



HOUSE OF REPRESENTATIVES FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 9 February, 2006 1.

The House met at 11.06 a.m., Mr Deputy Speaker read Prayers.

2. Votes and Proceedings:
Mr Deputy Speaker announced that the Secretariat was putting finishing touches to the Votes and Proceedings of Wednesday, 8 February, 2006. It would be approved on the next legislative day.
3.
Mr Deputy Speaker informed the House that Hon. Ishaq Idris Kurfi {*Dutin-Ma/Kurfi*} had reported the death of his grand-mother Hajiya Halimatu Sadia. On behalf of himself and the House, he extended his condolences to Hon. Ishaq Idris Kurfi.
4. Presentation of Bill:
Federal Capital Territory Appropriation Bill, 2006 {*Executive*} — *Read the First Time*.
5. Consideration of Reports:
(i) *Committee on Banking and Currency:*
Motion made and Question proposed, "That this House do consider the Report of the House Committee on Banking and Currency on a Bill for an Act to Enable Effect to be Given in the Federal Republic of Nigeria to the Agreement on the Establishment of the West African Monetary Zone (WAMZ) and approve the Recommendations therein" (*Hon. Ita Enang*).

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Report, put and agreed to.

(HOUSE IN COMMITTEE)

(*Mr Deputy Speaker in the Chair*)

A BILL FOR AN ACT TO ENABLE EFFECT TO BE GIVEN IN THE FEDERAL
REPUBLIC OF NIGERIA TO THE STATUTE OF THE WEST AFRICAN BANK
AND MATTERS CONNECTED THEREWITH

Provisions in the Treaty:

WHEREAS the Statute of the West African Central Bank (in this Act referred to as "the Statute") was signed by the Heads of States of the West African Monetary Zone on 15th December, 2000;

AND WHEREAS the Federal Republic of Nigeria has ratified the Statute;

AND WHEREAS it is necessary and expedient to make legislative provision for the enforcement of the Statute in the Federal Republic of Nigeria;

Now THEREFORE BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria as follows—

Clause 1: Enforcement of the Statute of the West African Central Bank.
As from the commencement of this Act, the provisions of the Statute which are set out in the Schedule to this Act shall, subject as thereunder provided, have the force of Law and shall be given full recognition and effect and be applied by all authorities and persons exercising Legislative, Executive and Judicial Powers in the Federal Republic of Nigeria.

Committee Recommendation:

Retain the provision in Clause 1 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Clause 1 stand part of the Bill, put and agreed to.

Clause 2: Short Title.
This Act may be cited as the Statute of the West African Central Bank (Ratification and Enforcement) Bill, 2006.

Committee Recommendation:

Retain the provision in Clause 2 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Clause 2 stand part of the Bill, put and agreed to.

SCHEDULE

THE STATUTE OF THE WEST AFRICAN CENTRAL BANK

PART I—THE HIGH CONTRACTING PARTIES

DESIRING to lay down the Statute of the West African Central Bank as provided for in the West African Monetary Zone Agreement.

Question that the aforesaid Preamble stand part of (he Treaty, put and agreed to.

HAVE AGREED upon the following provisions:

ARTICLE I—DEFINITIONS

1.1 For the purpose of this Agreement:

¹¹ "Authority" means the Authority of the Heads of State and Government of Member States of the West African Monetary Zone;

"Board of Directors" means the Board of Directors of the West African Central Bank;

"Branch" means the Institutions which existed before the coming into force of this Statute as the National Central Bank;

"Sub-branch" means branches of National Central Banks existing before the coming into force of the Statute of the WACB and such sub-branches as may be created by the WACB;

"Council" means the Convergence Council of the West African Monetary Zone established under Article 8 of the Agreement of the WAMZ and also means the Governing Council as from the inception of the WACB;

"Court of Justice" means the Court of Justice of ECOWAS established under Article 15 of the Treaty;

"Decisions of the Authority" mean Decisions which are binding on the Member States and Institutions of the Zone;

"Enabling Legislation" means an enactment establishing the National Central Bank of a Member State;

"ECOWAS" means the Economic Community of West African States established under Article 2 of the Treaty;

"I.M.F" means the International Monetary Fund;

"Member State" or "Member States" means a Member State or Member States of the WAMZ;

"President" means the Chief Executive Officer of the WACB;

"Governor" means the person—

- (a) appointed Head of a Branch, or
- (b) who immediately before the coming into force of this Statute was Governor of the National Central Bank;

"S.D.R." means the Special Drawing Rights of the IMF;

"Secretariat" means the Executive Secretariat of ECOWAS established under Article 17 of the Treaty.

"Third Country" means any State other than a Member State of the WAMZ;

"Treaty" means the Revised Treaty of the Economic Community of West African States signed in Cotonou on 24th July, 1993;

"WACB" means the West African Central Bank established under Article 10 of the WAMZ Agreement;

"WAMZ" means the West African Monetary Zone established under Article 2 of the WAMZ Agreement.

