-art debt management technological platform enhances developing countries' public debt recording, analysis, monitoring, and reporting capabilities and offers an enhanced functionality that captures the rapid changes in the debt management landscape compared to the widely used CS-DRMS.
- The massive features of the Commonwealth Meridian can assist countries in effectively collecting, compiling, and disseminating debt data with a high degree of confidence in the quality of data generated.
- The most benefit can be achieved by a country using the Commonwealth meridian if the platform is accessed by all institutions involved in public debt management operations. This ensures that real-time data is always accessible via remote access.
- The Commonwealth Meridian can be used to record and manage debt instruments to conform to best practices as recommended in the Public Sector Debt Guide-Guide for Compilers and Users.
- The presentations made on participating countries' experiences and challenges in debt data collection, reporting, and monitoring did not only

illustrate the similarities within the participating countries but also provided the facilitators the opportunity to demonstrate and explain how Commonwealth Meridian can address some of the challenges.

Observations

- COMSEC and WAIFEM's conduct of the training in-person was compatible with such a hands-on and demonstrative training.
- The training was highly educative and exhaustive.
- The sessions were very interactive and country experiences enriched the interactions between member countries.
- The presenters/facilitators were very knowledgeable on debt management and the Commonwealth meridian, and the course was delivered with tact.
- Participants, including those from countries not using the Commonwealth meridian, got an in-depth understanding of the value addition the system brings to debt management.
- The training objectives were achieved.
- There was a need for more than one exercise script for practice demonstration in the commonwealth meridian.
- The schedule shared did not include tea/coffee breaks, making the end time on the schedule unrealistic.
- The caterers provided the same meal for a coffee break and lunch for the five days.

Recommendations

To Member Countries:

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

To WAIFEM

- The facilitators should prepare and distribute more exercise scripts to the participants that could be used for additional practice by participants even after the workshop.
- Access to the Commonwealth Meridian that has been granted to the participants during the training should be made available for up to three months to enable participants to improve their understanding of the platform.
- The workshop schedule should have allocated time for breaks, and or communicate such changes accordingly, to maintain participant's attentiveness all through the day.

Housekeeping logistics needs to be upgraded to ensure the caterers prepare different meals for coffee break and lunch on the training day

WAIFEM ORGANIZES A WORKSHOP ON NATIONAL DEBT SUSTAINABILITY ANALYSIS (NDSA) LEVEL II, FOR STAFF OF THE CENTRAL BANK OF NIGERIA (CBN)



The West African Institute for Financial and Economic Management (WAIFEM) organized a training course on National Debt Sustainability Analysis (NDSA) level II, for the Staff of Central Bank of Nigeria (CBN) at the CBN International Training Institute (ITI), Abuja, September 5–9, 2022.

During the opening ceremony of the workshop, the Director General of WAIFEM, Dr. Baba Y. Musa, was represented by Prof. Douglass G. Omotor, Advisor to the Business Development and Consultancy Unit (WAIFEM). On behalf of the Director General, Prof. Omotor welcomed the participants to the workshop. He highlighted the importance of the NDSA II, noting that it is more practical and hands-on. He emphasised the need for the participants to pay more attention, ask relevant questions and seek clarifications where necessary to enhance their understanding. He also expressed deep appreciation to the facilitators for availing themselves. He concluded his remarks by warmly welcoming the participants to the training and wished them a fruitful learning experience.

The overall objective of the training was to provide hands-on training on the National Debt Sustainability Framework (NDSF) for selected staff of the Central Bank of Nigeria (CBN). The training also aimed at providing more in-depth knowledge and greater insight into the underpinnings of NDSA as well as the procedure for consistency checks using the DSA template. The themes covered during the course include the following:

- ü Introduction to Debt Sustainability Analysis (DSA) in Low-Income Countries and New Features of the Debt Sustainability Framework (DSF) Coverage of Fiscal balance and Public Debt,
- ü Inputs: Definitions and Coverage of Public Sector and Macroeconomic Projections;
- ü Inputs: Financing Assumptions;
- ü Macroeconomic Linkages and Debt dynamics;
- ü Realism Tools: Drivers of Debt Dynamics, Realism of Planned Fiscal Adjustment, Fiscal Adjustment, and Growth, and Public Investment and Growth;
- ü Standardized Stress Tests, Contingent Liability

Stress Tests;

- ü Other Tailored Stress Tests (Natural Disaster, Commodity Price, Market Financing);
- ü Discussion exercises -Realism tools;
- ü Debt Carrying Capacity (Composite Indicator) and Thresholds;
- ü Risk Signals: External, Total Public Debt, and Market Financing Pressures;
- ü Use of Judgement: Short and Marginal Breaches, Domestic Debt and Market Financing Vulnerabilities, External Private Debt, Availability of Liquid Financial Assets, Long-Term Considerations, and Other Considerations;
- ü Final Risk Ratings;
- ü Granularity: Moderate Risk Category (space to absorb shock), Assessing Sustainability;
- ü Walk through the New LIC DSF Template: General Structure and Inputs; Hands-on Exploration
- ü Introduction to the hands-on exercise: Country Case Study's Structure, Background Information, and Flow Chart
- ü Template exercise:
- ü Checking Macroeconomic Projections and Financing Assumptions
- ü Interpreting and Discussing Results of the Realism Tools.
- ü MAC DSA

The course was facilitated by experienced resource persons drawn from Debt Management Office (DMO) namely, Mr. Maraizu Nwankwo, Dr. Bartholomew Aja, and Mr. Nura Gusau.

The workshop was attended by Twenty-nine (29) senior-level officials drawn from various departments of the Central Bank of Nigeria (CBN). This comprised 13 females and 16 males.

At the end of the course, the evaluation exercise revealed the following:

- i. All the participants agreed that the course met

the objectives.

- ii. All the participants indicated that the course upgraded their knowledge of LIC-DSA and MAC-DSA frameworks.
 - iii. 93 percent of the participants concurred the workshop provided pertinent issues relating to the DSF tool, its general structure, and inputs, which would be of immense benefit to their organizations.
 - iv. All the participants affirmed that the substantive impact of the resource persons as a team was very good.
 - v. 97 percent of participants shared that the knowledge and skills acquired from the workshop would improve their understanding of Debt Sustainability Analysis.
 - vi. All the participants agreed that the blend of the plenary session was effective.
 - vii. 93 percent of the participants confirmed the quality of training materials and documentation was very good.
 - viii. 93 percent of the participants concurred the course met their expectations.
- On the whole, all the participants stated that the administration and coordination of the course by WAIFEM was effective.

WAIFEM BUILDS CAPACITY ON MONETARY POLICY AND MACROPRUDENTIAL ANALYSIS



The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Monetary Policy and Macro-Prudential Analysis in Freetown Sierra Leone from September 12 – 16, 2022. The opening ceremony was chaired by Prof. Kelfala M. Kallon, Honourable Governor, Bank of Sierra Leone. Also present were the Director General of WAIFEM, Dr. Baba Y. Musa, Mr. Amadou Koora, Director of the Financial Sector and Payment Systems Department, and Dr. (Mrs.) Claudia Kumah who represented the facilitators.

In his welcoming remarks, Dr. Baba Y. Musa expressed his gratitude to Prof. Kelfala M. Kallon, Honourable Governor, management, and staff of the Bank of Sierra Leone, for their warm reception and logistical support. He also welcomed all participants and urged them to make every effort to complete the course whilst finding some time to explore the wonderful tourist attractions that adorn Freetown and its environs.

The Director General noted that since its inception, WAIFEM had delivered 850 programmes as of September 9th, 2022 benefitting over 23,775

officials from member countries in the sub-region and beyond. In addition, he mentioned that to better equip public officials in member countries in line with changing global dynamics and challenges, WAIFEM has added cutting-edge and specialized training to its menu of courses in recent years. These include governance, regional integration, financial technology, cybersecurity, non-interest banking, climate change, gender and development, and youth unemployment. In conclusion, Dr. Musa noted that the execution of WAIFEM courses at times involved collaborative partnerships with reputable international organizations.

In his keynote address, Prof. Kelfala M. Kallon, Honorable Governor, Bank of Sierra Leone, on behalf of the President, His Excellency, Julius Maada Bio, the Government, and the People of Sierra Leone, commended WAIFEM for bringing the course to Freetown. He noted that the adoption of macroprudential policies all over the world in recent decades has fuelled an ongoing debate regarding the effect of the practices and their interaction with monetary policy. He mentioned specifically that, the 2007 - 2008 financial crisis and its long-lasting legacy, have led to the wild spread perception that

new regulations were needed to ensure a stable financial system as a whole. Thus, most central banks have created new financial stability units to take a holistic approach to financial stability. He asserted that given the challenges associated with the implementation of macro-prudential policies, the course would guide how to determine the appropriate timing for activation or deactivation of macroprudential instruments, the effectiveness of macro-prudential tools in achieving the objectives of macro-prudential policies, and the efficiency of the instruments in terms of a cost-benefit assessment.

The main objective of the course was to upgrade the knowledge and skills of participants to effectively analyze monetary and macro-prudential policies for price and financial stability. Specifically, the course was aimed at enhancing participants' competence in formulating monetary policies and conducting monetary operations in the stages of market development; and analyzing various macro-prudential measures that would limit the risks and costs of systemic crises.

The broad themes covered included the following:

- The framework of Monetary policy;
- Monetary policy and financial stability;
- Fiscal policy analysis;
- Detecting financial vulnerability from macro-prudential indicators;
- Macro-prudential analytical tools;
- A review of prudential indicators of the health and stability of the financial systems;
- Micro-prudential versus Macro-prudential approaches to financial regulation and supervision;
- Government Fiscal Operations and Monetary Policy decision-making;
- Systemic risks and the transmission of financial shocks;
- Analytical methods: Stress testing for financial systems;

- Micro and macro-prudential policy, macroeconomic and financial stability; and
- Challenges of monetary policy and macro-prudential regulation.

The course was attended by eighteen (18) participants made up of senior and middle-level officials from central banks, ministries of finance and planning, and the West African Monetary Agency from The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. The course was facilitated by experts drawn mainly from central banks across the sub-region.

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

- More than 88 percent of the participants concurred that the course has upgraded their skills to effectively analyze monetary and macroprudential policies for price and financial stability.
- The course content was adjudged as 'very good' by 97 percent of the participants.
- The substantive impact of the resource persons as a team was rated as 'very good' by 96 percent of the participants.
- About 77 percent of the participants affirmed that the course has enhanced their skills in analyzing various macroprudential measures that would limit the risks and costs of systemic crises.
- 92 percent of the participants thought that the knowledge and skills acquired from the course would improve their job performance.
- Over 93 percent of the participants thought that the time allotted for the presentations was adequate;
- More than 88 percent of the participants concurred that the course met their expectations.
- At the wrap-up session, participants were of the view that the duration of the course should be extended to two weeks to allow for more practical sessions.

Following the presentations and discussions during

the course, participants observed that:

- Fiscal deficits were unsustainable in most countries of the sub-region, hence central banks were made to finance these deficits through advances to governments, impacting the ability of the central banks to ensure price stability;
- Some countries have inadequate early warning systems to detect problems in banks before systemic crises;
- The banking system in some countries has huge non-performing loans beyond regulatory thresholds and this impacts adversely on financial stability;
- Most countries have strengthened their supervision framework with Risked based supervision;
- The financial markets in some countries across the sub-region are largely underdeveloped, hindering the effective implementation of monetary policy;
- Policy coordination between fiscal and monetary authorities is crucial in achieving monetary and financial stability;
- Bank lending to the real sector (mainly agriculture and manufacturing) remains low owing to the inherent risks in these sectors;
- Central banks in the region tend to have multiple objectives and this impacts their performance in ensuring that they achieve their main objective of price stability;
- While some Central Banks utilize micro-prudential approaches to Banking supervision, several Central Banks have incorporated macro-prudential policy frameworks;
- Data integrity and coverage remain a major challenge for the effective implementation of monetary and macro prudential policies in the sub-region;
- The course is pivotal for building financial system stability in our countries and the sub-region;

- Countries within the sub-region are at different stages of developing their macroprudential frameworks; and
- The linkages of other relevant stakeholders such as stock exchanges, deposit insurance protection corporations, and insurance and pension commissions are key in macroprudential analysis.

Recommendations:

- There is a need for early warning systems for the detection of crises before their occurrence;
- There should be policy coordination between the monetary and fiscal authorities;
- Macro-prudential policies should not focus too narrowly on insulating the larger financial institutions, whilst paying insufficient attention to potential vulnerabilities in the rest of the financial system;
- Central banks in the sub-region should incorporate macro-prudential indicators and instruments in their conduct of monetary policy;
- For effective conduct of monetary and macro-prudential policies, countries in the sub-region should improve data coverage and integrity;
- There is a need to ensure the operational independence of central banks in the sub-region to enhance the efficacy of monetary and macroprudential policies;
- Central Banks should develop and improve their stress testing tools to test the vulnerability of the system;
- Central Banks that need capacity development in macroprudential analytical tools should explore the option of study visits to other Central Banks in the sub-region that have already developed these tools; and

Due to the importance of this course, other key stakeholders in the financial system should participate in future training programmes like this.

WAIFEM COLLABORATES WITH IMF AND MEFMI TO ORGANIZE A BLENDED COURSE ON REMITTANCE STATISTICS



The West African Institute for Financial and Economic Management (WAIFEM) organized a five (5) day Blended Course on Remittance Statistics in collaboration with the International Monetary Fund (IMF) and Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) for the period, September 19-23, 2022.

The course began with an opening ceremony moderated by Dr. Emmanuel Owusu-Afriyie, Director of the Research and Macroeconomic Management Department (WAIFEM), who

IMF: International Monetary Fund (Statistics Department)

MEFMI: Macroeconomic and Financial Management Institute of Eastern and Southern Africa

Welcomed the dignitaries and participants to the course. He then invited the representative of the team of IMF Facilitators, Ms. Evrim Bese Goksu, to give a brief opening remark. Ms. Goksu briefly introduced Mr. Malik Bani Hani and Mr. Yves Martin Djoufack, her colleagues, as co-facilitators of the course. She also introduced Maria Borga (Deputy Division Chief of the Balance of Payments Division, IMF) and invited her to make some welcoming remarks.

Maria briefly touched on the importance of remittances and explained that remittances prove to be more stable than capital flows in many countries, making them a good source of income. She further remarked that in the event of an economic down-turn in recipient countries, capital flows might dry up but remittance inflows would continue and increase at the same time. However, she admitted that remittance flows are the most difficult items to measure on the Balance of Payments. She also emphasized that the COVID-19 pandemic really

highlighted the need for improved remittance statistics. In concluding, Maria briefly elaborated on the objectives of the course and encouraged the participants to be attentive, and offered her appreciation to WAIFEM and MEFMI for the collaboration to improve remittance statistics.

After the remarks by the Deputy Division Chief of the Balance of Payments Division, Ms. Goksu called on Mr. Yves Martin Djoufack and Mr. Malik Bani Hani to give their opening remarks. Mr. Djoufack expressed his pleasure to be part of the team of facilitators and thanked WAIFEM and MEFMI for the collaboration. On his part, Mr. Hani expressed his pleasure to be part of the team of facilitators for the course and thanked everyone.

