

**THE 35TH MEETING OF THE TECHNICAL
COMMITTEE OF THE WEST AFRICAN
MONETARY ZONE**

WELCOME ADDRESS

BY

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Mr. Chairman,
DG, WAMI,
DG, WAMA,
DG, WAIFEM,
Distinguished Delegates,
Ladies and Gentlemen,

I deem it a great pleasure to welcome you all to the 35th Meeting of the Technical Committee of the West African Monetary Zone (WAMZ) and to our beautiful capital city, Accra. Indeed, we are delighted to have you here for the 35th Meeting of the Technical Committee which will examine the technical reports prepared by the West African Monetary Institute (WAMI) to enable you make recommendations for the consideration of the Committee of Central Bank Governors.

Mr. Chairman, Ladies and Gentlemen, although we are yet to achieve a monetary union, our quest as a Zone for a single currency and economic integration has brought about some policy harmonisation and institutional developments in the sub-region. Member States have signed various protocols ranging from trade integration; financial integration and development of the payments system and statistical harmonisation. Negotiations have been concluded on the ECOWAS Common External Tariff (CET) and negotiations are also on going for issues relating to the European Partnership Agreements (EPA). As we speak, the European Union (EU) is seeking to create the largest free trade area with the United States of America, despite the financial challenges it is confronted with. This tells us that we cannot relent on the process of integration in our sub-region.

Distinguished Delegates, Ghana remains committed to the WAMZ Programme, in spite of the current fiscal challenges we are faced with. Having first attained a lower middle-income status, we are confronted with some fiscal challenges to meet ever growing demands for improved socio-economic infrastructure for a successful consolidation of that status. We are also committed to seeing to it that all bottlenecks in the growth and development process are speedily removed in order to free the economy for rapid expansion, sustainable job creation and enhanced food security for our citizens.

Ladies and Gentlemen, the reports on Member States indicate that the Zone sustained its performance on the convergence criteria with a score of 66.7 percent. However, no country satisfied all the four primary criteria during the last assessment period. Four Member States complied with three criteria each, while two countries attained two criteria each.

Inflation and fiscal deficit targets remain the most elusive criteria in the Zone. This suggests that to comply with these criteria, fiscal and monetary policies in the sub-region must be properly aligned. Since inflation is both a monetary and structural phenomenon in the Zone, improving policy environment must be accompanied by economic reforms to eradicate structural rigidities. Hence, policy coordination must be strengthened in all Member States as a necessary

requirement for creating a prudent policy environment for dealing with the challenges of satisfying the inflation and fiscal deficit criteria.

Distinguished Delegates, as you discuss the state of preparedness by Member States towards the formation of a monetary union as a technical team, let the developments in the Euro Zone and the global economic uncertainties provide useful guides. Let us appreciate the enormity of the challenges we face currently, but we should not allow ourselves to be intimidated and thrown into despair. The launch date of January 2015 is staring us in the face.

Based on the convergence status and technical reports prepared for this meeting by the West African Monetary Institute, I urge you to dispassionately deliberate and recommend bold but workable measures for consideration by the Committee of Governors of the Central Banks of the WAMZ and subsequently, the Convergence Council.

Mr. Chairman, Ladies and Gentlemen, let me also use the opportunity to congratulate the new Director-General of WAMI on his new appointment. As he assumes the reigns of governance at the Institute, we the host country pledge our support for all the good effort that he would initiate towards the realisation of the WAMZ Project.

Mr. Chairman, Distinguished Delegates, Ladies and Gentlemen, I wish you all successful deliberations as you examine the various reports before you. May we continue to remain focused on the WAMZ integration vision!

Finally, I implore you all to feel at home and enjoy the beautiful attractions that Accra has to offer.

Thank you all for your attention.