Committee Recommendation:

Retain the provisions in Part I, Article 1 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part I, Article 1 stand part of the Treaty, put and agreed to.

PART II—ESTABLISHMENT, LEGAL STATUS AND CAPITAL

ARTICLE 2—ESTABLISHMENT

- 2. The West African Central Bank established under Article 10 of the Agreement of the West African Monetary Zone (WAMZ) and in accordance with the Accra Declaration of 20th April, 2000 shall perform its tasks and activities as provided for in the Agreement of the WAMZ and in this Statute.

Committee Recommendation:

Retain the provision in Part II, Article 2 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part II, Article 2 stand part of the Treaty, put and agreed to.

ARTICLE 3—LEGAL STATUS

- 3.1 The WACB is an international financial Institution with legal personality.
- 3.2 The WACS has the power to enter into contracts and acquire, hold and dispose of movable and immovable property.

Committee Recommendation:

Retain the provisions in Part II, Article 3 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part II, Article 3 stand part of the Treaty, put and agreed to.

ARTICLE 4—CAPITAL OF THE WACB

- 4.1 The authorised capital of the WACB denominated in the currency of the WAMZ shall be equivalent to US\$200 million.

- 4.1.1 The initial call-up capital of the WACS denominated in the currency of the WAMZ shall be equivalent to US\$100 million.
- 4.1.2 The Member States in the Zone shall be the sole subscribers to and holders of the capital of the WACB.
- 4.1.3 The subscription of capital shall be in accordance with the ECOWAS budgetary contribution formula referred to in Article 4.3 below.
- 4.1.4 The capital may be increased by such amounts as may be decided by the Board of Directors on the basis of weighted vote.
- 4.2 The Board of Directors by weighted voting, shall determine the extent and the form in which the capital shall be paid up. Save for the purposes of redistribution of shares among Member States which may result from the application of Article 4.5, the shares of the Member States in the subscribe capital of the WACB shall not be transferred, pledged or attached.
- 4.3 The initial paid-up capital subscription of the WACB shall be established by the following formula: each Member State shall be assigned a weighting in this formula which shall be equal to the sum of—
- (0 one half of the ratio of the Gross Domestic Product (GDP) of each Member State to the total GDP of all Member States; plus
 - (it) one half of the ratio of the per capita income of each Member State to the total per capita income of all Member States.
- 4.4 The most recent statistics on the GDP and the per capita income of the Member State published by the United Nations shall be used in calculating the coefficient.
- 4.5 Weights assigned to the Member States shall be revised whenever the need arises by using the formula laid down in Article 4.3 in order to provide for changes in population and GDP. The adjusted weights shall apply with effect from the first day of the following year.

Committee Recommendation:

Retain the provisions in Part II, Article 4 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part II, Article 4 stand part of the Treaty, put and agreed to.

ARTICLE 5—LOCATION

5. The Headquarters of the WACB "shall be situated in one of the Member States of the WAMZ as determined by the Authority.

Committee Recommendation:

Retain the provision in Part II, Article 5 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part II, Article 5 stand part of the Treaty, put and agreed to.

ARTICLE 6—NATIONAL BRANCHES

- 6.1 The existing National Central Banks of the Member States shall on the coming into force of this Statute-become branches of the WACS.
- 6.2 The WACB shall have in each of the Member States such number of sub- branches as may be determined by the Board of Directors.

Committee Recommendation:

Retain the provisions in Part II, Article 6 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part II, Article 6 stand part of the Treaty, put and agreed to.

PART III - OBJECTIVES AND FUNCTIONS OF THE WACB**ARTICLE 7— OBJECTIVES**

- 7.1 The primary objective of the WACS is to maintain price stability.
- 7.2 The WACB shall support the general economic policies of Members States with a view to contributing to the achievement of the WAMZ objectives of cooperation and integration, without prejudice to the objective of price stability.

Committee Recommendation;

Retain the provisions in Part III, Article 7 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part III, Article 1 stand part of the Treaty, put and agreed to.

ARTICLE 8—FUNCTIONS

- 8.1 The main functions of the WACB shall be to—
- (i) issue a common convertible currency within the WAMZ;
 - (ii) define and implement the monetary policy of the WAMZ;
 - (iii) conduct foreign exchange operations consistent with the provisions and objectives of price stability;
 - (iv) hold and manage the official foreign reserves of the Member States;
 - (v) promote the smooth operation of the payment systems;
 - (vi) serve as banker to financial Institutions and fiscal agents to governments;
 - (vii) contribute to the conduct of policies relating to the prudential supervision of credit and financial Institutions; and
 - (viii) such other matters as are incidental or conducive to its functions under this Statute.
- 8.2 The annual policy statement of the WACB shall specify the inflation target as set by the Council.

Committee Recommendation:

Retain the provisions in Part **III**, Article 8 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part III, Article 8 stand part of the Treaty, put and agreed to.

