

**15TH. ANNUAL MEETING OF THE
COMMITTEE OF BANK SUPERVISORS IN
WEST AND CENTRAL AFRICA (CBSWCA)**

OUTGOING CHAIRMAN'S REPORT

THE GAMBIA

**ESSA A.K DRAMMEH
DIRECTOR FINANCIAL SUPERVISION**

Directors of Banking Supervision Departments and Dear Colleagues

Bank Supervisors

Distinguished Invited Guests

Ladies and Gentlemen

1. First of all allow me to thank His Excellency the Governor of the Central Bank of Cameroon and his team for the warm welcome as well as steps taken in the organization of the present annual conference.

Directors of Banking Supervision departments and dear colleagues bank supervisors. Let me first all introduce myself as the current Director of Financial Supervision Department of The Central Bank of The Gambia (CBG). My predecessor Mr. Ousman A. Sowe, left CBG on secondment to the West African Institute of Financial and Economic Management (WAIFEM) as Director of Financial Sector Development) since end December 2009. In this regard, I am reporting on the activities he undertook as Chairman of this Committee.

2. Mr. Chairman, it is customary for the outgoing Chairman to brief the Committee on his efforts to keep the momentum of ensuring the achievement of the objectives set for our Committee. As you are all aware, the incoming Chairman is at liberty to set his/her agenda for his/her term in office. This agenda is placed before the committee for their endorsement.

3. At the Banjul meeting in October, 2008, Mr. Sowe set himself a number of goals which he planned to achieve during 2008/2009 year. These set of goals were discussed and endorsed by your goodselves. To refresh our memories I will go through the work programme quickly as follows:

A. To continue work on the outstanding issues of the then outgoing Chairman.

- The signing of the Charter
- To operate a fully functional Secretariat

- Harmonisation of our supervisory processes as per the recommendation of Sub-committee
 - Training of Bank Supervisors.
- B. To develop a uniform reporting framework for ease of comparison and discussion
- C. To encourage the signing of MOUs amongst members to foster closer cooperation
- D. To make efforts to bring back Cape Verde and Rwanda.
4. **Charter:** My dear colleagues, I wish to point out that his agenda was though modest, the achievements were equally modest. In the continuation of the pending issue, it occurred to me that the most important is the signing of the charter. Previous Chairman has done very well but the ultimate goal of appending our signatures on this Charter remains elusive.

Establishment of a permanent Secretarial: Dear colleagues, you will agree with me that there has always been the need to legally commit ourselves to the ideals of this Committee. And once the Charter is

signed, everything else will fall in the right place. The Secretariat, the Budget, the Harmonization and so on will all become very easy if we are all bound to the activities associated with the Committee through a signed Charter.

Dear colleagues, given the importance of this Charter, my predecessor engaged my Governor to take it upon himself to write and request your Governors to give you the mandate to sign the Charter before we leave Cameroon. It is my hope that we all are here and are ready to sign this Charter.

Training of Bank Supervisors: dear colleagues at our last meeting we all agreed that there is a need to increase capacity via further training through attachments and Supervisory Training Institute with a view to tap on the experiences of retired supervisory experts as well active practitioners. However, during the review period not much has been achieved in this regard. It is therefore my sincere hope that the incoming Chairman will pursue this matter vigorously to the benefit of us all.

5. **Harmonization:** As noted during the presentation of Mr. Sowe's work plan in 2008, there is the urgent need for us to work toward harmonizing our supervisory systems. This will, amongst others, enable us to compare notes (in other words, compare apples to apples). To this end, my predecessor drafted a standardized reporting format for your consideration. Furthermore, I wish to propose that we adopted a common unit of measurement for reporting purposes (for example, USD or UERO). With this approach, it is my considered view that we will be moving closer to achieving the desired goal of harmonisation.

6. **Encouraging member institutions to sign MOUs** was part of the 2008/2009 programme. I must admit that much has been achieved in this regard. This is mainly because the WAMZ initiated this process and a model MOU based on International Standards and Best Practices have been finalized and signed in late 2009. I wish to propose consideration for possible adoption of the WAMZ model MOU. It is my hope that the incoming Chairman will further pursue the matter.

7. **The final activity envisaged for the 2008/2009 year was to pursue Cape Verde and Rwanda.** At the level of the Governors, contacts have been made and all correspondence on the charter, uniform reporting format etc, were related to them. Unfortunately, they failed to respond.
8. The CBSWCA was invited **to participate and present a paper titled “Regional Aspects of Basel II implementation” at the high level meeting on Recent Developments in Financial Markets and Supervisory Responses held in South Africa in January 2009.** Because of the lack of uniformity in our reporting, not all jurisdictions reflected their Basel II implementation effort in their country presentation in Banjul. As a result Mr. Sowe was obliged to contact all the members to provide him with information on their Basel II programmes. It must be said that the response was very encouraging and enabled him to make a formidable presentation. The conclusion of his paper was that all member countries are committed to the implementation of Basel II at a future date. Also

that the slow pace in the adoption is as a result of the implementation challenges including comprehension compliance with the BCPs, resources (human and material), cost on banks and lack of rating agencies.

According to Mr. Sowe, the Chairman of the Financial Stability Institute was quite encouraged by the report and commented that this was the first occasion that they received a comprehensive report on what our region was doing in areas of Basel II.

9. Mr. Chairman, as agreed to earlier, the achievements during Mr. Sowe's term in office was quite modest. However, it is my hope that the next chairman can do a lot if we conclude the signing of the Charter that binds us to the objectives and activities of our dear Committee.

I thank you for your kind attention.