

## **MAIN DECISIONS OF THE BANK'S GOVERNING BODIES IN 2021**

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### **1. WAEMU Conference of Heads of State and Government**

The 22<sup>nd</sup> ordinary meeting of the WAEMU Conference of Heads of State and Government was held on 25 March 2021 by videoconference, under the chairmanship of His Excellency Alassane Ouattara, President of the Republic of Côte d'Ivoire and incumbent Chairperson of the Conference.

**With regard to the political situation in the Union**, the Conference welcomed the peace and calm that prevailed following the recent presidential elections in member countries. It commended the political actors in these countries and all stakeholders for their efforts towards entrenching the democratic culture in the Union. Finally, the Conference warmly congratulated President Roch Marc Christian Kabore and Alassane Ouattara on their noteworthy re-election and His Excellency Mohamed Bazoum on his election as President of the Republic of Niger.

**As regards the health situation in WAEMU countries**, the Conference noted the positive progress made in the fight against the spread of the coronavirus pandemic in the Union, since its extraordinary meeting held on 27 April 2020. It further commended the efforts made by the States and the community bodies and institutions to achieve these results. The Conference also welcomed the initiatives taken by the community institutions to alleviate the plight of vulnerable populations and sustain the economy, particularly small and medium-sized enterprises, and urged them to continue their efforts in this regard. Finally, it adopted major recommendations on the facilitation of cross-border movement of persons and goods after taking note, with satisfaction, of the WAEMU Commission's report on the Covid-19 crisis in the Union. Thus, it: i) set at five (5) days, from the date of sample collection, the validity period of screening tests on entry and departure from member countries' airports; ii) decided on the mutual recognition of Covid-19 screening test results carried out by authorized national bodies; and iii) fixed at twenty-five thousand (XOF25,000) the Covid-19 screening test cost for air travelers, as of May 2021.

In addition, the Conference recommended the gradual reopening of land borders in compliance with health requirements and decided that in due course, the cost of the Covid-19 screening test should be fixed at five thousand (XOF5,000) for land travelers. Finally, it urged all member countries to take appropriate measures for the implementation of national vaccination strategies for target populations against the coronavirus disease.

**In terms of support to private investments**, the Heads of State and Government urged member governments to streamline procedures for accessing Covid-19 support facilities and to stimulate investment in enterprises through incentives. In this respect, the Conference commended the community institutions for the effective implementation of financing mechanisms in member countries, as well as the support to the private sector and the decentralized financial systems (DFS). On the security situation in the sub-region, the Conference strongly condemned the terrorist attacks in Burkina Faso, Mali and Niger. It expressed its solidarity and compassion for the people of these sister countries and reaffirmed its firm determination to counter terrorism and address the growing insecurity in the region.

**Regarding the strengthening of the integration process**, the Conference expressed its appreciation for the efforts made by the Commission in promoting and monitoring community reforms.

It noted with satisfaction the progress made in the implementation of the high-level committee work on energy, peace and security, food security and financing of economies.

**As for the financing of the economy**, the Conference commended the efforts of the Central Bank which resulted in a decreased credit cost in the Union, a strengthened governance of financial

institutions and an improvement of financing mechanisms. It also noted with satisfaction the funding provided by BOAD, which made it possible to provide significant support to the WAEMU governments and SMEs.

The Conference noted with satisfaction BOAD's support for the development activities of member countries, particularly in the context of the implementation of their investment projects and programmes, which has resulted in the granting of significant funding.

The Heads of State and Government also welcomed the efforts made by BOAD to mobilize resources from the financing mechanisms of the United Nations Framework Convention on Climate Change for environmental projects in the Union. They encouraged the Bank to pursue and step up its efforts in this area to build the resilience of economies to climate change and improve the living conditions of vulnerable populations.

The Conference congratulated BOAD on the approval of its new 2021-2025 strategic plan "Djoliba", which will increase the impact of its interventions in terms of development outcomes through job creation, construction of transport infrastructure to facilitate the movement of people and goods, facilitation of access to food through agricultural production and increased power generation capacity.