On behalf of MEFMI, Dr. Sehlielo Mpofu (Programme Director of MEFMI) delivered a welcome address. She welcomed all the participants to the course and stated that MEFMI was very glad for the collaboration. She stated that the collaboration was part of IMF, WAIFEM, and MEFMI's coordinated interventions to contribute to improving the common goal of quality remittance statistics in member countries. She was therefore optimistic that the three institutions (i.e. IMF, WAIFEM, and MEFMI) would continue with the ongoing excellent work. Dr. Mpofu appreciated the presence of the IMF facilitators and thanked them for availing themselves to share their expertise with the participants. She concluded her remarks by urging participants to derive the maximum benefits from the course through information sharing and the free exchange of ideas.

Following Dr. Mpofu's remarks, the Director General of WAIFEM, Dr. Baba Yusuf Musa, was called upon to give his welcoming remarks. On behalf of the Management of WAIFEM, he first expressed his gratitude to the team of IMF facilitators for their continuous commitment to

providing training and capacity building in macroeconomic management to the officials of Africa and beyond. He further expressed his appreciation for the mutual relationship that had existed between WAIFEM and MEFMI which had resulted in continuous collaboration in capacity building. The Director General welcomed the participants and briefly touched on the importance of remittance statistics in the region. He urged the participants to take the course seriously and subsequently declared the course open.

A brief highlight of the course indicated that it was designed for officials employed in the collection and compilation of External Sector Statistics (ESS), mainly balance of payments and remittances. It was aimed at providing participants with a thorough understanding of the conceptual and statistical framework of remittance statistics compilation and provided practical guidance on collection, compilation, and estimation methods. In other words, the key objectives of the course were; the compilation of remittance statistics, the application of the principles of balance of payments to measure remittance statistics, the identification of potential new data sources for the compilation of remittances as well as the application of compilation and estimation techniques to remittances. The course was equally designed to allow participants to share their country-experiences and discuss areas of further development.

The course was attended by a total of seventy (70) professionals from both WAIFEM and MEFMI member countries. The total number of WAIFEM member countries was thirty-four (34), out of which five (5) were from The Gambia, six (6) were from Ghana, five (5) from Liberia, nine (9) from Nigeria and nine (9) from Sierra Leone. A total of thirty-six (36) participants were from MEFMI member countries namely, Angola, Botswana, Eswatini,

Kenya, Lesotho, Malawi, Mozambique, Rwanda, Uganda, Zambia, and Zimbabwe.

An evaluation at the end of the course revealed the following:

- 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.
- The average value of ranking for the statement *“The content of this training will help me to produce better quality, and/or better understand, macroeconomic statistics”* was 4.6. This indicates that the participants strongly agreed that the content of the training would help them produce better quality, and/or better understanding of macroeconomic statistics.
- The average value of ranking for the statement *“Overall, I was satisfied with the training”* was 4.4. This suggests that on average, the participants were very satisfied with the training.
- The average value of ranking for the statement *“The exercises covered during the workshop sessions were useful”* was 4.7. This suggests that the participants strongly agreed that the exercises covered during the workshop sessions were useful.
- The average value of ranking for the statement *“Reading materials shared on the Moodle platform (Self-paced materials) was useful”* was 4.7.
- The average value of ranking for the statement *“Instructor-led live sessions were useful”* was 4.4.
- The average value of ranking for the statement *“Lectures and/or workshops during the live sessions”* was 4.6.
- The average value of ranking for the statement

“Overall, I was satisfied with the administrative/logistical arrangements for the training” was 4.3. This indicates that the participants were very satisfied with the administrative/logistical arrangements for the training.

- The statement, *“The Moodle platform was well organized, easy to navigate, and easy to use.”* had an average score of 4.6. This indicates that the participants agreed that the training website (Moodle) was helpful for their presentations.
- The statement, *“I was satisfied with the translated course materials”* had an average score of 4.3. This suggests that the participants were very satisfied with the translated course materials.
- Lastly, the average score of the statement *“Overall, the pre-training live session, and preparatory administrative arrangements were satisfactory”* was 4.5. This suggests that the participants agreed that the training was effectively conducted and delivered within the blended environment.

Furthermore, on the course evaluation questionnaire, the participants recommended the following:

- u The course should be held in-person at a future period
- u The training should be regular for those in the concerned field
- u The length of the training period should be increased by one more week.

Some transactions such as informal remittances and bit coin remittances should be covered.

WAIFEM ORGANIZES TRAINING ON MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS) FOR STAFF OF THE FEDERAL MINISTRY OF FINANCE



The West African Institute for Financial and Economic Management (WAIFEM) organized a course on Medium-Term Debt Management Strategy (MTDS) for staff of the Debt Management Office (DMO), Central Bank of Nigeria (CBN), Office of the Accountant General of the Federation (OAGF) and Federal Ministry of Finance, Budget and National Planning (FMFBNP) at the Central Bank of Nigeria (CBN) Learning Centre, Lagos from September 19 – 23, 2022.

The brief opening session of the course was anchored by the Director General of WAIFEM, Dr. Baba Y. Musa, who was represented by Professor Douglass G. Omotor, Advisor, Business Development and Consultancy Unit (WAIFEM). On behalf of the management and staff of WAIFEM, Dr. Baba Musa welcomed the participants and facilitators to the training. The Director General of WAIFEM, in his welcoming speech, expressed appreciation to the various institutions and their nominees from the DMO, CBN, OAGF, and FMFBNP. He gave a brief history of WAIFEM and its activities and urged the

participants to visit the WAIFEM webpage for more information about the Institute. On the importance of the Medium-Term Debt Management Strategy (MTDS), the Director General noted that it is a framework developed by the World Bank and IMF to guide the debt management decisions and operations of government authorities. He said that the Medium-Term Debt Strategy (MTDS) links borrowing with macroeconomic policy; helps countries maintain sustainable levels of debt; and facilitates domestic debt market development. He also stressed the need for the participants to pay more attention to the training, interact freely with the

facilitators, and ask questions to enrich their knowledge. The Director General, Dr. Musa, then expressed deep appreciation to the facilitators from Ghana, for making time to facilitate the course. He concluded his remarks by warmly welcoming the participants and wishing them a fruitful learning experience.

The overall objective of the training was to provide hands-on training on the MTDS for selected staff of the DMO, CBN, OAGF, and FMFBNP. It was also aimed at building capacity in developing and implementing sound debt management strategies, using the MTDS framework. The themes covered during the course include the following:

- Overview of the MTDS Framework.
- Identifying the objectives and scope for the debt management strategy.
- Data Preparation: Data needs and formats and useful Excel Functions.
- Cash Flow generation exercises.
- Cost-Risk Indicators with exercises on calculating and interpreting cost measures and risk exposure indicators.
- Introduction to the MTDS Analytical Tool.
- Debt Management and Macroeconomic Framework.
- Market Environment: Exchange Rates and Interest Rates.
- Scenario Analysis: Shock Scenarios and Model Input.
- Exercise on Yield Curve and Forward Rates.
- Funding Sources and Investor Base.
- Formulating alternative strategies based on cost-risk assessment.
- Running the Model and Interpreting results.

The training was facilitated by highly skilled and experienced resource persons from the Ministry of Finance and Economic Planning (Accra, Ghana) namely Ms. Doris Dzidzornu

and Ms. Esinam Dagadu. The training was attended by Twenty-five (25) senior-level officials drawn from various departments of the DMO, CBN, OAGF, and FMFBNP. This comprised 12 females and 13 males.

At the end of the training, the following observations were made by the participants:

- i. The MTDS is very critical and offers a good policy tool for Government to adequately manage its public debt;
- ii. The Workshop showed the need for a reliable and consistent macro-fiscal framework which is crucial for the development of a debt management strategy;
- iii. In designing the Objectives of the MTDS, emphasis should also be on the Scope of the MTDS for adequate coverage;
- iv. The need for improved coordination amongst Stakeholders to minimize the risks in the Cost-Risk indicators in the MTDS Toolkit and for the development of a good debt management strategy;
- v. The need for the DMO to make provision for Contingent Liabilities as part of our Debt Stock as required by the International Public Sector Accounting Standard (IPSAS) 19, and as practiced by other African Countries like Ghana. This will help mitigate the risks associated with Contingent Liabilities;
- vi. The participants found the training very relevant and the hands-on exercises, but the course content gave little room for mastery of the various excel formulas and the MTDS Toolkit;
- vii. The MTDS Toolkit is highly technical and requires extended time to populate and develop various Strategies;
- viii. Case Study used to involve Nigeria's specific data for a better understanding of how it is stylized and fed into the MTDS Toolkit;
- ix. Agencies to also take note of key persons'

operational risks as critical to the conduct of the MTDS;

- x. some of the officers who represent the Ministry, Departments, and Agencies (MDAs) in the MTDS Team constituted by the Debt Management Office (DMO) may not be fully informed of certain policy directions of their office thereby contributing personal opinions which may be in deviant to the position of their office; and,
- xi. For the formulation of Strategies, the DMO should expand stakeholder participation to include policy makers, such as National Assembly (NASS) members and other Government financial institutions for inclusiveness and implementation of the Strategy.
- xii. WAIFEM should review the five (5) days provided for the MTDS Training to two (2) weeks, to enable participants to have a good mastery of the Data Mining, Excel functions, and the hands-on MTDS exercises;
- xiii. To have a sustainable Team/Committee charged with the conduct of the MTDS, consistency in Training is key, as well as the need for agencies to minimize key person's operational risks;
- xiv. Stakeholders drawn for the conduct of the National MTDS include the NASS members, officials from the Infrastructure, Concession and Regulatory Commission (ICRC),

Securities and Exchange Commission (SEC), etc.;

- xv. Need for stronger collaboration amongst stakeholders for effective public debt management;
- xvi. Best practice requires an annual review of debt management strategy. In addition, the debt management strategy should be reviewed promptly whenever shocks are witnessed and changes communicated to avoid the wrong perception of public debt management;
- xvii. WAIFEM to consider providing laptops populated with the necessary Tools for more efficient Training and to ensure the continuation of hand-on practice by participants after the Training;
- xviii. WAIFEM to test the knowledge of the participants at the beginning of the Training to ascertain areas of weakness to enable the facilitators' flexibility to provide targeted training to participants;
- xix. WAIFEM to avoid extended hours for the Training to avoid diminishing returns and ensure that the Course Objectives are achieved; and
WAIFEM to Organize Group Airport pick-up and drop-off for participants as part of the logistics to support the learning experience.

WAIFEM STRENGTHENS THE CAPACITY OF SUPERVISORS AND NEW MANAGERS IN LEADERSHIP SKILLS DEVELOPMENT AND MANAGEMENT



The West African Institute for Financial and Economic Management (WAIFEM) organized a regional course on Leadership and Management Skills for Supervisors and New Managers from September 19 - 23, 2022 at Erata Hotel, Accra, Ghana.

The course was declared open by the Governor of the Bank of Ghana, Dr. Ernest Addison, who was represented by Mr. Richard Homiah, Assistant Director of the Governor's Department, Bank of Ghana. In his keynote address, the Governor welcomed the Director General of WAIFEM and his team and the participants to Accra and thank WAIFEM for organizing this important course after nearly a two-year break from hosting in-person regional courses due to the Covid-19 pandemic.

The Governor stressed the relevance of the course and reflected on the Covid-19 situation in member countries which has further been exacerbated by the outbreak of the Russia-Ukraine war, just at a time

when countries were gaining momentum in their economic recovery efforts. He highlighted the current global developments including rising inflation, climate change, insecurity, exponential technological advancement, and emerging geopolitical contours, among others, as factors likely to pose more complex challenges ahead. He emphasized that to successfully navigate through turbulent times, good leadership is required.

In his opening remarks, the Director General of WAIFEM, Dr. Baba Musa, welcomed all participants to Accra, Ghana. He emphasized the need for strong team cohesiveness and the adoption of recent technologies which have impacted leadership styles post Covid-19. He urged the

participants to tap into the rich knowledge and experiences that would be shared during the course to improve their leadership functions in their respective organizations.

The objective of the course was to enable supervisors and new managers to learn and apply advanced management and leadership skills in their workplaces. Specifically, the course enabled the participants to:

- § Learn the different leadership styles and roles of leaders;
- § Achieve productivity gains through leadership strategies that engage and motivate team members;
- § Learn the critical role of digitalisation in leadership; and
- § provide participants with an understanding of the different generations in the workplace and management of youthful employees, among others.

The broad themes covered included the following: Leadership Fundamentals; Managing people and resources; Understanding and implementing effective leadership styles; The role of a leader:

Preparing for a leadership role; and Strategic drivers of successful leadership, among others.

Thirty-nine (31) participants comprising 20 males and 11 females from Central Banks, Core Policy Ministries, Regulatory Agencies, Revenue Authorities, and other public sector organizations in The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone attended the course. The course was delivered by a team of experienced facilitators from both the public and private sectors in the sub-region.

A communique was issued by participants at the end of the Course with the following recommendation:

- That emphasis be placed on class activities during the sessions to create full interactive discussions and engagements.
- That the program be made fully residential for all participants to facilitate group assignments and avoid lateness and absenteeism.

Given the dearth of leadership in the sub-region, WAIFEM should consider organizing different levels of Course in a calendar year.

WAIFEM COLLABORATES WITH IMF/AFRITAC WEST 2 TO HOLD A WORKSHOP ON CREDIT RISK ANALYSIS AND PROVISIONING



The West African Institute for Financial and Economic Management (WAIFEM), in collaboration with the International Monetary Fund (IMF) African Regional Technical Assistance Centre in West Africa (AFRITAC West 2, organized a regional course on Credit Risk Analysis and Provisioning in Banjul, The Gambia, from September 19–23, 2022.

The opening ceremony was chaired by the Honourable Governor, Central Bank of The Gambia, Mr. Buah Saidy, who was represented by the Second Deputy Governor, Dr. Paul Mendy. Also present were the Director General of WAIFEM, Dr. Baba Y. Musa, represented by Mr. Amadou Koora, Director, Financial Sector Management Department, Mr. Vitus C. Ukwuoma, Regional Advisor, Financial Sector Supervision and Regulation, AFRITAC WEST 2, Mr. Inwon Song and Mr. Michael Amoako-Atuobi who were some of the facilitators.

In his welcoming remarks, Dr. Baba Y. Musa expressed gratitude to the management and staff of the Central Bank of The Gambia for the hospitable welcome received on arrival to The Gambia. He also acknowledged and appreciated the collaboration of the IMF AFRITAC WEST 2 with WAIFEM in building capacity in the sub-region. Dr. Musa recalled that WAIFEM was established in July 1996 by the Central Banks of The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone, with the mandate to build sustainable capacity for macroeconomic, debt, and financial sector management in the five member countries. He also stated that apart from officials of the central banks and ministries of finance and economic affairs, the target audience also included national parliaments, the mass media, customs and immigration, law enforcement agencies, and private sector institutions. The Director General maintained that the Institute has established a collaborative

technical partnership with world-class institutions involved in capacity building for economic and financial sector management, to ensure that its programmes have a competitive edge. He concluded by noting that about 90 percent of the resource persons are now sourced from the WAIFEM member countries, indicating a high tendency towards sustainable capacity building in the region. In his keynote address, Mr. Buah Saidy, Honourable Governor, Central Bank of The Gambia, on behalf of the President, His Excellency, Adama Barrow, and the People of The Gambia, welcomed the Director General of WAIFEM, Dr. Baba Yusuf Musa and his team, the facilitators and participants who were visiting Banjul for the first time. Mr. Saidy underscored the importance of credit risk analysis, and maintained that effective management of credit risk was a critical component of a comprehensive approach to the long-term success of any banking organisation. The Hon. Governor stated that poor credit quality and credit risk assessment would result in a bank failure, and the inability to identify and recognise deterioration in credit quality on time could aggravate the problem.

