



ASSOCIATION DES BANQUES
DE L'AFRIQUE DE L'OUEST (ABAO)
WEST AFRICAN BANKERS'
ASSOCIATION (WABA)

K5 Building, Scan Drive Spur Road
Freetown, Sierra Leone
Tel : 00 232 99 51 26 92
E-mail: sbalde@waba-abao.org

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PRESENTATION OF WEST AFRICAN BANKERS' ASSOCIATION (WABA)

I. Introduction

One of the objectives of the Economic Community of West Africa States (ECOWAS) established in 1975 is in accordance with articles 3 and 51-55 of its Treaty on the establishment of an Economic and Monetary Union for its member countries. The Monetary Integration process started with the establishment of the West African Clearing House (WACH) mechanism as a multilateral payment arrangement. The WACH now transformed to the West African Monetary Agency (WAMA), was to promote trade in the sub-region by providing a payment mechanism for clearing and settlement of intra-regional transactions as well as to encourage the use of national currencies and transactions that brought about saving in the use of foreign exchange.

To forge links between Banks within the sub-region in order to promote trade as a reinforcement of WAMA'S role, the West African Bankers' Association (WABA) was established on August 10th, 1981 based on the recommendations and under the auspices of the Committee of Governors of Central Banks of ECOWAS as a Regional Association including all primary banks, development banks, credit institutions and banking professional bodies existing in the West African sub-region.

The main objective conceived for the establishment of the Association was to provide support and promote the West African Clearing House (WACH) as a mean of enhancing intra-regional trade. The Central Bank Governors of the West African States having realized that any business transaction resulting in cross-border settlements by the Central Banks should necessarily pass through the Commercial Banks found it

necessary to call for the establishment of an association that would serve as a link between the Central Banks and the economic operators, i.e. the Commercial Banks in the sub-region.

No wonder, that in its earlier years of existence, the Association was primarily being financed by the Central Banks, and its efforts were concentrated on one of its primary objectives which is the promotion of the payments system and dissemination of information. There were some activities like seminars, workshops on both local chapters and the international level linked to this primary objective.

As time went by, Central Banks Governors felt that the Association should be entirely left to be run and funded by the Commercial Banks being an association that was established for their benefits too.

Its Secretariat is located in Freetown, Sierra Leone and is headed by a Secretary General. Each Country has its local chapter represented, which is the National Bankers' Association.

There are now 245 banks in ECOWAS area of which 140 are in the West African Economic and Monetary Union (WAEMU - UEMOA) and 105 in the West African Monetary Zone (WAMZ).

II. Mission

The mission of WABA is to:

- Represent the Banking and Financial Sector to the States, the ECOWAS Commission, the Central Banks, the Consular Chambers, the Professional Organizations, the National and International Institutions and any other party involved in the economic and social activity and the regional integration project in order to promote the interests of its members;
- Promote the Banking and Financial Sector and contribute to raising its professional practices to the level of international standards;
- Be the showcase for the economy, the banking and financial sector of ECOWAS;

- Develop and coordinate cross-border banking and financial transactions with a view to promoting intra-regional trade, economic and financial integration and development.

III. Vision

To be the benchmark and to be recognized as the Regional Banking Association with the most impact in Africa by 2030

IV. Values

Solidarity: the basis of any association being solidarity and sharing among all its members

Openness: listening to its environment, its members and political, economic, social, monetary, banking and financial actors at national, regional and international level

Accessibility : being available, transparent and easy to access

Scalability: constantly adapting to its environment to better respond to the evolving needs of its members and national, regional, international, political, economic, monetary, banking and financial actors,

V. General objective

WABA plays a professional and a political role.

It is first of all a "**professional organization**" whose mandate is to defend interests and the points of view of its members wherever it is necessary.

It is then a member of the "**ECOWAS Private Sector Group**" and, as such, a body through which the Commission and the ECOWAS States deal with the Banking and Financial System.

Broadly dependent on its dual role, its general objective is to represent and to serve the Banking System and then to contribute to the realization of the economic, monetary, banking and financial union of the ECOWAS countries.