The Heads of State and Government also urged community bodies and institutions to continue their efforts towards promoting public-private partnerships (PPP), with a view to the effective implementation of structuring projects, particularly those with a regional scale.

**In terms of the governance of the Union's bodies and institutions**, the Conference took note of the expiry of BOAD President's term of office. It commended the outstanding achievements of Mr. Christian Adovelande, outgoing President of BOAD, as well as the momentum he has instilled in the development finance process in the WAEMU.

The Heads of State and Government extended their warm congratulations and best wishes to Mr. Tiémoko Meyliet Kone, Governor of BCEAO, on his reappointment at the helm of the Central Bank, as well as to Mr. Serge Ekue, on his appointment as President of BOAD.

The Conference decided to create a second Vice-President position at BOAD.

The Conference took note of the expiry of the term of office of the Chairman of the Regional Council for Public Savings and Financial Markets (CREPMF) and congratulated Mr. Mamadou Ndiaye, outgoing President of the CREPMF, for the tremendous results achieved, particularly in terms of contribution of the regional financial market to the financing of economies.

The Conference took note of the end of the terms of office of the Chairman and Commission members as of 8 May 2021.

The Conference congratulated Mr. Abdallah Boureima, outgoing Chairman of the Commission, for the momentum he instilled in the Union's integration process and for the results achieved by the Commission under his leadership, over the last four years.

Finally, the Conference commended the outstanding work achieved by all the outgoing Commissioners throughout their term of office.

The Conference decided to entrust the chairmanship of the WAEMU Commission to the candidate proposed by the Republic of Senegal and agreed that the appointment of Commission members would be effective from 1 May 2021 by latest. In this regard, it adopted an additional act reforming the institutional framework for the renewal of the leadership of the Union's institutions.

The Conference expressed its satisfaction to the Chairman of the WAEMU Commission, the Governor of the Central Bank of West African States, the President of the West African Development Bank, the Chairman of the Regional Council for Public Savings and Financial Markets, as well as the staffs of all WAEMU bodies and institutions, for the results achieved in the implementation of community programmes and projects.

The Conference then extended its warm congratulations to President Issoufou Mahamadou for his leadership in carrying out the tasks entrusted to him at the regional and continental levels and for his commitment to the entrenchment of democracy in Niger.

With regard to the incumbent chairmanship of the Union, the Conference unanimously elected His Excellency Mr. Roch Marc Christian Kabore, President of Faso, as the new sitting Chairperson of the WAEMU Conference of Heads of State and Government.

Besides, the Conference paid glowing tribute to His Excellency Mr. Alassane Ouattara for his leadership and commitment to the consolidation of the sub-regional integration process.

Finally, the Heads of State and Government of Benin, Burkina Faso, Guinea-Bissau, Mali, Niger, Senegal and Togo expressed their condolences to His Excellency Alassane Ouattara, President of the Republic of Côte d'Ivoire, and to the people of Côte d'Ivoire following the passing away of Prime Minister Hamed Bakayoko. They joined in the tribute paid by the Ivorian people to the late Prime Minister. The Heads of State and Government of Benin, Burkina Faso, Guinea-Bissau, Mali, Niger, Senegal and Togo expressed their deep appreciation to His Excellency Alassane Ouattara, President of the Republic of Côte d'Ivoire, for all measures taken to ensure the success of the Conference.

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## **2. WAMU Council of Ministers**

The WAMU Council of Ministers held seven (7) meetings in 2021, including four (4) ordinary and three (3) extraordinary meetings, by videoconference.