Governor Saidy contended that the Covid-19 pandemic had caused severe negative economic shocks which translated into a sharp rise in non-performing loans. He further noted that banks' provisioning requirements increased significantly due to the deterioration in asset quality. He stated that despite the accommodative policy measures put in place by the central banks in the sub-region, most countries in the region experienced high non-performing loans, concentration risks, and low financial intermediation coupled with the recent war in Ukraine, which has caused inflationary pressures due to global supply-chain challenges.

Notwithstanding the challenges, Mr. Saidy maintained that financial intermediation plays a crucial role in economic growth and development,

through its contribution to higher levels of output, employment creation, income generation, and enhanced living standards of the population. In conclusion, Governor Saidy referred to the harmonization of the regulatory frameworks in the WAMZ, and emphasized the need to calibrate the analytical tools to adapt to the new realities faced by the financial system in the sub-region, which include, emerging issues like climate change, digitalization, sustainable banking, central bank digital currencies, fintech, etc.

The workshop was aimed at providing a broader understanding of the relationship between credit risk and provisioning for credit losses under the IFRS 9 and prudential reporting standards, and to enhance participants' knowledge in the assessment of credit risk in the loan portfolio, and provisioning for non-performing loans. The broad themes covered in the course included: Overview of credit risk management; loan classification, non-performing loans (NPLs), provisioning, capital; supervisory roles in loan loss provisioning in countries adopting International Financial Reporting Standards (IFRS); IFRS 9 and interest income on NPLs; IFRS 9 and structured loans; country experiences and regional perspectives.

The course was attended by fifteen (15) participants made up of senior and middle-level officials from the central banks of Cape Verde, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone.

The course was facilitated by experts drawn mainly from central banks in the sub-region and IMF consultants.

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

- All the participants concurred that the course has increased their understanding of the relationship

between credit risk and provisioning for credit losses under the IFRS 9, and prudential reporting standards.

- The participants affirmed that the course has enhanced their knowledge in the assessment of credit risk in the loan portfolio, and provisioning for non-performing loans.
- The substantive impact of the resource persons as a team was rated as ‘very good’ by the participants.
- The participants believed that the knowledge and skills acquired from the course would improve their job performance.
- Overall, the participants agreed that the course met their expectations.

In the course of the presentations and discussions, the following issues were identified:

- There was a consensus that the course exposed participants to international standards and best practices in credit risk analysis and provisioning.
- There were inconsistencies in the adoption of IFRS-9 in the sub-region, using collaterals.

- The importance of credit risk analysis is centered on adequate data collection and analysis, to understand the issues as they evolve, and to aid informed decision-making.

- It was noted that IFRS-9 is another tool used to calculate provisioning, in addition to prudential analysis.

- Most supervisors in the sub-region were not adequately equipped with the requisite skills and knowledge to validate expected credit loss (ECL) models deployed by the banks hence there was the risk of banks underestimating their impairment figures posted to the profit or loss accounts.

There is a need to build capacity on ECL model validation to enable supervisors to determine the adequacy or otherwise of the impairment figures charged to the profit or loss accounts of the supervised institutions including the variables used in calibrating models.

WAIFEM IN COLLABORATION WITH THE WORLD BANK AND IMF ORGANISES TRAINING ON PUBLIC DEBT SUSTAINABILITY FRAMEWORK FOR LOW-INCOME COUNTRIES (LIC-DSF)



The West African Institute for Financial and Economic Management (WAIFEM) organised a Joint World Bank/IMF Regional Training on Public Debt Sustainability Framework for Low-Income Countries (LIC-DSF). The training was conducted at Bolton White Hotel, Abuja, Nigeria from September 26 - 30, 2022, 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, the Honourable Governor of the Central Bank of Nigeria (CBN), Honourable Godwin I. Emefiele, CON., who was ably represented by Dr. Isa Audu, Deputy Director, Monetary Policy Department, CBN, distinguished resource persons from the World Bank the IMF and other WAIFEM officials.

In his welcoming remark, the Director General warmly welcomed the Representative of the

Honourable Governor of the Central Bank of Nigeria, Honourable Godwin I. Emefiele, CON., the distinguished facilitators from the World Bank and the IMF, and distinguished participants for the course. He extended a warm welcome and appreciation to the Honourable Governor, Godwin I. Emefiele, CON. through his representative, Dr. Isa Audu. He applauded the Honourable Governor for his steadfastness to WAIFEM which serves as a great motivation for WAIFEM in delivering smoothly its mandate within the sub-region. The Director General also extended his cordial greeting to the esteemed officials and experts from the World Bank and the IMF that included Vasilis Tsiropoulos (World Bank), Jessie Nabulambo Kilembe (World Bank), Louis Dicks-Mireaux (IMF), and Alvaro Manoel (IMF). He expressed his utmost appreciation and commendation to the World Bank and IMF for their firm commitment and generous support to WAIFEM's capacity-building efforts. He mentioned that this course (DSF) in particular, has significantly improved public debt management, as

could be seen by our member countries' remarkable strides in policies, systems, and human capacities.

The keynote address was delivered by the representative of the Honourable Governor of CBN, Dr. Isa Audu. In his Keynote address, Dr. Isa Audu commended the World Bank, IMF, and WAIFEM for jointly organizing the course on Public Debt Sustainability for Low-Income Countries (LIC-DSF) at a time many developing countries are grappling with complex macroeconomic challenges. He also commended the Director General, WAIFEM, and the entire staff for their firm determination to sustain the momentum of capacity building in the sub-region.

The Honourable Governor highlighted that WAIFEM member countries are currently experiencing a significant fiscal imbalance and an escalation in their public debt, which have put them at risk of debt distress and, in some cases, debt distress. He cited that as of August 29, 2022, and according to the most recent data given by the World Bank, out of 69 Poverty Reduction and Growth Trust (PRGT)-eligible countries, eight are in debt distress, 29 are at high risk, 25 are at moderate risk, and seven are at low risk of debt distress. He further expressed that such fiscal imbalances and high levels of public debt can have direct and adverse effects on debt sustainability. Consequently, while our member countries continue their efforts to mobilize and allocate resources to confront these problems, debt sustainability analysis (DSA) remains critical for guiding governments' decisions about future borrowing.

The representatives of the World Bank and the IMF team also made remarks. Both Vasilis Tsiropoulos (World Bank) and Louis Dicks-Mireaux (IMF) made similar remarks, thanking the Director General of WAIFEM and the staff of the Department of Fiscal Policy, Debt Management and Regional

Integration (FPDMRID) for the excellent coordination of the training. They also expressed their appreciation for the opportunity to share their knowledge and encouraged participants to take full advantage of the training to deepen their knowledge and understanding of the LIC-DSF framework.

The training was designed to enhance participants' knowledge of the LIC-DSF in WAIFEM member countries. The course was structured to familiarise participants with the complete process of conducting a DSA using the IMF and World Bank's DSF-LIC template for debt sustainability analysis. It covered various aspects of public debt sustainability analysis which included case studies and simulated exercises. Thus, the ultimate main objective remains to increase participants' capacity to conduct the DSAs for their countries.

The training covered key areas such as: Introduction to the LIC-DSF, its operational application, and the implication of the DSF; Definitions and coverage of the public sector and public debt, as well as macroeconomic projections; Financing assumptions; Macroeconomic linkages and debt dynamics; Realism Tools - Drivers of debt dynamics, realism of planned fiscal adjustment, fiscal adjustment and growth, consistency between public investment and growth; Debt carrying capacity (composite indicator) and thresholds; Risk Signals: External, total public debt, and market financing pressures; Standardized stress tests, contingent liability stress test, other tailored stress tests (natural disaster, commodity price, market financing); Use of Judgement - Short and marginal breaches, domestic debt and market financing vulnerabilities, external private debt, availability of liquid financing assets, long-term considerations, and other considerations; Final risks ratings, granularity - moderate risk category (space to absorb), assessing sustainability; and DSA report writing. There were also case studies, quizzes,

group work, and presentations to deepen participants' understanding of the DSA process. Country experiences were also shared during discussions which stimulated the participation in the course to be more interactive.

The training was facilitated by four (4) highly seasoned experts from the World Bank and the IMF in the persons of, Vasilis Tsiropoulos (World Bank), Jessie Nabulambo Kilembe (World Bank), Louis Dicks-Mireaux (IMF) and Alvaro Manoel (IMF).

The course was attended by twenty-six (26) participants consisting of five (5) females and twenty-one (21) males drawn from all WAIFEM member countries namely, The Gambia (6), Ghana (4), Liberia (6), Nigeria (5) and Sierra Leone (5).

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

Observations

- The Course was timely considering the challenges of debt distress/sustainability issues that are confronting most economies in the African sub-region.
- The facilitators' exhibited a high level of professionalism in their delivery and impartation of lectures, prodded exercises, questions, and answers throughout the learning process.
- The Quizzes at the end of each presentation enhanced participants' knowledge and deepened their understanding of the DSF.

- The five (5) days designed for the Workshop were inadequate considering the technicality of the DSF and the need to develop expertise;
- However, the facilitators were able to navigate through the disruptions created by the delayed flights to complete the Course outline and ensure that all the participants achieved the objective of the Course.

Recommendations

- Going by the technicality of the DSF, the course should be undertaken in no less than two (2) weeks to enable participants to achieve a deeper understanding and knowledge of the Template.
- WAIFEM to consider choosing a non-member country as a venue for the Training to maximize the engagement and involvement of all participants to avoid office and family distractions.
- WAIFEM to encourage member countries on the importance of the DSF and the need for sustained training outside of the regional programme to build expertise.
- Need for WAIFEM to organize more training for the stakeholders on the LIC-DSF and its relevance to debt sustainability.
- Need for the daily assessment of training objectives to ensure that much is taken away through flexibility in the design of Course Content.

WAIFEM ORGANISES A WORKSHOP FOR BALANCE OF PAYMENTS STATISTICS COMPILERS IN THE SUB-REGION



The West African Institute for Financial and Economic Management (WAIFEM) organized a five (5) day Blended Regional Workshop on Balance of Payments Statistics for the period, September 26-30, 2022.

The course began with an opening ceremony moderated by Dr. John Owusu-Afriyie, Programme Manager of the Research and Macroeconomic Management Department (WAIFEM), who welcomed the dignitaries and participants to the course. He also acknowledged the presence of WAIFEM staff present. These were; Dr. Emmanuel Owusu-Afriyie (Director of the Research and Macroeconomic Management Department), Dr. Okon Joseph Umoh (Principal Programme Manager of the Research and Macroeconomic Management Department), and Mrs. Helen Anjorin (Administrative Assistant, Research and Macroeconomic Management Department).

A welcome address was delivered by Dr. Emmanuel

Owusu-Afriyie 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 virtual opening ceremony due to other official commitments. He equally expressed the Director General's appreciation of the commitment of the facilitators to provide technical support for the workshop. He noted the relevance of the workshop and urged the participants to optimize the opportunity accorded by WAIFEM to broaden their knowledge of the Balance of Payments Manual Six (BPM6) and share their experiences. He also urged the participants to fraternize with one another to forge a strong professional network that will lead to sharpening their compilation skills. Finally, he

encouraged participants to make the course interactive and develop strong ties with fellow participants to further the course of regional integration.

The Workshop was organized to assess how the conceptual framework described in the BPM6 manual had been effectively assimilated and translated into practice. Specifically, the course was aimed at improving on the compilation and dissemination of BoP and IIP statistics by using the techniques provided in the Guide. It was also aimed at identifying new sources of data to be used to improve the compilation of BoP and IIP statistics.

The main topics discussed during the blended regional Workshop on Balance of Payments Statistics that reflected country-specific analyses were: Conceptual framework of the Balance of Payments (BoP); Survey Techniques and Methodology for Compiling Balance of Payments; Inter-linkages between the Balance of Payments (BoP) and Other Sectoral Accounts; Sources of Data to Compile and Construct BOP Statements and Challenges in Compiling BOP; Balance of Payments (BoP) Entries under the 6th edition of the IMF Balance of Payments Manual; Balance of Payments (BOP) Construction Analysis and Forecasting; Using the BOP to assess the External Position and Vulnerabilities of Economies

The Workshop was facilitated by five (5) Balance of Payments experts namely Ms. Cynthia Kotei (Bank of Ghana), Dr. G.K. Sanni (Central Bank of Nigeria), Mr. Rashid Koroma (Bank of Sierra Leone), Mr. Michael D. Titoe (Central Bank of Liberia) and Mr. Alieu Ceesay (Central Bank of The Gambia). The workshop was delivered mainly lectures, group exercises and discussions.

The course was attended by thirty-four (34) participants from five (5) WAIFEM Member

countries. Specifically, five (5) participants were from The Gambia, nine (9) were from Ghana, five (5) were from Nigeria, seven (7) were from Liberia, and eight (8) were from Sierra Leone.

The evaluation report at the end of the workshop revealed that:

- All the participants (100 percent) agreed that the general objective of exposing participants to BPM6 and its uses was achieved;
- Over 94.0 percent of the participants agreed that the workshop provided them with a comprehensive set of analytical tools to undertake policy impact assessment and scenario analysis.
- All the participants (100 percent) agreed that the substantive impact of the resource persons as a team was very good;
- Similarly, all the participants agreed that the knowledge and skills acquired from this course would improve their job performance;
- Some 57.9 percent of the participants indicated that the blend of plenary sessions and hands-on exercises had been effective;
- About 94.0 percent of the participants rated the presentations as good;
- Almost all the participants (96.2 percent) rated the contents of the workshop as good;
- Similarly, 96.1 percent of the participants indicated that the course was useful to their work;
- About 91.0 percent of the participants indicated that the time allotted to the workshop was enough;
- A significant proportion of 94.7 percent of the participants agreed that the quality of training materials and documentation was very good.
- All the participants (100 percent) indicated that their overall expectations about the workshop were met.;

Finally, 94.7 percent of the participants indicated that the overall administration and coordination of the workshop by WAIFEM was efficient and effective.

WAIFEM COLLABORATES WITH THE WEST AFRICAN MONETARY AGENCY (WAMA) AND THE CROWN AGENTS INVESTMENT MANAGEMENT (CAIM) TO ORGANIZE AN ONLINE SEMINAR ON RESERVE MANAGEMENT



The West African Institute for Financial and Economic Management (WAIFEM), in collaboration with the West African Monetary Agency (WAMA), and the Crown Agents Investment Management (CAIM), organized an online seminar on Reserve Management on September 27, 2022.

