

**OPENING REMARKS BY BOSS MUSTAPHA, SECRETARY TO THE
GOVERNMENT OF THE FEDERATION, FEDERAL REPUBLIC OF NIGERIA
AT THE OPENING OF THE 40TH MEETING OF THE CONVERGENCE
COUNCIL OF THE WEST AFRICAN MONETARY ZONE (WAMZ) AT THE
TRANSCORP HILTON HOTEL, ABUJA, NIGERIA, 14TH SEPTEMBER, 2018.**

Chairman of the Convergence Council

President of the ECOWAS Commission

Ministers and Governors of Central Banks of WAMZ

Director General, West African Monetary Institute (WAMI)

Director General, West African Monetary Agency (WAMA)

Director General, West African Institute for Financial and Economic
Management (WAIFEM)

Representatives of the West African Economic and Monetary Union (UEMOA)
and the Central Bank of West African States (BCEAO)

Representatives of various other West African Institutions present

Representatives of the African Development Bank

Delegates of Member States of WAMZ

Development Partners present

Distinguish Guests

Members of the Press

Ladies and Gentlemen

1. Good Morning.
2. I extend to you warm felicitations of His Excellency the President, Muhammadu Buhari, the Government and People of the Federal Republic of Nigeria, on your convergence here for this critical meeting.
3. I am particularly honoured and delighted to welcome you all to our beautiful and friendly city of Abuja for the 40th Meeting of the Convergence Council of the West African Monetary Zone (WAMZ). I wish to thank all the Honourable Members of the Council for their dedication and support towards the implementation of the regional integration agenda, which is a veritable means of attaining the economic development goals of our member countries.
4. Mr. Chairman, I have been briefed on the primary objectives of the WAMZ and the significant progress it has been recorded so far. I am also aware of the challenges WAMZ has been facing in establishing a common currency with numerous post-ponement over the past decade and half. Not too long ago, the ECOWAS authority following the slow strides of the WAMZ as constituting a drag in the trajectory of the ECOWAS-wide regional currency, and consequently directed a reversal to a single-track approach in lieu of the two-track approach adopted in the past. This development requires that you take a critical look at the WAMZ framework and make constructive recommendations toward charting a new course for the zone.
5. Chairman of Council, distinguished delegates, in order to move the integration forward in a very sustainable manner, Nigeria once again emphasizes that economic convergence must be based on sound and

sustainable macro-economic fundamentals. There is also the need to reconsider the issue of transforming WAMI into a Commission. This is very critical because the proposed merger of WAMI and WAMA, by ECOWAS Commission into an ECOWAS Monetary Institute would leave the WAMZ with no forum to exchange ideas and discuss matters of common interest to the English-speaking countries in ECOWAS. To that end, Nigeria will await the outcome of the working group but restate its commitments to the integration programme once all the issues raised are critically and amicably resolved.

6. Ladies and Gentlemen, there is no denying the fact that considerable amount of community resources, time and efforts have been expended in the pursuit of the regional integration agenda. Unfortunately, in spite of this, results so far evidenced in our macroeconomic developments and convergence support these claims. Therefore, your gathering here today is critical as we are barely eighteen months left to the target date for the introduction of the ECOWAS single currency.

7. Members of Council, as you discuss the progress towards the launch of monetary union in the sub-region, you need to situate the issues within a global context and the challenges confronting existing monetary zones. The lessons of the Eurozone, for example, should guide us in putting in place robust frameworks for the establishment of a durable monetary union.

8. The issues of fiscal and banking union, for example should be carefully studied and taken on board. It is a fact that compliance with the fiscal deficit criterion is the most challenging out of the four primary macroeconomic convergence criteria for Member States. There is therefore the need to identify

those developments that derail fiscal policy implementation in member countries and relate them to our overall objective.

9. Distinguished delegates, we have reached a delicate stage in our regional integration agenda. Accordingly, the WAMZ especially must work to strengthen macroeconomic indicators and streamline convergence as well as evolve the formal and informal institutional frameworks and mindsets to support them in attaining the socio-economic optimum of integration. Towards this goal our focus should be centred on public investment in agriculture, fisheries, tourism, construction, manufacturing and energy, keeping in mind the need for prudent fiscal and macroeconomic management. This approach will no doubt reinforce the urgent need for economic diversification in all our member countries and the need to continue to strengthen our resilience to economic shocks by rebuilding the much-needed buffers.

10. On the macroeconomic development, it is revealed that the global economies showed resilience in 2017 with slight growth acceleration over the previous year and the expectation of sustained and further growth in both 2018 and 2019. Generally, growth in the advanced, emerging and developing economies including sub-Saharan Africa is trending upwards. Economic activity in ECOWAS picked-up, recording a positive growth level; with remarkable performances noted in the UEMOA. Economic activity in the WAMZ is also recovering, reflecting slowly ascending international prices of the region's major export commodities, increasing portfolio inflows and appreciating local currencies. However, the aggregate growth rate should not make us

complacent. We must remain focussed on the ultimate goal of ensuring overall economic and social well-being of the region.

11. With regards to the convergence, the performance was reported to have improved slightly in 2017 compared to 2016. Only three countries complied with all the four primary criteria as well as the two secondary criteria, but unfortunately no WAMZ member country made the list. This inability to keep to convergence on a sustainable basis at a wider scale further underscores the need for innovative thinking and a redesign of our developmental priorities. Much as political action plays significant roles in economic integration, we cannot simply ignore macroeconomic signals because global experiences have demonstrated the dire consequences of such decisions taken headlong. In this regard, I urge member states to make every effort to ensure that slippages and problems identified in the convergence report for 2017 are speedily addressed. In addition, there is need for the strengthening of our citizenries' sensitization for their active participation in the development process.

12. As the largest economy in the region, a lot of responsibility rests on Nigeria for the establishment and sustainability of the monetary union. Nigeria has played and will continue to play this leadership role in moving the integration agenda forward. Let me underscore that Nigeria remains committed to the monetary integration agenda and a sustainable development of our Community with the overall goal of improving the quality of life of all ECOWAS citizens.

13. Distinguished delegates, ladies and gentlemen, let me congratulate those who have worked assiduously in the past few days to ensure the success of the convergence meetings holding here in Abuja. Once more, on behalf of the

people and Government of Nigeria, I would like to congratulate you all and especially the regional Institutes for piloting the course of the WAMZ; and to equally congratulate all Ministers, Governors and delegates for assiduously striving to advance the vision and aspirations of the founding leaders of the WAMZ project. Your collective efforts are well recognized.

14. On this note, let me, on behalf of Government and good People of Nigeria formally declare this 40th Meeting of the Convergence Council of the WAMZ officially open and to wish you a pleasant stay in Nigeria.

15. Thank you and God bless.