ARTICLE 9—ADVISORY FUNCTIONS

- 9.1 Member States shall respect the opinion of the WACB in the fields of its competence as the Zone's Common Central Bank. Member States shall apply the principles prescribed by the WACB within the framework of all laws that fall within its areas of competence.
- 9.2 Member States and their authorities shall consult with the WACB regarding any draft legislative provision or complementary legislation falling within the competence of the WACB.
- 9.3 The WACB may submit opinions to the appropriate Institutions, bodies or authorities of Member States on matters in its field of competence.

Committee Recommendation:

Retain the provisions in Part III, Article 9 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part III, Article 9 stand part of the Treaty, put and agreed to.

ARTICLE 10—COLLECTION OF STATISTICAL INFORMATION

- 10.1 For the purposes of its tasks, the WACB shall collect the necessary statistical information either from the competent national authorities or directly from economic agents. The WACB shall seek the cooperation of the Institutions of the Zone and other bodies as well as competent authorities of the Member States or third countries and international organisations in this task.
- 10.2 In order to achieve comparability of statistical information, the WACB shall work towards the harmonization of the rules and practices governing the collection, compilation and distribution of statistics in the areas within its field of competence.
- 10.3 The Board of Directors shall define the natural and legal person subject to reporting requirements, the confidentiality regime and the appropriate provisions for enforcement.

Committee Recommendation:

Retain the provisions in Part III, Article 10 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part III, Article 10 stand part of the Treaty, put and agreed to.

ARTICLE 11—INTERNATIONAL COOPERATION

- 11.1 The WACB may participate in the activities of international monetary and financial Institutions.
- 11.2 The Board of Directors shall decide how the WACB shall be represented in the field of international cooperation involving the tasks entrusted to the WACB.

Committee Recommendation:

Retain the provisions in Part III, Article 11 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part III, Article 11 stand part of the Treaty, put and agreed to.

PART IV—ORGANISATION OF THE WACB

ARTICLE 12—INDEPENDENCE

- 1 2. Subject to Article 8.1 of the Agreement on WAMZ, neither the WACB nor any member of its decision-making body shall seek or take instructions from Institutions of the Zone, from any government of a Member State or from any other body when exercising the powers and carrying out its functions and duties. The Institutions, bodies and governments of the Member States shall respect this principle and not seek to influence the members of the decision-making body of the WACB in the performance of their functions

Committee Recommendation:

Retain the provision in Part IV, Article 12 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 12 stand part of the Treaty, put and agreed to.

ARTICLE 13—THE BOARD OF DIRECTORS

- 13.1 The WACB shall be governed by its Board of Directors.
- 13.2 The Board of Directors shall comprise the members of the Executive Board of the WACB, the Governors and one member appointed from each of the Member States. The Governors and members appointed from the Member States shall have alternates who shall be notified to the President.
- 13.3 The Governors shall be nominated by the respective Member States and appointed by the Council. The term of office of the Governor shall be five years renewable only once for another five years. The term of office for the other members appointed from each of the Member State shall be three years which may be renewable only once for another three years.
- 13.4 Members of the Board of Directors shall have the right to vote only if they are present in person at a meeting of the Board, Where a member of the Board of Directors is unable to attend a meeting, the alternate shall exercise the members voting right.

- 13.5 Each member of the Board by Directors shall have one vote of equal weight, subject to Article 13.7. Save as otherwise provided for in this **Statute**, the Board of Directors shall act by a simple majority. In the event of equality of votes cast, the President shall have a casting vote.
- 13.6 Votes of the Board of Directors shall be weighted according to the shares of the Member States in the subscribed capital of the WACB for any decision to be taken in relation to the capital of **WACB**, allocation of monetary income and net profits and losses of WACB as provided for in Articles **4,31** and 32.
- 13.7 For the purpose of Article 13.6, the President, Vice Presidents, and Executive Directors shall not have a vote. Where this Statute requires a vote in excess of a simple majority, at least half of the number of shareholders must be present and votes cast in favour of a decision must represent at least two thirds of the subscribed capital.
- 13.8 The Board of Directors may decide to make the outcome of its deliberations public, otherwise all proceedings of the meetings shall be confidential.
- 13.9 The President or in his/her absence, one of the Vice Presidents nominated by him/her, shall chair the meetings of the Board of Directors and the Executive Board and shall have a casting vote in the event of a tie.
- 13.10 The President or his/her nominee shall represent the WACB externally.
- 13.11 The Board of Directors shall meet at least once every quarter provided that an extraordinary general meeting may be called whenever the need arises.
- 13.12 A quorum for the meeting of the Board of Directors shall be two thirds of the members.
- 13.13 A Director appointed by a Member State pursuant to this section shall be a person of recognised economic, financial or banking experience.

Committee Recommendation:

Retain the provisions in Part IV, Article 13 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 13 stand part of the Treaty, put and agreed to.