The seminar was designed to provide an overview of central bank reserves management, in a manner that is relevant across the hierarchy of a central bank – from Board and Investment Committee members to Heads of Financial Markets, and Reserves Management Departments. Participants were also exposed to issues facing central bank reserve

managers in 2022. Specifically, the seminar acquainted participants with critical skills required to effectively play their roles in treasury/foreign reserves management, improved their understanding and skills in analysing market information, and ability to review portfolios and make decisions on which specific instruments to use, when and with whom.

The broad themes covered in the seminar included: Overview of reserves management (reserves tranching – liquidity versus investment tranches, objectives – safety, liquidity, and return strategic vs. tactical asset allocation and active positions, governance); Asset Allocation for central bank reserves in 2022 (the consequences of low and rising interest rates, considering the investment horizon, benefits and challenges of diversification, long-term allocations vs. short-term positioning, how should central banks be positioned now?; Market outlook (what's driving markets, what's driving central bank policy, economic fundamentals vs. other factors, and possible scenarios for 2022.

The seminar was attended by fifty-two (52) participants made up of executive, senior, and middle-level officials from the central banks of Cape Verde, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. Experts from CAIM facilitated

WAIFEM COLLABORATES WITH THE COLLEGE OF SUPERVISORS IN THE WEST AFRICA MONETARY ZONE (CSWAMZ) TO ORGANIZE A 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 October 3-14, 2022.

The opening ceremony was presided over by the Director General of WAIFEM, Dr. Baba Y. Musa. Also present were Mr. Amadou Koora, Director, Financial Sector and Payment Systems Department, WAIFEM, and Mr. Michael Amoako-Atuobi, one of the resource persons.

In his Keynote address, Dr. Musa reiterated the need for effective banking supervision and resolution, especially in the current dispensation of rapid technological advancement. He also emphasized the need for regulators to uphold prudent and ethical behaviour to strengthen the internal discipline of the financial system and ensure its stability. Dr. Musa stressed the need for risk-based supervision to

reduce the risk of systemic failure and financial instability. Finally, the Director General reminded participants that the module was examinable and urged us to take it seriously as the scores will be forwarded to the Management of their respective institutions.

The course was designed to enhance the knowledge and skills of bank supervisors to appreciate the need for financial stability and strengthen their ability to mitigate the risk of systemic failure. The course was further aimed at providing an understanding of the bank resolution process to ensure effective implementation when the need arises.

The following broad themes were covered:

- Core Principle of Banking Supervision –

- Self-assessment Process and Procedures;
- Basel II and Basel III: Issues and challenges;
- Non-Bank Financial Institutions: The Regulatory Challenges;
- A Review of Prudential Indicators of the Health and Stability of the Financial System;
- Bank Behaviour and Vulnerability: Banking Indicators;
- Stress Testing of the Financial System;
- Banking and Electronic IT-Based Examination;
- Contingency Planning: Framework for Managing Systemic Banking Crisis;
- Cross-Border Supervision;
- Safety Nets: The Case of Deposit Insurance Schemes; Asset Management Companies;
- Credit and Credit Risk Examination Procedures;
- Banking Crisis and Supervisory Responses;
- Internal Control Measures;
- Macro-Prudential vs. Micro-Prudential Supervision: Costs and Benefits;
- Risk-Based Supervisory Approach: Cost, Benefits and Implementation Challenges; and
- Report Writing Techniques.

The course was attended by fourteen (14) senior and middle-level staff of the central banks of The Gambia, Ghana, Liberia, and Nigeria.

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

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

- All the participants were of the view that the course deepened their knowledge and understanding of the basics of banking supervision and resolution;
- Over 97 percent of the participants agreed that

the course content in terms of the topics covered was appropriate;

- 94 percent of the participants affirmed that the course would assist them in performing their job functions;
- 84 percent of the participants believed that the quality of facilitation assisted them in understanding the concepts;
- The course materials were found to be very useful by 93 percent of the participants;
- The overall administration and coordination of the course were rated as ‘very effective’ by 93 percent of the participants; and
- Overall, the participants unanimously concurred that the course met their expectations.

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

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

Observations:

- The topics were relevant and timely, especially at a time of rising exchange and interest rates in the sub-region and the advent of Central Bank Digital Currency (CBDC) and its impact on banks’ liquidity, financial inclusion, and financial system stability.
- Basel II and III spelled out the requirements (especially capital) for Regulators which prescribed pre-conditions for adoption. However, some jurisdictions adopted them without meeting the preconditions, thereby struggling for proper implementation.
- Risk Based Supervision (RBS) is forward-looking and enables Supervisors to plan examinations and prioritize the allocation of scarce resources to more risky areas. However,

we realize that some jurisdictions in the sub-region are yet to adopt RBS. However, the time allocated did not give room for case studies for better understanding.

- Some jurisdictions are yet to adopt the International Financial Reporting Standards (IFRS) and Basel II & III Principles, which can contribute to a lack of uniformity in the development of the financial systems of the sub-region.
- Some of the lecture materials were too voluminous for the time allocated making it difficult for participants to fully comprehend and internalize them.
- Prudential Indicators for banks differ in jurisdictions within the sub-region making cross-border examination and peer-to-peer review difficult.

Recommendations:

- Facilitators should include practical case study sessions, specifically in RBS, in future programmes for clarity and good undertaking, and a hands-on experience with the technique.
- The 3-module programme should be reconsidered as the presentations were too voluminous for facilitators to cover effectively and participants to apply effectively.
- There should be more training tailored towards capacity building of Central Bank officials in Basel Core principles for effective Banking Supervision and International Financial Reporting Standards in the sub-region.
- Uniform regulatory and supervisory prudential requirements should be adopted by all member countries to enhance cross-border supervision and also prevent arbitrage, resulting in a safe and sound financial system in the sub-region.

WAIFEM TRAINS ADMINISTRATIVE PROFESSIONALS AND EXECUTIVE ASSISTANTS ON EFFECTIVE COMMUNICATION AND PLANNING SKILLS



The Regional Course on Effective Communication and Planning Skills for Administrative Professionals and Executive Assistants was organized by the West African Institute for Financial and Economic Management (WAIFEM) in Monrovia, Liberia, from October 3 – 7, 2022.

The course was declared open by Hon. J. Aloysius Tarlue, Jr., the Executive Governor of the Central Bank of Liberia, who was represented by Mr. Michael B. Ogun, Senior Director of Multilateral Relations, Central Bank of Liberia. In his keynote address, the Hon Executive Governor welcomed everyone to the opening ceremony. He thanked WAIFEM for organizing this important course after a two-year break from hosting in-person regional courses due to the Covid-19 pandemic.

Governor Tarlue highlighted the role and relevance of administrative professionals and executive assistants for organizational success as follows:

- They are individuals who are relied upon to keep offices organized and operating

effectively;

- They are experts who know the top tactics for improving business productivity and can quickly implement strategies that make a big impact.
- They are staff members who are adept at taking on a wide range of tasks.
- They are people who add value by freeing up large blocks of time for their bosses or the teams they support.
- They play vital roles in an organization's ability to achieve its goals and objectives, etc.

In addition, the Executive Governor noted that Administrative Professionals and Executive Assistants should possess some critical knowledge and skills necessary to manage interpersonal relations efficiently within their organizations vis-à-vis the high and pressing demands of their offices. He indicated that most Senior Managers expect Administrative Professionals and Executive Assistants to have

leadership and management skills for the proper discharge of their duties and as such, need training and retraining for enhanced job performance.

In his welcoming remarks, the Director General of WAIFEM, Dr. Baba Y. Musa, ably represented by Dr. Alvin Johnson, Director of Governance and Institutional Development Department, WAIFEM, informed the participants and the guests that the Regional Course is one of WAIFEM's flagship courses as it creates a platform for dialogue on the important roles Administrative Professionals and Executive Assistants play in achieving organizational success.

Dr. Musa further noted that the ability of high-performing leaders to achieve targets and goals is largely dependent on their Administrative Professionals and Executive Assistants. He pointed out that Executive Assistants and Administrative Professionals ought to be well-organized, have time management skills and independently act without guidance to improve business productivity.

The objective of the course was to provide Administrative Professionals and Executive Assistants with the critical knowledge and skills necessary for effective and enhanced job performance. Specifically, the course enabled the participants to:

- § Learn and understand the emerging roles, duties, and responsibilities of Administrative Professionals and Executive Assistants;
- § Acquire knowledge and skills in Office Administration and Management essential for the effective discharge of their responsibilities; and
- § Develop and upgrade interpersonal skills for office management, among others.

The following broad themes were covered during the Course:

- Roles and expectations of an Administrative Professional/Executive Assistant;
- Effective Communication and Emotional Intelligence;
- Protocol and Business Etiquette;
- Strategic Skills for Administrative Professionals; and
- Organisational Skills for Superior Performance, among others.

The Course was attended by forty (40) administrative professionals and executive assistants from central banks, core policy ministries, regulatory agencies, and revenue authorities from The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone. Experienced facilitators from both the public and private sectors delivered the course.

A communique was issued by participants at the end of the Course with the following recommendations:

- o Given the contemporary nature of the topics delivered, more participants should be allowed to attend the course, especially their male counterparts.
- o A follow-up course should be organized with more emphasis on Protocols and Etiquette, Interpersonal Skills Development, Public Speaking, etc. to enable participants to gain a deeper understanding.
- o WAIFEM should consider conducting research into the success stories of Administrative Professionals/Executive Assistants in the Sub-Region in terms of how this program has impacted their performance in the workplace.
- o Extend the duration of the course to two weeks for participants to have in-depth discussions on the topics presented.

WAIFEM OFFERS TRAINING ON MACROECONOMETRIC MODELING FOR EXPENDITURE FORECASTING FOR STAFF OF THE FEDERAL MINISTRY OF FINANCE, BUDGET, AND NATIONAL PLANNING.



The West African Institute for Financial and Economic Management (WAIFEM) organized a course on **Macroeconometric Modeling for Expenditure Forecasting** for the staff of the Federal Ministry of Finance, Budget and National Planning, October 10 - 14, 2022 at the Central Bank of Nigeria International Training Institute (ITI), Abuja.

The brief opening session was chaired by the Advisor to the Business Development & Consultancy Unit of WAIFEM, Prof. Douglasson G. Omotor, who represented the Director General of WAIFEM, Dr. Baba Yusuf Musa. On behalf of the Director General of WAIFEM, Prof. Omotor welcomed all the participants to the training programme. In his remarks, he noted that the current training would dwell more on expenditure modeling to sharpen the skills of the participants in Macroeconomic Modeling, Forecasting, and Policy Analysis. Furthermore, he emphasized that to be a good modeler, participants would need a good knowledge of economic theories, statistics, and mathematics. Prof. Omotor concluded his remarks by expressing WAIFEM's appreciation to the Federal Ministry of

Finance, Budget and National Planning (FMFBNP), for allowing the Institute to organize the training.

This principal objective course was to enable participants to acquire more skills for modeling and forecasting relevant macroeconomic expenditure variables, etc. The themes covered during the training included the following:

- Fundamentals of forecasting fiscal variables.
- Review of non-model-based approaches.
- Forecast evaluation measures/criteria
- Univariate Time Series Approaches
- Single-equation model approaches to fiscal forecasting I
- Single-equation model approaches to fiscal forecasting II
- Multivariate structural model approaches to fiscal forecasting I

- Multivariate structural model approaches to fiscal forecasting II

The course was facilitated by a modeling expert, Prof. Afees Salisu (Department of Economics, University of Ibadan, Nigeria), and Dr. Idris Adediran (Department of Economics, University of Ibadan, Nigeria).

In terms of participation, twenty-five (25) staff of the Federal Ministry of Finance, Budget and National Planning (FMFBNP) attended the training programme. Those comprised 17 males and 8 females.

The course evaluation revealed the following outcomes:

- All the participants stated that the objectives of the training were achieved.
- All the participants agreed that the course upgraded their knowledge of Macroeconometric Modeling and Expenditure Forecasting.
- All the participants concurred that the training provided pertinent issues in Macro Expenditure modeling which was of immense benefit to the organization.
- On the substantive impact of the resource

persons as a team, participants stated that it was very good.

- All the participants believed that the knowledge and skills acquired from the training would improve their understanding of Macroeconometric Modeling and Expenditure Forecasting.
- In the plenary sessions and group exercises, all the participants revealed that they were very effective.
- All the participants agreed that the quality of training materials and documentation were very good.
- On the whole, all participants agreed that the training met their expectations.

On the administration and coordination of the training by WAIFEM, the participants indicated it was very effective.

WAIFEM TRAINS STAFF OF CENTRAL BANKS, MINISTRIES OF FINANCE AND ECONOMIC PLANNING, AND OTHER PUBLIC SECTOR INSTITUTIONS IN THE WEST AFRICAN SUB-REGION ON FISCAL DECENTRALIZATION, FISCAL FRAMEWORKS AND SUSTAINABILITY (FDFFS)



The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Fiscal Decentralization, Fiscal Frameworks, and Sustainability. The training was conducted at CBN Learning Centre, Satellite Town, Lagos, Nigeria from October 10 – 21, 2022, 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 Fiscal Policy, Debt Management, and Regional Integration Department, WAIFEM, Mr. Yakubu Aliyu, WAIFEM officials and distinguished resource persons represented by the former Finance Minister of Ghana, Honourable Seth E. Terkper.

In his welcoming remark, the Director General warmly welcomed all the participants for the course and the distinguished facilitators represented by the Honourable Seth E. Terkper to the most cherished CBN Learning Centre, Satellite Town, Lagos, Nigeria. He also extended a cordial greeting to the other WAIFEM officials who were present at the opening ceremony. Furthermore, the Director General emphasized that in this period of post-pandemic recovery, having to balance fiscal decentralization on the one hand, and on the other hand, maintaining budgetary discipline and macroeconomic stability remains a significant challenge. Thus, well-designed and implemented fiscal frameworks in the form of fiscal rules which entail establishing the framework to constrain fiscal policy discretion and promote fiscal discipline

remain critical. Thus, it is in this regard, according to the Director General, that WAIFEM organized this regional course on fiscal decentralization, fiscal frameworks, and sustainability.

The Course was designed to provide participants with comprehensive training on the critical dimensions of fiscal decentralization and the tools required to design and implement effective fiscal policy frameworks in WAIFEM member countries based on the specific policy and practical experiences of advanced and developing economies. It also seeks to explore effective strategies for designing optimal fiscal policies that take account of the fiscal decentralization trade-offs (in terms of its strengths and potential risks), geared towards achieving short-, medium-, and long-term fiscal sustainability. The course also seeks to examine new perspectives on the theory and practice of fiscal decentralization, fiscal policy reforms, and the role of fiscal governance institutions in achieving fiscal and debt sustainability.

The training covered key areas such as: Rationale and design of fiscal and public financial management (PFM) frameworks; PFM, budgeting, fiscal frameworks and macroeconomic management; Political economy, fiscal frameworks and macroeconomic management; Overview of fiscal decentralization, fiscal frameworks, and fiscal sustainability (Definition, Concepts, and Analytics); Introduction to sub-national governments (SNGs) and fiscal decentralization in federal and unitary government systems; Case studies of fiscal decentralization in federal (state structure to assembly structure) and unitary states in West Africa; Fiscal Sustainability: theories, policies and practice; Effectiveness of fiscal frameworks; Fiscal transparency: Benefits, IMF Code on Fiscal transparency; Analysis of fiscal risks and fiscal sustainability; Monitoring of fiscal policies by

independent institutions; Fiscal frameworks and sustainability in West African Countries; Monetary and fiscal policy interaction: Central Bank independence /fiscal dominance and coordination; Fiscal decentralization and debt management; and Fiscal strategies for unlocking factor endowments at sub-national level. There were group work and country presentations to share the nature and various levels of fiscal decentralization among WAIFEM member countries.

