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PRESS RELEASE

EUROSYSTEM SEMINAR WITH THE CENTRAL BANKS OF WEST AND CENTRAL AFRICA

The Banque de France and the European Central Bank (ECB) have jointly organised a seminar for the Eurosystem central banks and the central banks of west and central Africa, held on 1 February 2007 in Paris.

Under the joint chairmanship of Jean-Claude Trichet, President of the ECB, and Christian Noyer, Governor of the Banque de France, this seminar brought together governors and high-level representatives of the Eurosystem national central banks, the ECB, the Bank of Central African States (BEAC), the Central Bank of West African States (BCEAO) and the central banks of Cape Verde, the Gambia, Liberia, Mauritania, the Democratic Republic of the Congo, Guinea, São Tomé and Príncipe and Sierra Leone.

The seminar provided a platform for multilateral dialogue among governors on the following three main issues: regional economic integration, the impact of commodity price developments on monetary and fiscal policies and the governance of central banks.

Regional economic integration and monetary cooperation

The seminar participants examined the process of economic and monetary integration taking place in Europe and in Africa. They underlined the considerable progress that has already been made in Africa, which they believe is advantageous for development. The participants also acknowledged that deeper integration in Africa requires the effective implementation of commitments undertaken, the removal of trade barriers and the improvement of the general business environment. The participants noted the success of the CFA franc zone in terms of monetary stability.

Fluctuations in commodity prices and their impact on monetary and fiscal policies in west and central Africa

The outcome of the work undertaken at the seminar has highlighted the favourable economic developments in the majority of the countries of west and central Africa between 1999 and 2005, a period that saw an overall increase in the price of commodities, which play a key role in these countries' economies. However, the participants stressed that the main challenge now for the countries of west and central Africa is to sustain non-inflationary economic growth. They examined the role that monetary and fiscal policies could play in achieving this objective.

Central bank governance and the implementation of monetary policy

The participants also conducted an exchange of views on the governance of central banks, in particular on the progress made in west and central Africa as regards the independence of central banks. They noted the implications of independence in terms of transparency and public accountability, as well as the multiple facets of good internal governance at central banks. They stressed that good governance contributes to the effectiveness of monetary policy.

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