ARTICLE 14—THE EXECUTIVE BOARD

- 14.1 The Executive Board shall comprise the President, two Vice Presidents and three Executive Directors who shall be nationals of Member States.
- 14.2 The President, Vice President and the three Executive Directors shall be appointed by the Authority on the recommendation of the Council. They shall be selected from among persons of integrity and of recognised professional standing and experience in economic, financial or banking matters. The term of office of the President shall be five years which may be renewable for a further term of five years only. The term of office of the Vice Presidents and the Executive Directors shall be four years, and may be renewable for a further term once only for another four years.
- 14.3 The terms and conditions of employment of the President, Vice Presidents and the Executive Directors of the WACB, in particular their salaries, pensions and other social security benefits shall be determined by the Council. The Council shall also determine the fees and/or other remuneration to be paid to the members of the Board of Directors.
- 14.4 No person shall be appointed President, Vice President or a member of the Executive Board if he/she—
- (i) has been convicted of a felony or other offences involving fraud;
 - (ii) has been adjudged bankrupt by a court of competent jurisdiction;
 - (iii) has been guilty of serious misconduct in relation to his/her professional duties;
 - (iv) is of unsound mind.

- 14.5 The members shall perform their duties on a full time basis. Their offices shall prohibit participation, remunerated or otherwise, in the activities of a private or public enterprise, in any Member State or elsewhere.
- 14.6.1 A member of the Executive Board shall be relieved of his/her appointment before the completion of his/her term, if he/she—
- (i) becomes of unsound mind;
 - (ii) becomes bankrupt;
 - (iii) is found guilty of any offence involving fraud or dishonesty;
 - (iv) is guilty of misconduct as defined by the WACB staff rules;
 - (v) is adjudged incompetent to discharge the duties and responsibilities of his/her, officer
- 14.6.2 In the case of (iv) and (v) the allegation shall be investigated by a Panel duly constituted by the Council in such a manner as to ensure its impartiality. The member of the Executive Board concerned shall be given every opportunity to defend him/her self.
- 14.6.3 The report of the Panel shall be forwarded to the Council which shall in turn forward it to the Authority together with its recommendations.
- 14.6.4 In every other case, the Council shall act only on the report of a competent medical practitioner or on the order of a Court of competent jurisdiction.
- 14.6.5 The Authority may remove the member of the Executive Board.
- 14.7 Any vacancy on the Executive Board shall be filled by appointment in accordance with Article 14.2.
- 14.8 The decision of the Executive Board shall be by simple majority and in the event of equality of votes cast, the President shall have a casting vote.
- 14.9 The Executive Board shall be responsible for the day to day business of the WACO.

Committee Recommendation:

Retain the provisions in Part IV, Article 14 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 14 stand part of the Treaty, put and agreed to.

ARTICLE 15—RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

BOARD OF DIRECTORS

- 15.1 The Board of Directors shall formulate policies including appropriate guidelines necessary for the achievements of the objectives of the WACS as provided for under the Agreement of the WAMZ and this Statute.
- 15.2 The Board of Directors shall be responsible for the definition and formulation of the monetary policy of the Zone, including exchange rate and financial sector policies and shall establish the guidelines for its implementation.
- 15.3 The Board of Directors shall adopt Rules of Procedure which shall determine the internal Organisation of the WACB and its decision-making bodies.
- 15.4 The Board of Directors shall exercise the advisory functions referred to in Article 9 and take the decisions on international relations referred to in Article 11.
- 15.5 The Board of Directors shall be responsible for approving the Budget of the WACB.
- 15.6 The Board of Directors may establish such committees of the Board as it deems necessary.
- 15.7 The Board of Directors may delegate such of its powers as are necessary for the committee to carry out its mandate.

EXECUTIVE BOARD

15.8 The Executive Board shall implement the policies and decisions of the Board of Directors.

15.9 The Board of Directors may delegate to the Executive Board such of its functions and powers as it may determine.

Committee Recommendation:

Retain the provisions in Part IV, Article 15 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 15 stand part of the Treaty, put and agreed to.

ARTICLE 16—FUNCTIONS OF THE BRANCHES 16.1 The Branches of

the WACB shall perform the following functions in their territories—

- (i) currency management, distribution and withdrawal;
- (ii) implement the monetary policy of the WACB;
- (iii) manage the payments and settlements systems;
- iv) serve as bankers to financial Institutions in WAMZ, and fiscal agents to governments;
- (v) conduct foreign exchange operations under the guidance of the WACB; and
- (vi) such other functions as may be assigned by the WACB.

Committee Recommendation:

Retain the provisions in Part IV, Article 16 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 16 stand part of the Treaty, put and agreed to.

ARTICLE 17—REPORTING OBLIGATIONS

17.1 The WACB shall draw up and publish the following documents and reports on its activities and make them available to the public—

- (i) A monthly report on economic, financial and monetary developments within the Zone;
- (ii) An annual report on its activities, including the results of its economic, financial and monetary developments within the Zone; and
- (iii) Any other reports and publications that are considered necessary for understanding the activities of the Bank.