The course was facilitated by nine (9) highly seasoned and experienced practitioners within our sub-region. They included: Mr. Hon. Seth E. Terkper (Former Minister of Finance, Ghana); 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. Baba Y. Musa (Director-General, WAIFEM); Mr. Morlai Bangura (Director, Monetary Policy, Bank of Sierra Leone); Professor Jake Dan-Azumi (Professor of Political Science and Development Studies, and Director of Research, Nigerian Institute for Legislative and Democratic Studies, National Assembly, Nigeria); Dr. Eric Oduro Osae (Governance and PFM Expert and Director-General of the Internal Audit Agency, Ghana); Dr. Iddrisu Alhassan (Macro/Development Economist, Chief Economics Officer and Director of the Economic Strategy and Research Division, Ministry of Finance, Ghana); Mr. Olujimi Olaolu Ige (Former Permanent Secretary, Debt Management Office, Lagos State); and Dr. Bartholomew Aja (Deputy Director, Debt Management Office (DMO), Nigeria).

The course was attended by thirteen (13) participants consisting of nine (5) females and nineteen (8) males drawn from WAIFEM member countries namely, The Gambia (4), Ghana (5), Nigeria (2), and Sierra Leone (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

- Fiscal Decentralization plays an important role in the achievement of Fiscal Sustainability. It deems to focus on empowering the local government councils through improving funding and financial management for effective service delivery.
- Revenues from sub-national/local governments should be reflected in the Integrated Financial Management Information System (IFMIS) system to provide the general government with a sense of revenue inflows against expenditures.
- An independent Central Bank makes it credible. The credibility of Central Banks influences rational expectations for decision-making by economic agents.
- In some jurisdictions, the provision of Policy guidelines is primarily the responsibility of the Ministry of Planning.
- Each country should have a tailor-fitted fiscal framework. There is no one size fit approach. A country's fiscal framework should be able to address its fiscal problems within the specific national institutional and political setting.
- A good Macro-Economic policy should have a strong linkage between Fiscal and Monetary policy. In an ideal economy, these two policies should speak to each other, in other words, they should relate to one another.
- Fiscal Councils are designed to promote sound transparency and accountability in fiscal policy.

Observations

- The facilitators/resource persons were very knowledgeable and nearly delivered the course content;
- Participants gained in-depth knowledge from the facilitators/resource persons who impacted their rich knowledge and experience on the subject;
- The sessions were interactive, and participants shared their country's experiences on the subject; and
- The group assignments enabled participants to share, understand and appreciate the various aspects of fiscal decentralization in member countries.

Recommendations

To WAIFEM

- The presentation on each lecture topic should be shared with participants before the commencement of each session;
- WAIFEM should increase the slot for nominees for member countries to enable the institutions to nominate more representatives from their various divisions/departments/agencies to benefit from the training;
- WAIFEM to conduct more training on Fiscal Decentralization, Fiscal Framework, and Sustainability to enhance the capacity of Public Servants to better understand Sub-National Governance and Fiscal Operations; and
- For more interactive and impactful results, we recommend WAIFEM involve sectoral-related ministries or departments of the available courses. We believe that Local Government staff would have gained so much capacity in this course.

WAIFEM BUILDS CAPACITY ON PROJECT MONITORING & EVALUATION USING A RESULTS-BASED MANAGEMENT FRAMEWORK



A Regional Workshop on Project Monitoring & Evaluation Using Results-Based Management was organized by the West African Institute for Financial and Economic Management (WAIFEM), from October 17 – 21, 2022 at New Brookfields Hotel, Freetown, Sierra Leone. The workshop was declared open by the Governor of the Bank of Sierra Leone and current Chairman of the Board of Governors of WAIFEM, Prof. Kelfala M. Kallon, who was represented by Mr. Hilton Jarrett, Director of the Banking Supervision Department, Bank of Sierra Leone.

In his keynote address, the Governor welcomed the Director General of WAIFEM and his team, and the participants to Freetown and thanked WAIFEM for organizing this important workshop. Prof. Kallon

stressed the relevance of the workshop as he reflected on the impact the Covid-19 pandemic has had on the world's economy which has been further exacerbated by the Russia-Ukraine war. He emphasized that as governments and organisations assess, design and implement crucial project interventions, an important component of project implementation that requires due attention is the Monitoring and Evaluation (M&E) framework which is fundamental to the successful implementation of development projects.

Governor Kallon further emphasized that project monitoring and evaluation has become a more and more bottom-up approach where the wider public and local agents find space to voice new demands and hold policymakers accountable. He outlined transparency and accountability, early detection of

problems, improvement in decision-making, and replication of the best projects or programmes as some of the importance of the M & E system in the project circle.

The Governor concluded his remarks by expressing his confidence that M&E can be significantly enhanced when institutions like WAIFEM continue to build the capacity of a community of professionals and advocates who value monitoring and evaluation nationwide, and support governments and organizations that are governed by evidence-based policy-making and programming. He wished the participants fruitful discussions and productive dialogue and declared the workshop open.

In his welcoming remarks, the Director General of WAIFEM, Dr. Baba Musa, represented by Dr. Alvin Johnson, Director, Governance and Institutional Development Department, WAIFEM, welcomed the participants to Freetown, Sierra Leone. The Director General emphasized that the workshop aimed to equip participants with the requisite skills and tools in setting up and implementing project monitoring and evaluation systems using a results-based management framework throughout the life cycle of a project – from initiation, planning, execution, monitoring, and closure. He indicated that it was important to conduct an evaluation test after every phase of a project to ensure project success in the end.

The main objective of the workshop was to upgrade the knowledge and skills of participants in understanding monitoring and evaluation systems using a result-based management framework. Specifically, the workshop enabled the participants to: clarify key project results levels; develop indicators and targets for each result level; design a

project using a logical framework; and develop and implement an effective monitoring and evaluation system, among others.

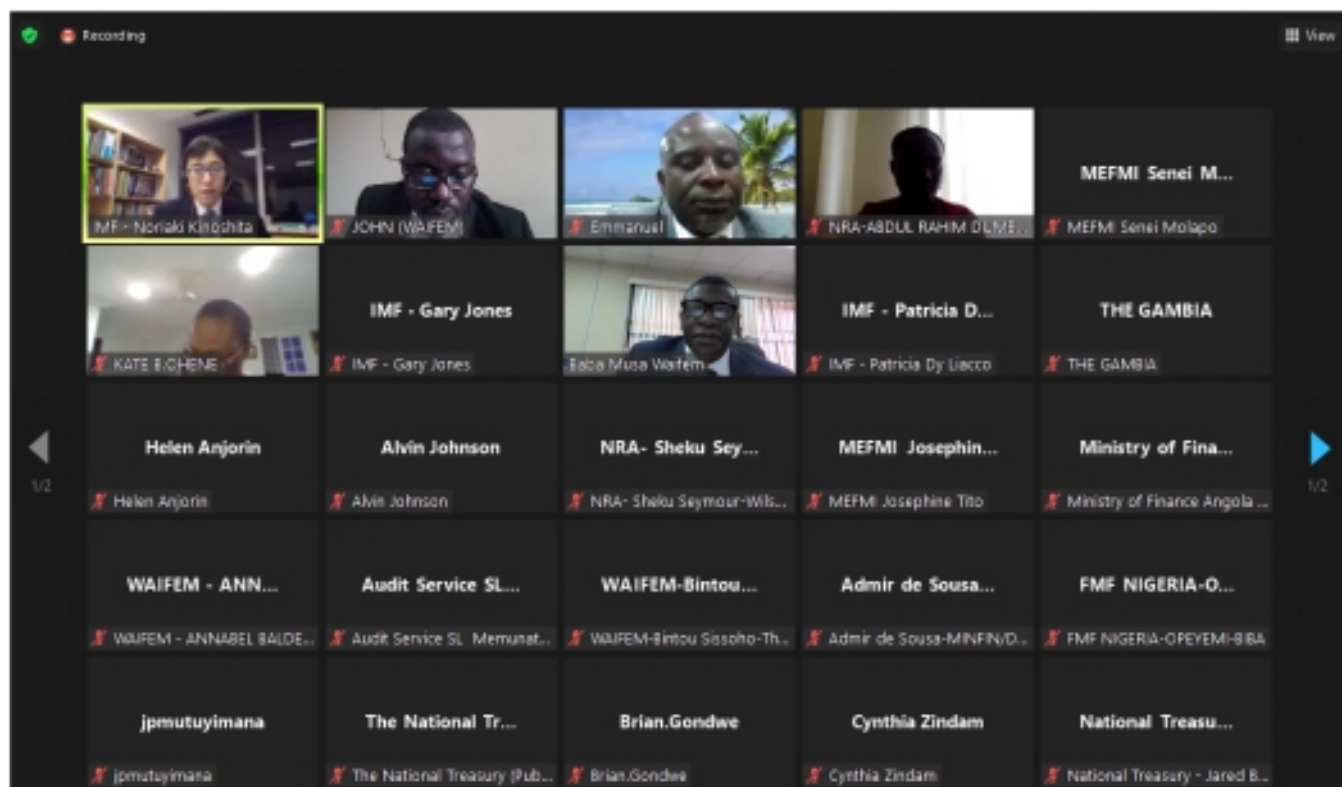
The main themes covered included: Introduction to results-based project management; Fundamentals of Monitoring and Evaluation process; Evaluation with RBM and implementing RBM; Tools, methods, and approaches to M&E; and Results-based management and the theory of change, among others.

Twenty-seven (27) participants comprising 17 males and 10 females from Central Banks, Ministries of Finance and other Core Policy Ministries, Regulatory Agencies, Revenue Authorities, and other public sector organizations in The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone attended the workshop. The workshop was delivered by a team of experienced facilitators from both the public and private sectors in the sub-region.

A communique was issued by participants at the end of the Course with the following recommendation:

- § That WAIFEM considers extending the duration of the workshop to two weeks to facilitate in-depth coverage of the workshop materials;
- § That WAIFEM develops standard modules and transforms the programme into a certification programme with three different levels – Foundation, Intermediate and Advance, and
- § Member countries institutionalize M&E units in their various MDAs and provide the needed tools and support to internalize M&E systems.

WAIFEM COLLABORATES WITH IMF AND MEFMI TO ORGANIZE A VIRTUAL WORKSHOP ON GOVERNMENT FINANCE STATISTICS/PUBLIC SECTOR DEBT STATISTICS



The West African Institute for Financial and Economic Management (WAIFEM) organized a five (5) day Online Regional Course on Government Finance Statistics/Public Sector Debt Statistics in collaboration with the International Monetary Fund (IMF) and Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) for the period, October 24-28, 2022.

During the Opening Ceremony, the representative of the Deputy Division Chief of the Statistics Department of the IMF, Mr. Noriaki Kinoshita, gave a brief opening remark. He explained the key functions of the Statistics Department of the IMF, which among others include providing global leadership in macroeconomic and financial statistics to advance the international statistics agenda, as well as contributing to carrying out the IMF's surveillance mandate. He went further to explain that this workshop focuses on debt-related issues of Government Finance Statistics. Also, he entreated the participants to pay attention to relevant issues about their work that would be discussed during the workshop. In conclusion, he thanked WAIFEM and MEFMI Secretariats for the collaboration.

Mr. Stanislas Nkhata, a Director of MEFMI, also delivered a brief opening address. He welcomed all the participants to the course and expressed gratitude to WAIFEM and IMF for the collaboration. He also highlighted the objectives of the workshop as ensuring effective compilation and dissemination of Government Finance Statistics/Public Sector Debt Statistics based on internationally accepted standards. Specifically, he stated that the workshop would help to foster transparency, accuracy, and regularity in the compilation and dissemination of Government Finance Statistics/Public Sector Debt Statistics. Mr. Nkhata ended his remarks by urging participants to make the most out of the workshop.

Subsequently, the Director General of WAIFEM, Dr. Baba Yusuf Musa, delivered his opening address. He welcomed the participants to the course and appreciated the IMF Facilitators for availing themselves to provide short-term technical support. He also thanked the IMF and MEFMI for the continuous closed collaboration in capacity building. Dr. Musa briefly pointed out the importance of Government Finance Statistics (GFS)/Public Sector Debt Statistics (PSDS) as (1) helping to understand the financial position of the government sector; (2) helping to understand the fiscal stance and liquidity position of government; (3) assisting in effective policy formulation and (4) serving as guidance for data improvement. In addition, he touched on the objectives of the course and urged the participants to freely interact with one another to derive the maximum benefit from the course. He ended his remarks by declaring the course opened.

As relating to the workshop, it was designed for senior officials from the Central Banks, Ministries of Finance, Public Account Offices, Statistics Offices as well as other central government agencies involved with government finance statistics. The workshop was equally designed to expose participants to the basic concepts, definitions, and accounting principles in the integrated GFS/PSDS framework. Specifically, it was designed to help participants to: classify basic government flows and stock positions according to the GFSM 2014; apply the general principles to classify an entity in the public sector and relevant subsectors, such as the general government and public corporations; record the fiscal flows and stocks associated with the activities of public sector entities, following the GFSM 2014 guidelines and classifications; explain how the main GFS/PSDS aggregates and analytical balances are calculated, and what they show about the government's impact

on the economy; develop a migration plan to adopt the GFSM 2014 methodology and PSDS guide and compile and disseminate GFS/PSDS following international guidelines; recognize the value of comprehensive, consistent, and internationally comparable GFS/PSDS, and the use of the key GFS/PSDS indicators in the design, monitoring, and evaluation of fiscal policy.

The course was mainly facilitated by two (2) professionals from the Statistics Department of the IMF and one (1) former employee of the IMF. They were Mr. Noriaki Kinoshita (Senior Economist, IMF), Mr. Obadiah Turinawe (Senior Economist, IMF), and Mr. Gary Jones (Former Employee of the IMF). In addition, two professionals were invited from The Commonwealth Secretariat and United Nations Conference on Trade and Development (UNCTAD) respectively to make presentations on 'Using a Debt Management System for Reporting of PSDS. They were Mr. Vikas Pandey (The Commonwealth Secretariat) and Mr. Ricardo Murillo (DMFAS Project Manager, UNCTAD). The course consisted of presentations, and pre- and post-quizzes. It was equally practical, interactive, and engaging.

The workshop was attended by a total of sixty-three (63) professionals from both WAIFEM and MEFMI member countries. The total number of participants from WAIFEM member countries was twenty-six (26), out of which four (4) were from The Gambia, five (5) from Ghana, four (4) from Liberia, six (6) from Nigeria and seven (7) from Sierra Leone. A total of thirty-seven (37) participants were from MEFMI member countries namely, Angola, Botswana, Kenya, Lesotho, Mozambique, Rwanda, Uganda, Zambia, and Zimbabwe.

