
Meeting of Franc Zone Finance Ministers

Paris, 3 October 2013

Press release

The Ministers of Finance, the Governors of the Central Banks and the Presidents of the regional institutions of the Franc Zone met in Paris on Thursday, 3 October 2013 under the chairmanship of Pierre Moscovici, the Minister for the Economy and Finance of the French Republic.

The participants discussed the economic situation in the African countries belonging to the Franc Zone and developments in the euro area. They welcomed the sustained economic growth in most of the Franc Zone countries in 2012. Growth was up sharply in the West African Economic and Monetary Union (WAEMU), where it jumped from 0.9% in 2011 to 6.5% in 2012, with the rapid economic recovery in Côte d'Ivoire, the expansion of investment in several Member States and strong agricultural performances. Following a rise of 4.6% in 2011, growth showed continued strength in the Economic and Monetary Community of Central Africa (CEMAC), posting an increase of 5.2%, which was underpinned by the momentum of the non-oil sector. Growth also picked up in the Comoros, rising from 2.6% in 2011 to 3% in 2012, on the strength of brisk domestic demand. The economic forecasts for 2013 are still bright, despite social and political uncertainties in some countries. Growth should continue to be strong in the WAEMU, at 6.4%, whereas it is expected to slow to 2.9% in the CEMAC, as oil production and government investment decline in several countries. Growth in the Comoros is forecast to reach 3.5%.

The Ministers, Governors and Presidents of regional institutions also agreed to step up their efforts to sustain growth and improve convergence of macroeconomic policies by paying special attention to the sustainability of public finances, payment arrears and inflation. They also decided to continue the work undertaken by each Commission to adapt the multilateral surveillance arrangement to meet the challenges of economic convergence and the requirements for stronger growth.

With a view to deepening regional integration in various areas, the Ministers, Governors and Presidents of regional institutions examined regional infrastructure policies. The analysis carried out on this topic under the aegis of the WAEMU Commission highlights the importance of transport, energy and telecommunications infrastructures for the competitiveness and economic growth of the Franc Zone. It stresses the key role that regional Unions must play to define priorities, achieve interconnection of national networks and establish a regulatory and management framework for infrastructure services that provides economic players with fluid and continuous services at low cost. The future Africa50 Fund, presented by the African Development Bank, will be an innovative mechanism for raising more funds to meet the considerable infrastructure financing needs in Africa.

Following on from the discussions at the October 2012 meeting of Franc Zone Finance Ministers, which concluded that specific tools are needed to buttress public-private partnerships (PPPs) on a regional scale in order to promote infrastructure development, Pierre Moscovici announced the launch of a joint initiative with the World Bank to support the Franc Zone countries for this purpose and to stimulate the construction of public infrastructures. The Minister invited the other partners, including the AfDB to join the initiative.

The Ministers, Governors and Presidents of regional institutions also discussed public procurement systems in the Franc Zone countries, based on the progress report submitted by the CEMAC Commission. They agreed to continue their discussions to achieve harmonised improvements in the legal and institutional framework for public procurement across the region with the goal of using more effective processes that are more closely coordinated with central government budget and accounting procedures.

The Ministers, Governors and Presidents of regional institutions also discussed recent developments at the multilateral institutions in order to carry a common message to the upcoming IMF and World Bank autumn meetings, which will start in Washington on 11 October 2013. They urged the countries that have yet to ratify the 2010 IMF governance reform to do so soon and they called for all countries to consent to the use of the IMF's windfall gold sales profits to finance the Poverty Reduction and Growth Trust.

The Ministers, Governors and Presidents of regional institutions welcomed the completion of the political transition process in Mali and the support that the international community provided to the Malian authorities to stabilise and rebuild the country's economy. They also urged Guinea-Bissau to continue its on-going transition process. The participants also expressed their deep concern about the economic, social, humanitarian and security situation in the Central African Republic. They praised the active involvement of the African Union, the Economic Community of Central African States

(ECCAS) and the CEMAC in defining a framework for political transition and in establishing an African-led International Support Mission in the Central African Republic (AFISM-CAR). They also called for stronger mobilisation of the international community and multinational donors to help the transitional authorities re-establish public order and security for the population.

In this context, the Ministers, Governors and Presidents of regional institutions also welcomed the French initiative to convene a Summit of the African Heads of State and Government on Peace and Security in Africa at the Elysée Palace in Paris on 6 and 7 December, and they discussed the preparations for the economic aspects of the Summit.

The Ministers, Governors and Presidents of regional institutions warmly thanked the French authorities for organising this meeting of the Franc Zone and for the welcome extended to the participants. They accepted the invitation from the authorities of Equatorial Guinea, which will host the next meeting of Franc Zone Finance Ministers in Malabo on 4 April 2014.