17.2 The Annual Report of the WACB shall be presented to the Board of Directors not later than four months after the end of the financial year of the Bank.

17.3 The Statements of Account of the WACS shall be presented to the Board of Directors not later than three months after the end of the financial year of the Bank.

Committee Recommendation:

Retain the provisions in Part IV, Article 17 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 17 stand part of the Treaty, put and agreed to.

ARTICLE 18—BANK NOTES AND COINS

18.1 The Board of Directors of WACB shall have the sole right to authorise the issue of bank notes and coins which shall be the only such notes and coins to have the status of legal tender in the Member States of the Zone.

18.2 It shall undertake the design, determine their nominal values and fix their numerical denominations. The bank notes shall bear the signature of the President of the WACB and the Principal Officer in charge of currency operations.

Committee Recommendation:

Retain the provisions in Part IV, Article 18 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IV, Article 18 stand part of the Treaty, put and agreed to.

PART V—OPERATIONS OF THE WACB

ARTICLE 19—ACCOUNTS WITH THE WACB

19. In order to conduct its operations, the WACB may open accounts for financial Institutions and Member States of WAMZ and such other entities as the Governors may prescribe, and accept marketable assets as collateral.

Committee Recommendation:

Retain the provision in Part V, Article 19 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 19 stand part of the Treaty, put and agreed to.

ARTICLE 20—OPEN MARKET AND CREDIT OPERATIONS

20.1 The WACS may undertake the following credit and market operations in the course of carrying out its functions and achieving its objectives—

- (i) operate in the financial markets by buying and selling outright (spot and forward) or under repurchase agreement and by lending or borrowing claims and marketable instruments, whether in the common currency or foreign currencies, as well as precious metals;
- (ii) conduct credit operations with financial Institutions with lending being based on adequate collateral;
- (iii) utilise any other instruments that could be applied to achieve the objective of the WACB.

20.2 The WACB shall establish general principles for its open market and credit operations. It shall also announce the conditions under which it may be ready to enter into such transactions.

Committee Recommendation:

Retain the provisions in Part V, Article 20 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 20 stand part of the Treaty, put and agreed to.

ARTICLE 21—RESERVE REQUIREMENTS

21. In pursuance of its monetary policy objectives, the WACB may make Regulations concerning the calculation and determination of reserves required of financial Institutions established in Member States. Under these Regulations, the WACB may require financial Institutions to hold reserves with it. The WACB may levy penalty and impose other sanctions with comparable effect in cases where financial Institutions fail to comply.

Committee Recommendation:

Retain the provision in Part V, Article 21 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 21 stand part of the Treaty, put and agreed to.

ARTICLE 22—OTHER INSTRUMENTS OF MONETARY POLICY

22. The Board of Directors may decide upon the use of such other operational methods of monetary management as it deems fit and define and justify the scope of such methods if they impose obligations on third parties.

Committee Recommendation:

Retain the provision in Part V, Article 22 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 22 stand part of the Treaty, put and agreed to.

ARTICLE 23—RELATIONSHIP WITH PUBLIC ENTITIES

- 23.1 As provided for in Article 16 of the Agreement of the WAMZ, overdrafts or any other type of credit facility with the WACS in favour of central governments, regional, local or other public authorities, other bodies governed by public law, or public undertakings of Member States or Institutions or bodies of Member States shall be prohibited.
- 23.2 The direct purchase of debt instruments from the entities mentioned in Article 23.1 by the WACS shall also be prohibited.
- 23.3 The WACB may act as fiscal agent of central governments, regional, local or other public authorities, other bodies governed by public law, or public undertakings of Member States or Institutions or bodies of the Zone.

Committee Recommendation:

Retain the provisions in Part V, Article 23 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 23 stand part of the Treaty, put and agreed to.

ARTICLE 24—CLEARING AND PAYMENTS SYSTEMS

24. The WACS shall ensure efficient and sound clearing and payments systems within the Zone and with other countries. The WACB shall provide facilities for such clearing and payments systems.

Committee Recommendation:

Retain the provision in Part V, Article 24 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 24 stand part of the Treaty, put and agreed to.

ARTICLE 25—EXTERNAL OPERATIONS

- 25.1 The WACB shall where appropriate, establish relations with central banks and financial Institutions in other countries and, with international organisations; acquire and sell, (spot and forward) hold and manage all types of foreign exchange assets and precious metals, including securities and all other assets in the currency of any country or units of account and in whatever form held.
- 25.2 The WACB may assist the Member States in their relations with the IMF and other international financial Institutions.
- 25.3 The WACB may conduct all types of banking transactions with third countries and international organisations, including borrowing and lending operations.
- 25.4 The WACS shall establish general principles and guidelines for its borrowing and lending operations.