An evaluation report on the workshop revealed the following:

- 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 4.5. This suggests that the participants strongly agreed that the training would be useful for their jobs and professional development.

- 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.
- The average value of ranking for the statement *“Overall, I was satisfied with the training”* was 4.4. This suggests that on average, the participants were very satisfied with the training.
- The average value of ranking for the statement *“The exercises covered during the workshop sessions were useful”* was 4.3. This suggests that the participants strongly agreed that the exercises covered during the workshop sessions were useful.
- 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.
- The average value of ranking for the statement

“Overall, I was satisfied with the administrative/logistical arrangements for the training” was 4.3. This indicates that the participants were very satisfied with the administrative/logistical arrangements for the training.

- The statement, *“The length of the training provided enough time to cover all the material”* had an average score of 3.5. This indicates that the participants agreed that the length of the training was average enough to cover all the material.
- Finally, the statement, *“Overall, given the virtual environment, the training was effectively conducted and delivered.”* had an average score of 4.1. This suggests that the participants were satisfied with the virtual environment within which the training was conducted.

Furthermore, on the course evaluation questionnaire, the participants recommended the following:

- u The course should be held in person at a future period
- u The length of the training period should be extended.

More hands-on exercises should be given

WAIFEM TRAINS SENIOR AND MIDDLE-LEVEL OFFICIALS FROM CENTRAL BANKS AND MINISTRIES OF FINANCE AND PLANNING ON PAYMENT SYSTEMS AND CAPITAL MARKET DEVELOPMENT



A regional course on Payment Systems and Capital Market Development was organized by the West African Institute for Financial and Economic Management (WAIFEM) from October 24 - 28, 2022 in Monrovia, Liberia.

The course was declared open by the Executive Governor of the Central Bank of Liberia, Mr. J. Aloysius Tarlue Jr., who was ably represented by Mr. Michael Ogun, Advisor, Multilateral Relations, Central Bank of Liberia. Also present were Mr. Amadou Koora, Director, Financial Sector Management Department, who represented the Director General of WAIFEM, Dr. Baba Y. Musa, and Dr. Settor Amediku who represented the facilitators.

In his welcome remarks, Dr. Baba Y. Musa expressed his gratitude to Mr. J. Aloysius Tarlue Jr., Honourable Governor, management, and staff of the Central Bank of Liberia, for the logistical support accorded to WAIFEM and participants. He also welcomed all participants and urged them to find time to explore Monrovia. Dr. Musa stated that

payment systems are widely recognized as an important part of the financial infrastructure of a modern economy, which has undergone tremendous reforms with the increasing use of smart cards and the introduction of Real Time Gross Settlement (RTGS).

In his keynote address, Mr. J. Aloysius Tarlue, Executive Governor of the Central Bank of Liberia, extended a warm welcome to the WAIFEM team, participants, and facilitators present at the opening ceremony. He stated that in a modern economy, a payment system is an essential component of the financial system, which is vital to the development of interbank money and securities markets. Mr. Tarlue revealed that one of the basic elements of the monetary integration programme of the West African Monetary Zone (WAMZ) is the

harmonization of payment systems in the Zone. He acknowledged ongoing actions in the financial engineering space to facilitate the interconnectivity of the national payment systems in the Member States of WAMZ, UMEOA zones, and Cabo Verde. From the viewpoints of the African Union (AU) and Economic Community of West African States (ECOWAS), he noted that the Pan-African Payment and Settlement System (PAPSS) connects the entire continent through regional blocks, while the ECOWAS Payment & Settlement System (EPSS) connects the continent through ECOWAS' economic union of Member States. He stated that the payment and settlement systems would significantly transform Africa's trade finance, by minimizing the use of hard currencies in trade payments and domesticating payments and settlements within Africa.

The course was designed to give participants an appreciable understanding of payment systems and capital market development in general, including policy and risk issues. It also provided participants with an understanding of Real Time Gross Settlement (RTGS) and a platform to discuss the interconnectivity of the payment systems of member countries of ECOWAS and review the key challenges.

The broad themes covered included the following:

- Harmonization of Payment & Settlement Systems (PSS);
- Capital Markets: Legal, Regulatory, and Institutional Framework;
- Development of Capital Markets; and
- Role of Participants in Capital Markets.

The course was attended by twenty-two (22) participants made up of senior and middle-level officials from central banks, and ministries of finance and planning, from The Gambia, Ghana, Liberia, and Nigeria.

The course was facilitated by resource persons from various Central Banks in the sub-region and the Nigerian Stock Exchange.

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

- 91 percent of the participants affirmed that the course has increased their understanding of central banks' role in payment systems.
- More than 86 percent of the participants stated that the course has increased their understanding of issues and challenges in developing real-time gross settlement (RTGS).
- 91 percent of the participants concurred that the course has increased their knowledge of risk management issues in payment and settlement systems.
- Over 95 percent of the participants affirmed that the course has increased their understanding of the issues relating to the development of capital markets and the participants.
- 91 percent of the participants opined that the course has broadened their knowledge of payment system harmonization efforts in WAMZ.
- About 96 percent of the participants affirmed that the course has exposed them to legal/regulatory frameworks for security

markets in West Africa.

- 91 percent of the participants concurred that the course has broadened their knowledge of the interrelationship between the money market and the payment system.
- 91 percent of the participants posited that the course has exposed them to issues and challenges in cheque clearing and settlement framework.
- Over 96 participants adjudged the course content as 'very good'.
- The substantive impact of the resource persons as a team was rated as 'very good' by 96 percent of the participants.
- 94 percent of the participants concurred that the knowledge and skills acquired from the course would improve their job performance.
- More than 95 percent of the participants affirmed that the course met their expectations.
- Over 97 percent of the participants believed that the time allotted for the presentations was adequate;

Observations and Recommendations:

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

Observations:

- Public trust and confidence in the payment systems of some countries in the sub-region are quite low due to the following reasons:
 - ü The weak regulatory and legal framework in some jurisdictions;
 - ü Suboptimal or non-functional processing systems;
 - ü Intermittent illiquidity of payment channels and instruments;
 - ü Poor internet infrastructure;
 - ü Limited expertise and public awareness of the benefits of available products;

- ü Poor handling and resolution of consumer complaints; and
- ü Low financial literacy.
- Banking and payment system functions are not aligned in some jurisdictions; hence RTGS is controlled by the Payment Systems Department rather than Banking Department.
- Infrastructural and technological deficiencies lead to frequent incidents of downtime and power outages, which presents a major obstacle to efficient payment systems operations.
- Stakeholders involved in payment systems development work in silos and engage in unnecessary competition rather than collaborating towards a common goal.
- Some jurisdictions do not have payment systems and financial inclusion strategies, and where strategies exist, they are often not fully implemented or periodically reviewed and upgraded to conform with contemporary global standards.
- The level of networking and information sharing amongst stakeholders both at national and regional levels is still low. For instance, it was noted that in some jurisdictions, the License and Authorization Unit investigates third parties without collaboration with the Financial Intelligence Unit (FIU), which is statutorily empowered to undertake such investigations.
- The existence of dual currency systems in some member countries of ECOWAS poses some challenges in terms of cost and slow pace of transactions.
- There is a wide divergence in payment laws, regulations, and guidelines amongst member states of ECOWAS.
- Cross-border payments regulatory framework is lacking in most countries in the region, only a few Central Banks have explicit

regulations/laws.

- 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 bailout.

Recommendations:

- To restore public trust and confidence in the payment systems, efforts should be directed toward the promulgation of national payment systems' laws and ensure their effective implementation.
- Financial institutions should invest more in consumer protection and customer education on payment services to increase their willingness to adopt innovations.
- Countries should establish sensitization committees that will make use of both the print and electronic media to educate the public about the benefits of payment systems development and financial inclusion.
- Countries should be more innovative in addressing the payment systems infrastructure deficits in their jurisdictions. Given the abundance of sunshine in most countries in the region, solar-powered payment system channels should be explored, if not for the entire banking institution, at least for the vital units involved in payment systems operations.
- Urgent harmonization of a legal and regulatory framework for national payment systems amongst member states is required.
- Effective mechanisms and frameworks for dispute resolution and handling of conflict of payment service laws amongst the member states of ECOWAS should be put in place. This may also entail cooperation of regulators and oversight frameworks, as well as, harmonization of regulations on cross-border regional payments amongst Member states.
- Sound legal and regulatory frameworks should be put in place before developing a capital market for some jurisdictions.
- Developed capital markets such as Ghana and Nigeria should share experience and build the capacity of other countries in the sub-region. At the regional level, a committee should be set up to coordinate and drive the review of capital market regulations in the various countries to: promote fair, efficient, and transparent markets, and engender business; ensure full disclosure to customers and investors; avoid publication of incorrect or misleading information; facilitate the free flow of information to market operators; prevent systemic risk; prevent illegal and unfair trading practices and stipulate sanctions to serve as a deterrent to offenders.

WAIFEM ORGANIZES E-LEARNING DIPLOMA COURSES IN THE FRENCH LANGUAGE



The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional E-Learning Diploma Course in the French Language. The training was conducted at CBN Learning Centre, Satellite Town, Lagos, Nigeria from October 24 – November 4, 2022, for staff of Central Banks, Ministries of Finance and Economic Planning, and other public sector institutions in the West African sub-region. The face-to-face training was followed by two (2) weeks of online modules of the course, from November 7 -- 18, 2022. In addition, the participants attended 8 days compulsory immersion programme in Abidjan, Cote d'Ivoire, from November 28 – December 7, 2022.

The opening ceremony for the face-to-face was attended by the Director General of WAIFEM, Dr. Baba Y. Musa, the Directors, and staff of WAIFEM, and distinguished resource persons led by Madame Selin Nwoye of Channelle Francaise. In his welcoming remark, the Director General sincerely welcomed all the participants for the course and the

distinguished facilitators led by Madame Selin Nwoye of Channelle Francaise. He also extended a warm greeting to the Directors and staff of WAIFEM who were present at the opening ceremony. The Director General expressed his delightedness at the passionate response of WAIFEM member countries' institutions to this training. He said that it is an encouraging indication of the importance and attention that authorities in the sub-region place on issues that would deepen the regional integration process, of which the language barrier is very critical. He concluded his remarks by congratulating all the participants for their quest and opportunity to deepen their French language proficiency and competencies.

The course was designed to assist public and private sector officials in Anglophone West Africa and beyond to overcome the language barrier faced in commerce, banking, industry, tourism, journalism, and other cross-border activities that are key to deepening the regional integration process. It was also suitable for those who wish to prepare adequately for the fierce competition due to globalization. The course was structured effectively

and professionally to meet the needs of adult and all intermediate learners in French.

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

The face-to-face aspect of the program was attended by eighteen (18) participants from WAIFEM, the Central Bank of Nigeria, the Bank of Ghana, and the Ministry of Finance Sierra Leone. Most of the topics covered during the outline course were introduced during the face-to-face session to make the online aspect easier for the participants. Basic grammar topics were taught. The participants also had a lot of interactions and presentations in French using authentic documents which were very much relevant to the language needs of the participants. There was ample use of audio-visual learning materials in the form of dialogues, reading, songs, etc. The large TV screen and the sound system in the classroom contributed a great deal to effective course delivery and learning.

The course was facilitated by two (2) experts, ably led by Madame Selin Chinelo Nwoye (Chanelle Francaise, Lagos, Nigeria) and assisted by Madame Uche Okekearu.

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

Observations

- The facilitators' delivery methodology was excellent, and they demonstrated in-depth mastery of the themes.
- The course was exciting and interactive as the facilitators were able to engage participants at the end of each lecture, to test the level of their understanding and assimilation.
- Furthermore, verbal/vocal tasks were given to test participants' pronunciations which is essential for the French Language.
- The face-to-face course was very effective for participants due to the opportunity according to the participants and the facilitators for deep and meaningful interactions and discussions; and
- The facilitation, coordination, and administration of the course by WAIFEM staff were very satisfactory and provided an exciting learning atmosphere during the face-to-face interactions.

Recommendations

To WAIFEM

- Subsequent face-to-face Diploma classes should follow immediately after the Certificate course to ensure the continuity of knowledge acquired by participants.
 - Most participants had to have their memories refreshed by reviewing materials learned during the Certificate course which significantly reduced the time available to delve deeply into the Diploma course. Therefore, the participants recommend that in such instances, the time allotted for the Diploma be extended to three weeks to allow for more in-depth topics and discussions during classes.
 - WAIFEM should run more Diploma courses to reduce the backlog of Certificate holders in French from the institutions that are yet to have either their immersion programme or the Diploma course; and
- For reasonable fluency, reading and writing in the French language, WAIFEM should extend the immersion (placement) phase from 8 days to two weeks.

WAIFEM STRENGTHENS CAPACITY IN RETIREMENT PLANNING, PERSONAL FINANCE MANAGEMENT SKILLS, AND MANAGING NEW BEGINNING



A Regional Course on Retirement Planning, Personal Finance Management Skills, and Managing New Beginnings was organized by the West African Institute for Financial and Economic Management (WAIFEM), from October 31 – November 4, 2022, in Lagos, Nigeria.

At the opening ceremony, the Director General of WAIFEM, Dr. Baba Y. Musa, welcomed the participants on behalf of the Management and staff of WAIFEM to the Course. He congratulated the participants on their selection by their various organizations to participate in the course. Dr. Musa noted that WAIFEM, on the directive of the Board of Governors, resumed face-to-face delivery of its capacity-building programmes in the second half of 2022.

The Director General stated that one of the greatest challenges that employees face throughout their work life is life after retirement. Dr. Musa maintained that every employee must reach a point

in his/her life, whether he/she is prepared or not, to retire as retirement is inevitable. As such, employees, while in active service, must prepare well in advance to cope with the emotional, psychological, and financial challenges that come with retirement because their careers will end at some point in time.

Accordingly, Dr. Baba noted that, even though in most developing countries, governments restrict the working age of civil servants to prevent an aging workforce, i.e. encouraging the entry of young able-bodied workers to increase efficiency and productivity, many people retire without any personal plans or pre-retirement counseling. The Director General indicated that some employers do little or nothing to enlighten their employees on the need for retirement planning, and as a result, many employees go into retirement unprepared and struggle with life. He, therefore, stressed that it is pertinent for workers to plan adequately toward

retirement well ahead of time to avoid the pitfalls associated with poor retirement planning.

Dr. Musa reiterated that due to the rapidly changing economic situation (rising cost of living, healthcare, responsibility for extended family members, etc.), there is no better time to begin planning for retirement than right now. Dr. Baba informed the participants that by attending this course, they would benefit in several ways which include but are not limited to planning and managing retirement; learning investment tips; starting and running their businesses; implementing a new financial culture; and living a healthy and prolonged life, among others.

The Director General encouraged the participants, particularly those making their first formal encounter with the Institute to visit WAIFEM's website at www.waifem-cbp.org, where they will learn a great deal about WAIFEM's two-and-a-half decades of capacity-building in the West African sub-region and beyond, including institutional reforms, programme and mission accomplishments and its network of partners in the capacity building sphere.