During its ordinary meetings held on 22 March, 28 June, 23 September and 17 December, the Council of Ministers, after taking note of the opinion of the Board of Directors, examined and approved:

- the minutes of its ordinary meetings held in December 2020 and March 2021 as well as the minutes of its extraordinary meeting held in April 2021;
- the 2020 annual report;
- BOAD's annual accounts closed as at 31 December 2020; and
- BOAD's 2022-2026 financial outlook update, it being understood that the financing conditions applicable to the States will be examined in detail at the March 2022 ordinary meeting.

The WAEMU Council of Ministers also examined several items included under any other business, namely the Peninsula project progress report, the report on the implementation of the sustainability bond issue on the international financial market and the way the International Monetary Fund (IMF) plans to process BOAD's financing.

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The three extraordinary meetings of the WAMU Council of Ministers were held on 15 March, 29 April and 20 August 2021.

The meeting held on 15 March 2021 was devoted to the preparation of the 22<sup>nd</sup> ordinary meeting of the WAEMU Conference of Heads of State and Government to be held on 25 March 2021. It reviewed the items submitted for approval by the Heads of State and Government.

The meeting held on 29 April 2021 was dedicated, among other issues, to the examination of the item relating to the amendment of BOAD's Articles of Association, following the decision of the 22<sup>nd</sup> ordinary meeting of the WAEMU Conference of Heads of State and Government to create a second vice-president position.

The meeting of 20 August 2021 resulted in no statement or press release.

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Following in-home consultation of its members, the WAEMU Council of Ministers also examined and approved two items relating to the waiver of BOAD's immunities and privileges in the context of: (i) the hedging of its non-Euro borrowings and other hedging products and (ii) the granting of a fourth credit facility by the OPEC Fund for International Development to BOAD for the funding of short-term operations.

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### **3. BOAD Board of Directors**

In 2021, seven (7) formal Board meetings were held, namely on 23 February, 17 March, 21 May, 25 June, 21 September, 23 November and 16 December. The Board of Directors was also consulted in-home to give its opinion on a proposal submitted by the Bank.

On this basis, the Board approved BOAD's accounts closed as at 31 December 2020 and examined and approved:

- the minutes of its various meetings, except for the one held on 16 December 2021, which is pending approval;
- twenty-seven (27) medium and long term loan proposals including three complementary loans;
- three (3) proposals for the granting of refinancing facilities to financial institutions;
- two (2) proposals for the granting of short-term credit lines to financial institutions;
- one (1) proposal for a partial counter-guarantee of a short-term guarantee granted by a financial institution;
- one (1) proposal to amend the characteristics of three sovereign loans at market conditions granted to the Republic of Guinea-Bissau;
- two (2) proposals for the restructuring of the conditions of two loans granted;
- two (2) proposals for the granting of credit facilities to BOAD, including one dedicated to the financing of short-term operations;
- one (1) proposal for the provision of a grant to BOAD for the financing of "Loans adapted to

- natural disasters" (PACAN);
- a communication on BOAD's support package to the WAEMU private sector, as part of the recovery of its activities following the Covid-19 health crisis;
  - BOAD's 2021-2025 IT System Blueprint (ISMP);
  - the rules of procedure of BOAD CSR Committee;
  - the note on the signing of an International Swaps and Derivatives Association (ISDA) framework agreement for the hedging of non-Euro borrowings and other hedging products;
  - the 2020 CSR Annual report;
  - BOAD's 2022-2026 financial outlook update ;
  - BOAD's 2022-2024 programme budget.

In addition, the Board approved BOAD's interim accounts as of 30 June 2021.