Committee Recommendation:

Retain the provisions in Part V, Article 25 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part V, Article 25 stand part of the Treaty, put and agreed to.

ARTICLE 26—OTHER OPERATIONS

26. In addition to carrying out its functions under this Statute, the WACB may also enter into other operations for its administrative purpose or for its staff. *Committee Recommendation:*
Retain the provision in Part V, Article 26 of the Treaty (*Hon. Ita Enang*) — *Agreed to.* *Question that Part V, Article 26 stand part of the Treaty, put and agreed to.*

PART VI-PRUDENTIAL SUPERVISION

ARTICLE 27—PRUDENTIAL SUPERVISION

- 27.1 The WACB may in accordance with any decision of the Board of Directors perform tasks relating to the prudential supervision of credit Institutions and other financial Institutions.
- 27.2 The WACB may offer advice to, and be consulted by, the Council, the Secretariat and the competent authorities of the Member States on the scope and implementation of legislations and other rules and regulations relating to the prudential supervision of credit Institutions and to the stability of the financial system in the Zone.

Committee Recommendation:

Retain the provisions in Part V, Article 27 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VI, Article 27 stand part of the Treaty, put and agreed to.

PART VII-FINANCIAL PROVISIONS

ARTICLE 28—FINANCIAL ACCOUNTS

- 28.1 The financial year of the WACB shall begin on the first day of January and end on the last day of December.
- 28.2 The Board of Directors shall establish the principles for the Executive Board to draw up the annual accounts of the WACB. The audited accounts shall be laid before and be approved by the Board of Directors and submitted to Council not later than four months from the last day of December.

Committee Recommendation:

Retain the provisions in Part VII, Article 28 of the Treaty (*Hon. Ita Enang*) *Agreed to.*

Question that Part VII, Article 28 stand part of the Treaty, put and agreed to.

ARTICLE 29—AUDITING

- 29.1 The accounts of the WACB shall be audited by independent external auditors recommended by the Board of Directors and appointed by the Council. The auditors shall have full powers to examine all books and accounts of the WACB and obtain full information about its transactions.
- 29.2 The remuneration of the auditors shall be determined by the Board of Directors.

Committee Recommendation:

Retain the provisions in Part VII, Article 29 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VII, Article 29 stand part of the Treaty, put and agreed to.

ARTICLE 30—ASSETS AND LIABILITIES TRANSFERRED TO THE WACB

- 30.1 Upon the coming into force of this Statute, the Board of Directors may call up such amount of the assets and liabilities of National Central Banks of Member States as it may determine. The WACS shall have the full right to hold and manage the assets that are transferred to it and to use them for the purposes set out in this Statute.
- 30.2 The Board of Directors shall take additional measures necessary for the application of this Article.

Committee Recommendation:

Retain the provisions in Part VII, Article 30 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VII, Article 30 stand part of the Treaty, put and agreed to.

ARTICLE 31—ALLOCATION OF MONETARY INCOME

- 31.1 The operational surplus of the WACB shall be distributed to Member States in proportion to their paid up shares in the capital of the WACS.

31.2 The Board of Directors shall establish guidelines for the clearing and settlement of the balances arising from the allocation of monetary income.

31.3 The Board of Directors shall take all other measures necessary for the application of this Article.

Committee Recommendation:

Retain the provisions in Part VII, Article 31 of the Treaty (*Hon. Ita Enang*) *Agreed to.*

Question that Part VII, Article 31 stand part of the Treaty, put and agreed to.

ARTICLE 32—NET PROFITS AND LOSSES OF THE WACB

32.1 The net profit of the WACB shall be applied in the following order—

- (i) an amount to be determined by the Board of Directors, which may not exceed 25% of the net profit, shall be transferred to the general reserve fund to be established by the Board of Directors. This appropriation shall cease as soon as the general reserve fund reaches 100% of the capital. It shall be resumed if the general reserve fund falls below the said level;
- (ii) the remaining net profit shall be distributed to the Member States in proportion to their paid-up capital.

32.2 If there is a loss, the shortfall shall be offset against the general reserve fund of the WACB.

Committee Recommendation:

Retain the provisions in Part VII, Article 32 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VII, Article 32 stand part of the Treaty, put and agreed to.

PART VIII-GENERAL PROVISIONS

ARTICLE 33—REGULATIONS AND DIRECTIVES

33.1 The WACB shall make such Regulations and give such Directives as are necessary for carrying out the functions entrusted to it under this Statute.

33.2 The Regulations of the WACB shall have general application and shall be binding and directly applicable in all Member States. The WACB Directives shall be binding upon those to whom they are directed.

33.3 The WACB may decide to publish its Regulations and Directives.

33.4 The WACB may impose fines or other sanctions for failure to comply with obligations under its Regulations and Directives.

Committee Recommendation:

Retain the provisions in Part VIII, Article 33 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 33 stand part of the Treaty, put and agreed to.