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 also aimed at enhancing participants' competencies in the following areas:

- Help participants make sound investment decisions to create, protect and distribute their wealth;
- Assist participants live a renewed life and create a fulfilling retirement lifestyle; and
- Assist participants identify 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, employment continuity, and professional enhancement as well as Wills and Testament Planning for post-retirement.

The broad themes covered during the Course included: Retirement Psychology Mind-Set Management; Retirement Planning & Setting Retirement Goals; Entrepreneurial Development; Financial Management in Retirement; and Investment Options in Retirement, among others.

Thirteen (13) officials from Central Banks, Core Policy Ministries, Regulatory Agencies, and other public sector organizations from The Gambia, Ghana, Liberia, and Nigeria attended the course. The course was delivered by a team of experienced facilitators from both the public and private sectors.

A communique was issued by participants at the end of the Course with the following recommendation:

- That organization in the sub-region put in place healthcare and insurance policies that would benefit retirees and their spouses;
- That organizations (public and private) introduce robust retirement planning programmes during onboarding/induction;
- That employees nearing retirement venture into business (side-hustle) that they understand or know about at least ten (10) years before retirement;
- That relevant laws and policies be enacted for the establishment of private pension managers in countries where they are non-existent; and

Employees begin planning for retirement early enough to avoid the pitfalls of late planning (Financial Planning), among others.

WAIFEM ORGANIZES A COURSE ON ECONOMIC ISSUES IN REGIONAL INTEGRATION: AFRICA CONTINENTAL FREE TRADE



The West African Institute for Financial and Economic Management (WAIFEM) organised a Regional Course on Economic Issues in Regional Integration: Africa Continental Free Trade. The training was conducted at Erata Hotel, Accra, Ghana from October 31st – November 4th, 2022, 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 Fiscal Policy, Debt Management, and Regional Integration Department, WAIFEM, Mr. Yakubu Aliyu, Honourable Governor, Dr. Ernest K. Y. Addison, Bank of Ghana, who capably represented by Mr.

Eric Koranteng, Director, Governor's Office, Bank of Ghana (BoG), distinguished resource persons, and WAIFEM officials.

In his welcoming remark, the Director General on behalf of the Institute, warmly welcomed all participants for the course. He extended the Institute's profound appreciation to the Honourable Governor of the Bank of Ghana, Dr. Ernest K. Y. Addison, for his steadfast support and constant encouragement to WAIFEM. He deeply recognized the Honourable Governor's personal and official commitment to WAIFEM which has continuously strengthened the pursuit and achievement of WAIFEM's vision, mission, and mandate. Similarly, the Director General welcomed and appreciated the pool of esteemed resource persons who have agreed

to share their extensive and invaluable knowledge. He also acknowledged the enthusiasm of WAIFEM member countries for their response to the call for nominations request.

In his Keynote address the Honourable Governor of Bank of Ghana, ably represented by Mr. Eric Koranteng, Director, Governor's Office, BoG applauded WAIFEM and commended the General of WAIFEM, Dr. Baba Y. Musa for the relentless commitment to sustaining the tempo of capacity building and human capital development in the sub-region, despite recent challenges, most notably the COVID-19 pandemic. The Honourable Governor reassured the readiness of BoG as a stakeholder to support WAIFEM to deliver on its mandate.

The Honourable Governor lamented how Africa is exposed to global challenges notably the recent COVID-19 pandemic and Russian-Ukraine conflict. However, he noted that the AfCFTA initiatives remain very crucial for Africa and the world economy in general. Experts have suggested that Africa may be able to speed its economic recovery by focusing on regional economic integration as trade among nations can power economic expansion. The AfCFTA with its continent-wide vantage point provides an opportunity for Africa to competitively integrate into the global economy, reduce poverty and promote inclusive growth. UNECA, for instance, estimates that by 2040, AfCFTA will enhance intra-African trade by 15% to 25%. The World Bank estimates that implementing AfCFTA would provide the impetus for lifting an additional 30 million Africans from extreme poverty and greatly enhance the income of over 60 million above the poverty line. Accordingly, it is in this regard that WAIFEM organized this Regional Course on Economic Issues in Regional Integration: Africa Continental Free Trade.

The Course was designed to enhance participants' knowledge of the general and specific issues that may pertain to the REI process in the WAIFEM member countries, particularly in the context of AfCFTA implementation. It aims to broaden participants' understanding of economic, monetary, and financial integration and its impact on trade, investment, and economic growth within the sub-region, the African continent, and the global economy. As a result, the knowledge gained will further equip them to formulate the requisite policy responses to some of the barriers and challenges that have hampered the REI process over the years.

The training covered key areas such as Conceptual, theoretical, and empirical frameworks and perspectives on REI; Global trends in REI; Trade liberalization dynamics in Africa: Overview/Analysis of new trends, opportunities, and policy issues; Trade facilitation in REI: AfCFTA: Progress, challenges, and prospects; Cooperation and trade arrangements: ECOWAS in the context of AfCFTA, Economic Partnerships Agreements (EPAs), African Growth Opportunity Act (AGOA), China/India trade pacts, etc.; Instruments and institutions for strengthening REI: Role of regional member countries; REI: Implications for growth, foreign direct investment (FDI), labour markets, and income distribution; Trade policies and procedures, regulatory barriers and integration of services in ECOWAS; REI and macroeconomic convergence: Progress, challenges, and prospects; Regionalization and globalization: Political economy impact of trade liberalization and REI: Case Studies. There were group work and presentations on pertinent issues on REI faced by the ECOWAS sub-region.

The course was facilitated by four (4) highly seasoned and experienced experts from the sub-region. They included: Professor Jonathan Aremu

(Professor of International Economic Relations at the Covenant University (CU), Ota, Nigeria, and a Consultant at Economic Community of West African States (ECOWAS) on Common Investment Market (ECIM), Abuja); Dr. John-Hawkins Asiedu (Technical Adviser, Ministry of Trade and Industry, Ghana); Dr. Fareed Arthur (National Coordinator, Ghana AfCFTA Office, Ministry of Trade and Industry, Ghana); and, Mr. Sule Danjuma Muhammad, FCA, FCNA (Director at the Office of Trade Negotiations, Nigeria).

The course was attended by twenty (20) participants consisting of seven (7) females and thirteen (13) males drawn from WAIFEM member countries namely, The Gambia (3), Ghana (14), and Sierra Leone (3).

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

Key Lessons

- The need to have mutual recognition agreement for trade in services among member states;
- ECOWAS should as a matter of urgency set in motion a process to enhance the movement to a common customs union;
- Countries should take a second look at the services liberalization sector as the sector is worth billions if the necessary support is given to it because developed countries benefit a lot from it; and
- There is a need to have a high-level consultative assembly of stakeholders, professionals, and policymakers to discuss the way forward to harmonize policies, laws, and trade regulations within the ECOWAS region.

Observations

- The facilitators/resource persons were very knowledgeable and practically delivered the course content;
- Participants gained in-depth knowledge from the facilitators/resource persons who impacted their rich knowledge and experience on the subject;
- The sessions were interactive, and participants shared their country's experiences on the subject; and
- The group work enabled participants to discuss the critical issues on REI confronting the ECOWAS sub-region and the WAIFEM member countries in particular.

Recommendations

To WAIFEM

- The presentation on each lecture topic should be shared with participants before the commencement of each session;
- WAIFEM should increase the slot for nominees for member countries to enable the institutions to nominate more representatives from their various divisions/departments/agencies to benefit from the training;

Need to conduct more training on Regional Integration and AfCFTA to enhance the capacity of Public Servants to better understand the dynamics of integration and the benefits of AfCFTA.

STAFF OF LAGOS STATE DEBT MANAGEMENT OFFICE RECEIVE WAIFEM'S TRAINING ON MEDIUM-TERM DEBT MANAGEMENT STRATEGY (MTDS)



The West African Institute for Financial and Economic Management (WAIFEM) organized a course on Medium-Term Debt Management Strategy (MTDS) for staff of the Lagos State Debt Management Office, Lagos, from October 31 – November 4, 2022.

The brief opening session was presided over by Prof. Douglasson G. Omotor, (Advisor to the Business Development and Consultancy Unit, WAIFEM), who represented the Director General of WAIFEM, Dr. Baba Y. Musa. In a welcoming speech read on behalf of the Director General of WAIFEM, he expressed the Institute's appreciation to the Lagos State Debt Management Office and applauded the Government of Lagos State in her efforts to build staff capacity in Debt Management.

Speaking on the importance of the Medium-Term Debt Management Strategy (MTDS), the Director General noted that it is a framework developed by the World Bank and IMF to guide government authorities' debt management decisions and operations. According to Dr. Musa, the Medium-Term Debt Strategy (MTDS) links borrowing with

macroeconomic policy, helps countries and sub nationals maintain sustainable debt levels, and facilitates domestic debt market development. The Director General concluded his remarks by warmly welcoming the participants, thanking them for their attention, and wishing them a fruitful learning experience.

The overall objective of the Programme was to provide hands-on Training on the MTDS for selected staff of the Lagos State Debt Management Office. It also aimed at building capacity in developing and implementing sound debt management strategies using the MTDS framework. The themes covered during the Course include the following:

- Overview of the MTDS Framework.
- Identifying the objectives and scope for the debt

management strategy.

- Data Preparation: Data needs and formats and useful Excel Functions.
- Cash Flow generation exercises.
- Cost-Risk Indicators with exercises on calculating and interpreting cost measures and risk exposure indicators.
- Introduction to the MTDS Analytical Tool.
- Debt Management and Macroeconomic Framework.
- Market Environment: Exchange Rates and Interest Rates.
- Scenario Analysis: Shock Scenarios and Model Input.
- Exercise on Yield Curve and Forward Rates.
- Funding Sources and Investor Base.
- Formulating alternative strategies based on cost-risk assessment.
- Running the Model and Interpreting results.

The Training was facilitated by highly skilled and experienced Debt consultants from the WAIFEM faculty, Dr. Gbenga Oyewole, Dr. Aliyu Momoh, and Mr. Nura Gussau.

In terms of participation, twenty (20) senior-level officials comprising 11 females and 9 males drawn

from the Lagos State Debt Management Office attended the workshop. At the end of the course, participants evaluated the training as follows:

- 82% of participants responded with a rank of 4.1 score to the question of whether the course content was well-organized and easy to follow, thus, indicating that participants were highly satisfied with the workshop.
- 88% agreed that the program achieved its stated objectives
- 82% approved that the instructors and resource persons were clear and effective in delivering course content
- All the participants found the workshop useful and that they were planning to apply the leanings for the benefit of their employers.
- 81% of the participants were strongly satisfied with the approach and learning methods used to deliver the workshop content.

Regarding the comfort and suitability of the training facilities used, 88 % of the participants judged the learning environment as highly satisfactory.

WAIFEM COLLABORATES WITH THE INSTITUTE OF CAPACITY DEVELOPMENT OF THE IMF TO ORGANIZE A COURSE ON MACROECONOMIC DIAGNOSTICS



The West African Institute for Financial and Economic Management (WAIFEM) organized a ten (10) day Regional Course on Macroeconomic Diagnostics in collaboration with the Institute of Capacity Development (ICD) of the International Monetary Fund (IMF) in Accra (Ghana) for the period, November 7-18, 2022.

The Director General of WAIFEM, Dr. Baba Yusuf Musa, delivered the opening remarks. He welcomed and appreciated the facilitators from the ICD for supporting WAIFEM to achieve its mandate of capacity building. Furthermore, he expressed profound gratitude to the Governor of the Bank of Ghana, Dr. Ernest Addison, for the immense logistical backstop WAIFEM always enjoyed within his jurisdiction. The Director General then highlighted the recent global economic downturn

with potential knock-on effects on developing countries, of which WAIFEM member countries were no exception. He emphasized the need to effectively build the capacity of WAIFEM member countries' staff engaged directly in policy formulation and implementation with the requisite skills to undertake proper diagnosis of incipient macroeconomic malaise.

Subsequently, Ms. Boriana Yontcheva (Deputy Division Chief of the Institute for Capacity Development and Leader of the IMF Team of Facilitators) gave her opening remarks. She expressed delight at the invitation by WAIFEM to facilitate the course and urged participants to freely interact with them to derive the maximum benefit from the course. Ms. Yontcheva also briefly highlighted the key topics that would be discussed

during the course.

The keynote address was delivered by the Governor of the Bank of Ghana, Hon. Dr. Ernest Addison, represented by Mr. Richard Homiah (Assistant Director, Governor's Department, Bank of Ghana). He briefly touched on the recent macroeconomic diagnostics of the Ghanaian economy by the Monetary Policy Committee of the Bank of Ghana. According to him, the Bank's latest surveys showed increased inflation expectations across consumers, businesses, and the financial sectors. That notwithstanding, the monthly inflation has declined for four consecutive months, reflecting a slowdown in the rate of increase in headline inflation. The Governor ended the keynote address by expressing confidence in WAIFEM and the Institute for Capacity Development of the IMF to build the capacity of technical staff and policy-makers in the critical area of macroeconomic management. The course was subsequently declared open.

The course was designed to strengthen participants' ability to assess a country's macroeconomic situation with emphasis on practical tools for use in day-to-day macroeconomic analysis. The course covered assessments of the current state of the macroeconomy; the stance of fiscal and monetary policy; financial stability and the medium-term prospects of the economy, taking into account the sustainability of public and external debt, possible misalignments of the exchange rate, and vulnerabilities arising in the different sectors. The specific objectives of the course were to: analyze potential output, calculate output gaps and diagnose the outlook for the economy; assess the stance of the current fiscal, monetary, exchange rate, and financial policies; assess macro-financial linkages, including the analysis of financial sector soundness indicators; assess the medium-term prospects of the economy, especially the sustainability of public and

external debt and lastly, identify possible external and internal economic risks and vulnerabilities to economic growth and identify policies to address them.

The course was mainly facilitated by three (3) professionals from the Institute for Capacity Development (IMF). They were Ms. Borianna Yontcheva (Deputy Division Chief of the Institute for Capacity Development, IMF), Mr. Alex Wai Yip Ho (Senior Economist, Institute for Capacity Development, IMF), and Mr. Mehdi El Herradi (Economist, Institute for Capacity Development, IMF). The course consisted of group presentations and, pre- and post-quizzes. It was equally practical, interactive, and engaging.

In terms of participation, the course was attended by a total of thirty-five (35) professionals from WAIFEM member countries; three (3) were from The Gambia, eighteen (18) from Ghana, two (2) from Liberia, seven (7) from Nigeria and five (5) from Sierra Leone.

An evaluation report at the end of the course revealed that:

- 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 4.9. This suggests that the participants strongly agreed that the training would be useful for their jobs and professional development.
- 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 Diagnostics.

- The average value of ranking for the statement “*Overall, I was satisfied with the training*” was 4.8. This suggests that on average, the participants were very satisfied with the training.
- The average value of ranking for the statement “*The exercises covered during the workshop sessions were relevant*” was 4.9. This suggests that the participants strongly agreed that the exercises covered during the workshop sessions were useful.
- The average value of ranking for the statement “*Lecturer was knowledgeable*” was 4.8. This indicates that the participants were very satisfied with the expertise of the Facilitator.
- The statement, “*The lecturer encouraged discussion*” had an average score of 4.8. This indicates that the participants benefited from the discussion.
- The statement, “*counselor facilitated workshops*” had an average score of 4.9. This indicates that the participants benefited from the workshop sessions.