Finally, the Board of Directors examined and took note of the following items, submitted for "opinion" or "information":

- the implementation report on the sustainability bond issue on the international financial market
- the status of utilization of resources mobilized by BOAD;
- the communication on possible recourse to the insurance market in the context of the assumption of credit and political risk;
- the 2020 annual report ;
- the statement of recovery of BOAD loans;
- the situation of BOAD's operations per country as of 31 December 2020;
- the implementation report on the sustainability bond issue on the international financial market;
- the performance evaluation report on the project for the establishment of a cement plant by the *Nouvelle Cimenterie du Bénin* (NOCIBE SA) in Benin;
- the 2020 annual budget execution report under BOAD's 2020-2022 programme budget
- minutes of the first meeting of BOAD CSR Committee;
- the compendium of recommendations and decisions taken at the Board meetings held in 2020;
- the note on the lifting of BOAD's immunities and privileges in the context of the hedging of its borrowings in currencies other than euro and other hedging products;
- the note on the waiver of BOAD's immunities and privileges in the context of the granting of a fourth credit line by the OPEC Fund for International Development to BOAD for the funding

- of short-term operations;
- the mid-term review of the 2021 financial outlook;
  - the information note on the conclusions of the annual review of BOAD's credit rating by international rating agencies;
  - the minutes of the second meeting of BOAD CSR Committee;
  - Orabank Côte d'Ivoire (*ex-Groupe de la Banque Régionale de Solidarité*) Trust's report as at 31 December 2020;
  - the West African Development Bank's 2021-2025 development outcomes and impact measurement framework;
  - the earmarking of the 2020 regular annual appropriation from the States;
  - the overview of the meta-evaluation of the performance evaluations carried out by BOAD from 1993-2016;
  - the communication on the Peninsula project progress;
  - the suspension of the systematic development of the guidelines for the financial outlook updating and the preparation of BOAD's programme budget;
  - the rapid participatory impact assessment of the food security support project in the Biombo, Gabu and Tombali areas in Guinea-Bissau (PASA);
  - information note on BOAD's loan insurance: the Indoukat project implementation report;
  - the status of utilization of resources mobilized by BOAD;
  - the minutes of the 36<sup>th</sup>, 37<sup>th</sup> and 38<sup>th</sup> meetings of BOAD Audit Committee;
  - communications on the Peninsula project progress; and
  - minutes of the ordinary meetings of the WAMU Council of Ministers held in December 2020 and March 2021 as well as the extraordinary meeting held in April 2021.

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In addition, the Board members were requested through in-home consultation to give their opinion on the appointment of Mr. Braima Luis Soares Cassama, as second Vice-President of BOAD, for a 5-year term.

Finally, the Board members participated in an online training on good governance practices, organized from 9 to 12 November 2021.

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4. Credit Committee

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5. Audit Committee

During its three (3) meetings held in 2021, namely on 15 and 16 March, 17 September and 6 and 7 December, the Audit Committee reviewed: **(i)** the financial statements for the year ended 31 December 2020; **(ii)** the clarification note on the rules for the amendment of the characteristics and conditions of loans, specifying in particular those for which amendment falls under the responsibility of the Board of Directors (BoD) and those that may be amended on account of the Bank's day-to-day management; **(iii)** the internal evaluation report on BOAD's internal audit services for 2020; **(iv)** follow-up on the recommendations of the audit committee; **(v)** summary statement of funding requests appraised by the Bank in 2020; **(vi)** BOAD's interim financial statements as at 30 June 2021; **(vii)** proposal for the renewal of the external auditor's mandate; **(viii)** presentation note on the mapping of the Bank's operational risks; **(ix)** the corporate controller's note on BOAD's internal control as of 31 December 2021; **(x)** the performance evaluation report of the external auditor KPMG for 2020; **(xi)** the balance sheet of the 2021 activities and the draft programme of activities of the internal audit for 2022; **(xii)** the skills development plan for internal auditors; **(xiii)** the updated internal audit tools (the internal audit charter and the quality assurance and improvement programme); **(xiv)** the draft programme for proactive investigation activities for 2022; **(xv)** the status of the Bank's portfolio as at 30 September 2021; **(xvi)** the Bank's interim financial statements as at 30 September 2021; and **(xvii)** the follow-up status of the external auditor's recommendations as at 30 September 2021.

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6. CSR Committee

The CSR Committee held its second meeting on 22 June 2021. This meeting was mainly devoted to the review of the 2020 CSR Annual report.