ARTICLE 34—JUDICIAL MATTERS

34.1 Disputes between the WACB, on the one hand, and its creditors, debtors or any other person, shall be decided by the Court of Justice, or any international or national court or Tribunal of competent jurisdiction.

34.2 The contractual liability of WACB shall be governed by the law applicable to the contract in question. In the case of non contractual liability, the WACB shall, in accordance with the national laws of Member States, make good any damage caused by it, or by its staff in the course of performance of their duties.

Committee Recommendation:

Retain the provisions in Part VIII, Article 34 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 34 stand part of the Treaty, put and agreed to.

ARTICLE 35—ADMINISTRATION

- 35.1 The President or in his/her absence, one of the Vice Presidents nominated by him/her, shall be in charge of the day to day management of the WACB and shall be answerable to the Board for his/her acts and decisions.
- 35.2 The Board of Directors may appoint such officers and employees as are necessary for the purposes of the WACB.
- 35.3 The Board of Directors shall determine the conditions of employment of the staff of the WACB.
- 35.4 Within the limits and under the rules laid down in the conditions of employment, the Court of Justice or a national court shall have jurisdiction in any dispute between the WACB and its employees.

Committee Recommendation:

Retain the provisions in Part VIII, Article 35 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 35 stand part of the Treaty, put and agreed to.

ARTICLE 36—PROFESSIONAL SECRECY

- 36.1 Members of the governing bodies, and the staff of the WACB shall be bound by the obligation of professional secrecy and shall not disclose information of the kind covered by the obligation of professional secrecy except as required by law. This obligation shall continue after their duties have ceased.
- 36.2 Any other persons having access to data covered by legislation of the Zone imposing an obligation of secrecy shall be subject to the provisions of Article 36.

Committee Recommendation:

Retain the provisions in Part VIII, Article 36 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 36 stand part of the Treaty, put and agreed to.

ARTICLE 37—SIGNATORIES

37. The President, the Governors, the members of the Executive Board, or such other officers authorised by the President to sign on behalf of the WACB, may legally commit the WACB to third parties.

Committee Recommendation:

Retain the provision in Part VIII, Article 37 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 37 stand part of the Treaty, put and agreed to.

ARTICLE 38—STATUS, IMMUNITIES AND PRIVILEGES

38. The WACS shall enjoy, in the territories of Member States, such privileges and immunities as are necessary for the performance of its functions, in accordance with the conditions laid down in Article 88 of the Treaty and in the General Convention on Privileges and Immunities of ECOWAS and Headquarters Agreements.

Committee Recommendation:

Retain the provision in Part VIII, Article 37 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 37 stand part of the Treaty, put and agreed to.

ARTICLE 39—RELATIONS WITH THE EXECUTIVE SECRETARIAT OF ECOWAS

39. The WACB shall co-operate with the Secretariat in the performance of its functions and in the context of the overall economic and monetary integration of ECOWAS.

Committee Recommendation:

Retain the provision in Part VIII, Article 39 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part VIII, Article 33 stand part of the Treaty, put and agreed to.

ARTICLE 40—WORKING LANGUAGES 40. The

working language of the WACB shall be English and French.

Committee Recommendation:

Retain the provision in Part VIII, Article 40 of the Treaty (*Hon. Ita Enang*) ~ *Agreed to.*

Question that Part VIII, Article 40 stand part of the Treaty, put and agreed to.

PART IX—REPEAL OF NATIONAL CENTRAL BANK ACTS
AND COMPLIANCE WITH WACB STATUTE

ARTICLE 41—REPEAL AND COMPLIANCE

- 41.1 Each Member State shall upon the entry into force of this Statute repeal its National Central Bank legislation.
- 41.2 Member States and their authorities shall ensure that all legislations or legislative measures relating to banking and financial matters are consistent With this Statute.

Committee Recommendation:

Retain the provisions in Part IX, Article 41 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part IX, Article 41 stand part of the Treaty, put and agreed to.

PART X—TRANSITIONAL AND SAVINGS PROVISIONS

ARTICLE 42—TRANSITIONAL AND SAVINGS PROVISIONS

- 42.1 The WACB Statute of December 2000 shall cease to have effect upon the entry into force of this Statute.
- 42.2 Notwithstanding the provisions of Article 42.1, all protocols, Decisions and resolutions made pursuant to the WACB Statute of December 2000 shall remain valid and in force until otherwise dealt with under this Statute.
- 42.3 Notwithstanding Article 41.1 the national branches of WACB shall within a transitional period of eighteen months commencing from the 1st of July, 2005 and ending on 31st December, 2006, continue to operate under their respective Enabling Legislation subject to such written Directives as WACS may give.
- 42.4 Subject to the provisions in Article 42.3, the following shall apply:
- (1 currencies of Member States shall continue to be legal tender in the Member States;
 - (ii) Supervision and regulation of the financial sector assigned to respective National Central Banks of Member States shall continue to be undertaken by the branches;
 - (iii) Any regulation, rule, instruction, licence, permit or other act or thing, issued, enacted, made, given or done by a national Central Bank and valid immediately before the coming into force of this Statute shall continue to be valid until otherwise dealt with by the WACS;
 - (iv) Any agreement, contract and transaction subsisting between a Central Bank of a Member State and any other person or entity shall continue to subsist between the WACB and the other person or entity;
 - (v) Persons holding offices under the enabling enactment of Central Banks of Member States immediately before the coming into force of this Statute shall continue to hold office on the same terms and conditions until and unless altered by the WACB;
 - (vii) Where there is a reference in any enactment or document to a national Central Bank,