VI. Specific objectives

The specific objectives of WABA are to:

- Strengthen ties and cooperation between ECOWAS banks in particular and between african banks in general,
- Contribute to the harmonization of their professional rules and practices in order to create a unified banking and financial area respecting international standards,
- Conduct collective reflection and manage the common files of the Banking and Financial Profession,
- Contribute to the development of intra-ECOWAS and intra-african economic, commercial, banking and financial exchanges,
- To be the interlocutor of the States, the ECOWAS Commission, the Central Banks, the Consular Chambers, the Professional Organizations and any other stakeholder to the economic, social and regional integration in order to defend the interests of its members,
- Participate in the designing of the common monetary policy, the creation of the ECOWAS Central Bank and the Single Currency,
- Attracting and directing international investors to the ECOWAS Zone,
- Contribute to the strengthening and the improvement of professional capacities of the employees, officers and managers of the ECOWAS banks.

VII. Activities

7.1. Activities as a member of the ECOWAS Private Sector Group

As a member of the ECOWAS Private Sector Group, WABA is working closely with the Commission, the Central Banks and all other ECOWAS bodies on the economic, monetary, banking and financial integration of the Sub- Region and in particular on the following main projects:

- **Creation of the ECOWAS Single Currency,**
- **ECOWAS Regional Payments System,**

- **System of Quotation and Transaction in National Currencies,**
- **Centralized Credit Risk Database,**
- **West Africa Banking Institute.**

7.2. Own activities as Professional Association

Its status as a professional association and the need to achieve its objectives assign to it the following activities mentioned in its Constitution:

- To undertake all activities assigned to it and to explore all the opportunities it deems necessary to facilitate the achievement of its objectives,
- Establish and maintain normal relations with regional or interregional organizations with similar or related objectives, in particular the West African Sub-Regional Committee of the Association of African Central Banks (ABCA) and the West African Monetary Agency (WAMA),
- Promote good corporate governance practices in banks and other financial institutions in West Africa,
- Contribute to the sharing of ideas and experiences and to capacity building in the economic, monetary, banking and financial sectors through the periodic organization of forums, training seminars and conferences,
- Publish a Magazine containing information on the banking activities of the subregion.

VIII. Main achievements of WABA since its creation

Despite the difficulties often faced by most sub-regional initiatives and organizations, WABA has achieved great achievements since its creation.

Indeed, it has largely contributed to the awareness of its members to the contemporary challenges of the Banking and Financial Sector.

In November 2008, WABA organized a seminar on the international financial crisis and its effects on banks in West Africa, where a press release was issued which made

pertinent recommendations that enabled some banks, mitigate and even counter the effects of the global financial crisis.

Training seminars and short-term workshops are regularly organized with the aim of training and refining the management, supervisory and executive staff of the members.

Below we list some of the most important and recent:

- **In October 2009:** in collaboration with Downton Hill, London, anti-money laundering workshop,
- **In November 2009:** in collaboration with Afreximbank, seminar and workshop on the financing of structured trade,
- **In May 2010:** workshop for all banks in West Africa on listing and trading mechanisms in the national currencies of West African countries,
- **In July 2010:** seminar-workshop on Islamic Microfinance in collaboration with ADFIMI (Association of National Development Finance Institutions in member countries of the Islamic Development Bank),
- **In November 2010:** seminar-workshop on governance and risk management,
- **In February 2011:** in collaboration with Downton Hill London, training seminar on bank risk management in Lagos, Nigeria,
- **In May 2011:** in collaboration with Downton Hill, training seminar on bank risk management in Accra, Ghana,
- **In November 2011:** organization of the First Forum of West African Bank Managers, bringing together all the operators and regulators of the banks of the subregion at the Pan-African Conference Center of Ecobank Int'l in Lomé, Togo,
- **In November 2012:** in collaboration with the ECOWAS Commission, seminar and workshop on the Project for the creation of a Centralized Credit Risk Database for all banks in West Africa,

- **In December 2013:** at Songhai Farms, Porto Novo, Republic of Benin, a seminar on the cross-border payment system and the "Songhai Project" to help retired bankers wishing to invest in Agriculture,
- **Each year**, organizing several other training seminars and forums on various topics of interest to the ECOWAS Banking Profession,
- **Ongoing work on common projects of the ECOWAS Commission and WABA** on monetary and financial integration,
- **During 2014 and 2015**, WABA activities were virtually frozen as a result of the EBOLA epidemic and the limited travel it caused in West Africa,
- **2016** was a year of restoration,
- **2017 and 2018** are the beginning of its revitalization with the help of all Executive Council members.
- **2019** - Adoption of the Strategic and Organizational Development Plan 2020/2024 and its "value propositions" which will determine the main activities of WABA for the period under review.