Finally, the statement, “*Effective presentation methods and the online platform was effective*” had an average score of 4.7. This suggests that the participants were satisfied with the presentation methods.

WAIFEM ORGANIZES A HIGH-LEVEL SEMINAR ON A PRACTICAL GUIDE TO THE IMPLEMENTATION OF BASEL II AND III FOR THE COLLEGE OF SUPERVISORS, WEST AFRICAN MONETARY INSTITUTE (CSWAMZ).



The West African Institute for Financial and Economic Management (WAIFEM) organized a High-Level Seminar on Practical Guide to the Implementation of Basel II and III for the College of Supervisors, West African Monetary Institute (CSWAMZ) in Cape Coast, Ghana from November 21 – 22, 2022.

The opening ceremony was presided over by the representative of the Hon. Governor, Bank of Ghana, Mr. Osei Gyasi, Director of the Banking Supervision, Bank of Ghana. Also in attendance were the Director General of WAIFEM, Dr. Baba Y. Musa, and the Director General of West African Monetary Institute (WAMI), Dr. Olorunsola E. Olowofeso.

The Chairperson of the CSWAMZ, Madam Halima

Singhateh-Jagne, in her opening remarks, thanked WAIFEM for continuous support in capacity building for Member Countries on pertinent issues geared towards strengthening financial stability in the WAMZ region. She also congratulated the Expert Committee on the successful completion of the project on the Harmonization of Prudential Ratios. Mrs. Singhateh-Jagne commended committee members and regulators in the region for their unrelenting strive in maintaining a safe and sound banking system, despite two major exogenous shocks such as the COVID-19 pandemic and the Russia-Ukraine war which had resulted in rising inflation. She enumerated the achievements of the College and called on members to recognize the new reality of financial interoperability between banks and other financial institutions. She concluded by imploring members to maintain

financial stability in the wake of fintech innovations.

In his welcome address, the Director General of WAMI, Dr. Olorunsola Olowofeso, welcomed Members to the 43rd Meeting of the College, which he said would be preceded by a 2-day high-level seminar. He thanked the DG of WAIFEM and other partners for their relentless efforts to build the capacity of the CSWAMZ. He said that the theme for the High-level Seminar: “Practical Guide to the Implementation of Basel II and III Capital Framework” was timely, and that the adoption of international supervisory and regulatory standards was critical to financial sector convergence and alignment with the single-track approach of ECOWAS Integration Agenda. He stated that at the CSWAMZ meetings, Members proposed timelines for the implementation of the Basel II/III Capital Framework among other sixteen (16) selected international standards, and monitoring the timeliness of compliance over the years has revealed the different stages of implementation of the Basel Capital Framework. Dr. Olowofeso proposed for the consideration of Members and WAIFEM the topic titled “Principles for the effective management and supervision of climate-related financial risks” for future seminars. The DG of WAMI highlighted some of the projects executed by WAMI towards the promotion of regional integration of the Zone and encouraged continuous collaboration and information sharing of relevant national and cross-border banking issues that would address inherent and emerging risks to financial stability in the Zone.

In his address, the Director General of WAIFEM, Dr. Baba Y. Musa expressed his appreciation to the CSWAMZ for the opportunity given to the Institute to organize the Seminar. He said that WAIFEM was

glad to be part of the College's quest for a vibrant financial industry in the Zone. Dr. Musa maintained that fiscal, monetary, and prudential support measures have helped stabilize corporate liquidity and debt sustainability during the COVID-19 pandemic. Thus, countries in the sub-region experienced some economic recovery from the pandemic, and with the relaxation of the lockdown measures and increase in vaccination rates, global and domestic demand spurred production, business, and investment. He, however, noted that Russia's war against Ukraine has triggered a slowdown in growth, higher inflation, volatility of exchange rate, and other headwinds, in most of the countries in the sub-region.

Dr. Musa further stated that financial stability vulnerabilities were rising on the back of elevated corporate and sovereign debt levels, and called for a comprehensive evaluation of developments in the banking system across the zone, including cross-border supervision and joint examination issues, to avoid cross-border spillovers of financial distress. According to Dr. Musa, an open global financial system requires a set of global minimum and consistent prudential standards, to avoid, regulatory arbitrage. and an uneven playing field for internationally active banks, and increased risks to global financial stability.

In his Keynote address, the Hon. Governor, Bank of Ghana, Dr. Ernest Addison, stated that the lessons learned from the recent global developments and the impact on financial systems across the globe have underscored the fundamental principles of coordination, collaboration, and exchange of information among member central banks. He noted that the Basel Core Principles, which include

minimum standards for sound regulation and supervision of banks, recommended Cross Border Supervision and Joint Examination Exercises as essential elements of the principles. Principles 3 and 13 are premised on Cooperation and Collaboration between Home-Host Country Supervisors for effective supervision of banks.

Dr. Ernest Addison stated that Member Central Banks in the sub-region were also expected to implement the Basel II and III capital standards to enhance resilience. He admonished members to use the forum to share experiences and also deliberate on ways to ensure effective implementation of the standards. He noted that the frontiers of banking were evolving due to advances in technology and globalisation, and urged the regulators to ensure that existing monitoring and surveillance systems were commensurate with the risk profile of the supervised institutions, to preserve the safety and soundness of individual banks and the stability of the banking system as a whole. In conclusion, the Governor entreated all to find time to enjoy the hospitality of the people of Elmina.

The Seminar was aimed at exposing participants to ways of promoting banks' ability to absorb shocks arising from financial and economic stress, maintain a much larger capital base, increase transparency, and improve liquidity. Specifically, it provided guidance on the practical implementation of Basel II and III in the WAMZ countries, facilitate the migration of countries to Basel II and III, and promote harmonization in the supervisory practices in the region. The Seminar had plenary sessions on a practical guide to the implementation of Basel II and Basel III.

The seminar was attended by thirty-three (33)

middle/senior/executive level officials from the central banks of The Gambia, Ghana, Guinea, Liberia, Nigeria, and Sierra Leone that make up the College of Supervisors of the West African Monetary Zone (CSWAMZ), with WAIFEM and Commission Bancaire as observer institutions.

The seminar was facilitated by Dr. Chikelu E. Oballum, an experienced Bank Supervisor and Regulator from the Central Bank of Nigeria. In the course of the presentations and discussions, the following resolutions were adopted:

- The evolving nature of the Basel Standards requires constant adjustments to keep up with the changing frameworks. However, there is inadequate expertise in terms of practical experience to drive the process, hence there is a need for continuous capacity building.
- There is a need to know the state of the financial market, that is, the depth of the market, etc., to align what is happening in the market with the framework.
- Actors in the financial industry should learn by - d o i n g , t o g a i n experience rather than relying on consultants.
- There is a need to leverage experts in the financial markets for their valuable input.
- IT experts should be involved because the BASEL framework process is highly automated, quality assurance level should be put in place to ensure the right data is inputted.
- Set up Committees in the different risk areas to drive the process of migration, and have experts as the head of each committee.
- Comb other jurisdictions that have implemented the BASEL Standards to tap from their experiences, under the guidance of consultants.

- There is a need to look at the law on capital requirements and incorporate the needful amendments.
- The industry pushback is eminent, hence, there is a need for adequate sensitization of the players in the industry to adopt the BASEL II and III accords, and engage them at the initial stage to get their buy-in.
- The adoption should be a gradual process that will be subjected to a series of evaluations, comments, revisions, and improvements on the draft document.
- Preliminary tests should be conducted to determine the level of compliance.
- There is a need for a parallel run to test the system.
- The final draft should be made available for public comment.

WAIFEM ORGANIZES A WORKSHOP ON CURRENCY MANAGEMENT AND FORECASTING



The West African Institute for Financial and Economic Management (WAIFEM) organised a 5-day regional workshop Currency Management and Forecasting for Central Banks, Ministries of Finance, and other Institutions that are involved in currency management. The workshop was organized in Abuja, Nigeria for the period, of December 5 – 9, 2022.

The opening ceremony was chaired by the Honourable Governor Central Bank of Nigeria, Hon. Mr. Godwin Emefiele, CON, who was represented by Dr. David E. Omoregie, Acting Director of the Monetary Policy Department, Central Bank of Nigeria. In his welcoming remarks,

the Director General of WAIFEM, Dr Baba Yusuf Musa, who was represented by Dr. Emmanuel Owusu-Afriyie (Director of Research and Macroeconomic Management Department WAIFEM) welcomed the audience to the opening session of the Regional Workshop. On behalf of the Board of Governors of WAIFEM, he expressed utmost appreciation to the President, the Government, and the good people of Nigeria for accepting to host the training in Abuja. He also especially welcomed those visiting Abuja for the first time and entreated them to relax and enjoy the iconic and serene city. He also extended the profound appreciation of the Institute to the Honourable Governor of the Central Bank of

Nigeria, Honourable Godwin I. Emefiele, for his steadfast support and constant encouragement to WAIFEM, noting that his personal and official commitment to WAIFEM has continuously invigorated the pursuit and achievement of WAIFEM's vision, mission, and mandate. In addition, he commended the Honourable Governor for his exceptional leadership in monetary policy and regional economic integration, which helped the whole West African sub-region despite the current global economic turmoil. He concluded his remarks by giving a brief overview of the Institute which was established in 1996 by the central banks of the five Anglophone West African countries namely, The Gambia, Ghana, Liberia, Nigeria, and Sierra Leone.

In his keynote address, the Hon. Governor of the Central Bank of Nigeria, who was represented by the Acting Director of the Monetary Policy Department, Dr. David E. Omoregie, warmly welcomed the WAIFEM team and the participants on behalf of the management and staff of the Central Bank of Nigeria, to the nation's capital, Abuja, Nigeria. He thanked WAIFEM for choosing Abuja as the venue for the workshop and for inviting him to deliver the keynote address. He also appreciated Dr. Baba Y. Musa and his team for their continuous efforts in building capacity for Debt, Macroeconomic, and Financial management as well as Governance and Institutional Development across the sub-region. He stated that the fact that our economies are predominantly cash-based is a reflection of the preference of economic agents to hold cash and also reveals the level of development of our payment systems. Hence, the timeliness and relevance of the workshop, given the challenges of currency management in most of our countries, and the need to chart new directions consistent with best practices, to ensure efficiency (low cost) in printing notes and minting coins among others.

Currency management essentially relates to planning, designing, issuing, and withdrawal of currency from circulation, thus ensuring its integrity and availability as well as influencing its value.

Furthermore, he maintained that currency management is one of the critical functions of central banks. and hinted that Nigeria has a national printer, known as Nigerian Security Printing and Minting PLC, responsible for printing and minting of the Naira. The CBN, through its Mint Inspectorate Office, ensures that the quality of Nigeria's banknotes meets the required standard. The Nigerian currency is issued to the deposit money banks through the various Branches of the CBN, while the old notes are withdrawn from circulation through the same channel. He also noted that currency deposited at the CBN by the banks is processed and sorted into fit and unfit notes, in line with the Clean Note Policy of the CBN. Consequently, the clean notes are reissued, whilst the dirty ones are destroyed under strict security. He touched on key elements in banknote design as well as digital currency. He urged the participants to optimize the opportunity to enhance their knowledge and skills by freely interacting with the highly experienced facilitators. He urged the participants to find time out of their crowded programme to visit the numerous interesting resorts in Abuja and its environs. The honourable Governor then declared open the Regional Workshop on Currency Management and Forecasting.

The objective of the workshop was to explore key challenges that confront Central Banks in currency management and how they are tackled. Specifically, the workshop was designed to deepen the knowledge and upgrade the analytical skills of staff in performing currency management functions. The main topics covered during the workshop include the

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

The workshop was facilitated by regional experts drawn from WAIFEM faculty, the Central Bank of Nigeria, the Bank of Ghana, and private sector practitioners. The participants also had a tour of The Nigerian Security Printing and Minting Plc to obtain a first-hand view and information on currency processing and storage.

The workshop was attended by twenty-four (24) participants made up of middle/senior officials from Ghana, Nigeria, Gambia, and Sierra Leone. Out of the twenty-four participants, five (5) were female and nineteen (19) were male. Five (5) middle/senior/executive officials were from Ghana,

and thirteen (13) were from. In Nigeria, four (4) were from Sierra Leone and two (2) were from The Gambia. The institutions represented at the workshop were the Central Bank of Nigeria, Bank of Ghana, Central Bank of the Gambia, Central Bank of Sierra Leone, and the Ministry of Finance Sierra Leone. Twenty-two (22) participants were from Central Banks while two (2) were from the Ministry of Finance.

An evaluation report on the course suggests the following:

- Most of the participants (87.5 percent) agreed that the general objective of the course was achieved;
- Similarly, 87.5 percent of the participants agreed that the workshop had upgraded their skills and knowledge in banknote and currency management;
- All the participants (100 percent) agreed that the workshop provided an overall framework and techniques for the design of Banknotes and the battle against Counterfeiting;
- All the participants (100 percent) agreed that the substantive impact of the resource persons as a team was very effective;
- All the participants (100 percent) indicated that the knowledge and skills acquired from this workshop would immensely enhance their job performance;
- All the participants (100 percent) indicated that the blend of the plenary sessions and exercises was effective;
- All the participants (100 percent) indicated that the quality of training materials and documentation was of the appropriate standard;
- All the participants rated the presentations as good;

- Over 94.5 percent of the participants rated the contents of the course as good;
- Almost all the participants (97.6 percent) indicated that the course was useful to their work;
- About 90.0 percent of the participants indicated that the time allotted to the course

was enough;

- Some 87.5 percent of the participants stated that their overall expectations about the course were met;

Finally, 87.5 percent of the participants indicated that the overall administration and coordination of the course by WAIFEM was efficient and effective.

WAIFEM HOUNOURS TWO LONG-SERVING OUTGOING STAFF, MR. SAMUEL SEPHA AND MRS. ABOSEDE BADEJO.



At a brief send-off ceremony on December 14, 2022, the Director General of WAIFEM, Dr. Baba Yusuf Musa, honoured two long-serving outgoing staff with citations and long-service awards. The outgoing staffs were Mr. Samuel Sepha and Mrs. Abosede Badejo. Mr. Samuel Sepha, who had served the Institute for approximately 17 years in the position of Library and Publications Manager was presented with a long service award by the Director General of WAIFEM. In response to the honour, Mr. Sepha expressed profound appreciation to the Director General and all staff of WAIFEM for their unflinching support to him during his years of service to the Institute. Similarly, Mrs. Badejo, who had served the Institute for 15 years cumulatively as an Usher and a Receptionist, was presented with a long-service award. Receiving the award on her behalf, Mr. Olujayogbe Temidayo Peter (Brother of Mrs. Badejo) thanked the Director General of

WAIFEM and assured him that the award would certainly reach his sister. He also thanked all staff of WAIFEM for the love and care displayed towards his sister during her employment with the Institute.

Following the award presentation, the Director General entreated the current staff of WAIFEM to emulate the applaudable work etiquette of the two outgoing staff, Mr. Samuel Sepha and Mrs. Abosede Badejo. The send-off ceremony ended with the taking of photographs and staff offering their verbal citations and goodwill messages to the two outgoing staff.