IX. Value Propositions of WABA

1. Leverage and integrate WABA into the single currency project
2. WABA to align with Intergovernmental Action Group against Money Laundering in West Africa (GIABA) and all relevant agencies to mitigate Anti Money Laundering & Combating the Financing of Terrorism (AML/CFT) issues
3. WABA to drive institutional and human capacity development
4. Integrate best banking practices across the sub-region
5. Promote compliance with regulatory requirements
6. Collaborate with the Central Banks in the implementation of regulation as well as FINTECHs to deepen digitalization and financial inclusion
7. Integrate Best Governance and operational risk management practices across the sub-region
8. WABA to facilitate correspondent banking relationship within the sub-region

9. Contribute towards increasing cross border trade across the sub-region
10. Promote financial inclusion through sustained participation in the payment systems project
11. Collaborate with the Central Banks and other relevant agencies in promoting cyber security risk management system
12. WABA to stay updated with global trends in digital Currency and artificial intelligence
13. Consumer protection
14. Institutional capacity building of the Secretariat General

X. Other Projects under study

1. Annual Forum on a topic of interest to the Banking and Financial Community
2. Creation of an Observatory of Banking, Finance and Microfinance in ECOWAS
3. Establishment of a Central Balance Sheet of ECOWAS Enterprises in the image of the Central Balance Sheet Office created by BCEAO for WAEMU companies
4. Development of Islamic Finance and Islamic Microfinance in ECOWAS, in relation with the Islamic Development Bank (IDB) and the INCEIF of Kuala Lumpur (Malaysia)
5. Development of "Green Financing" and "Renewable Energy Financing"
6. Creation of a Laboratory for the "Design of Books, Tutorials and Practical Cases" in Economics, Finance, Banking, Microfinance and other management subjects, mainly focused on African realities
7. Implementation of the concept "One Bank / One Internship per Year for an ECOWAS Student" by signing an Internship Framework Agreement with all WABA member banks so that each of them offers at least one internship annually to a student ECOWAS under the conditions agreed by this Framework Convention; these offers will be introduced on WABA's website and each candidate will be able to choose and apply freely
8. Creation of an online newsletter in WABA's website

9. Establishment of an Association of Bank Executives of ECOWAS to:

9.1. Organize holidays trips in the form of international cruises

9.2. Organize holidays trips in African countries

9.3. Create an "investment club" of bank executives

9.4. Have price reductions in airlines, hotels, major chains of distribution

9.5. Create a "skills database" for national and international studies and consulting in the banking and financial fields

9.6. Create a "database of requests for project studies, requests for project funding and requests for project monitoring and evaluation"

10. Development of cooperation with the Association of African Development Finance Institutions (AADFI); this Association of African Development Banks operates under the auspices of the African Development Bank (AfDB),

11. Examine the possibilities of cooperation with the “Union Bancaire Francophone” (this Union was officially launched on 20 September 2012 by 20 associations and federations of banking associations, with the support of the International Organization of Francophony). It includes Arab (Union des Banques Arabes), Maghreb, African, European, Asian, Oceanic and Canadian Banks

12. Examine opportunities for cooperation with Commonwealth Banks Associations

13. Examine opportunities for cooperation with American Banks Associations

14. Examine opportunities for cooperation with Asian Banks Associations

XI. CONCLUSION

As you can see, WABA is a very powerful working tool for the banking and financial system of ECOWAS

It is also a great way to promote the economy of ECOWAS.

We therefore ask for the strong and constant help of all member-banks, their National Associations and all their partners.