Committee Recommendation:

Retain the provisions in Part X, Article 42 of the Treaty (*Hon. Ita Enang*) — *Agreea to.*

Question that Part X, Article 42 stand part of the Treaty, put and agreed to.

PART XI-AMENDMENT OF THE STATUTE

ARTICLE 43—AMENDMENT PROCEDURE

- 43.1 A proposal for the amendment of this Statute may be made by the Council acting on its own by unanimous vote, or on a recommendation from the Board of Directors also taken by unanimous vote.
- 43.2 Amendments may be adopted by the Authority of Heads of State and Government and shall enter into force in accordance with Article 44.1 of this Statute.

Committee Recommendation:

Retain the provisions in Part XI, Article 43 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part XI, Article 43 stand part of the Treaty, put and agreed to.

ARTICLE 44—ENTRY INTO FORCE

- 44.1 This Statute shall enter into force upon signature and ratification by at least two Member States.
- 44.2 This Statute shall be deposited with the Secretariat, which shall transmit certified true copies to all Member States informing them of the dates on which the instruments were signed. The Secretariat shall register this Statute with the African Union and the United Nations.
- 44.3 This Statute shall be annexed to and form an integral part of the WAMZ Agreement.

IN FAITH WHEREOF, WE, THE HEADS OF STATE AND GOVERNMENT OF THE MEMBER STATES OF THE WEST AFRICAN MONETARY ZONE (WAMZ) HAVE SIGNED THIS STATUTE ON THIS 19 DAY OF DECEMBER, 2003 IN SINGLE ORIGINAL IN THE ENGLISH AND FRENCH LANGUAGES ALL TEXTS BEING EQUALLY AUTHENTIC.

(Signed)

EDWARD SINGHAIZY *For the*
Republic of The Gambia
His EXCELLENCY COL. (RTD) ALHAJI DR YAHYA A. J. J. JAMMEH
President of the Republic of The Gambia

(Signed)

For the Republic of Ghana
His EXCELLENCY JOHN AGYEKUM KUFUOR
President of the Republic of Ghana

(Signed)

For the Republic of Guinea
His EXCELLENCY GENERAL LANSANA CONTE
President of the Republic of Guinea

(Signed)

For the Federal Republic of Nigeria
His EXCELLENCY OLUSEGUN OBASANJO
President, Commander-in-Chief of the Armed Forces
of the Federal Republic of Nigeria

(Signed)

For the Republic of Sierra Leone His
EXCELLENCY AHMAD TEJAN KABBAH
President of the Republic of Sierra Leone

Committee Recommendation:

Retain the provisions in Part XI, Article 44 of the Treaty (*Hon. Ita Enang*) — *Agreed to.*

Question that Part XI, Article 44 stand part of the Treaty, put and agreed to.

Chairman to report Bill.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in the Committee of Whole considered the Report of the House Committee on Banking and Currency on a Bill for an Act to Domesticize the Statute of the West African Central Bank (Ratification and Enforcement) Bill, 2006 and approved all the Articles of the Treaty without amendments.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

- (ii) *Committee on Privatization and Commercialization:*
Motion made and Question proposed, "That this House do consider the Report of the Committee on Privatization and Commercialization on the Delayed Implementation of the Privatization Share Purchase Loan Scheme (PSPLS) and approve the Recommendations therein" (Hon. N. C. Ughanze).

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Report, put and agreed to.

Debate:

Recommendation (i):

That the PSPLS Scheme being a very laudable scheme that has the importance of economic development of our country especially its poverty alleviation capability as well as assurance of a wide participation by poor and ordinary Nigerians in the privatization programme, should not be allowed to die, tremendous amount of work having been done on all sides-both BPE and the scheme Administrators; (*Hon. N. C. Ughanze*).

Question put and agreed to.

Recommendation (ii):

That all the stakeholders in the Scheme should immediately come together with a view to reviewing the contract agreement in the scheme to make it more easily implementable and scale down the fees, which must be in Naira denomination and not dollar; (*Hon. N. C. Ughanze*).

Question put and agreed to.

Recommendation (iii):

That subsequent distribution and collation of the PSPLS forms should be done through the Federal Constituencies in the country for better coordination and reach; (*Hon. N. C. Ughanze*).

Amendment Proposed:

In line 2, immediately after the word "constituencies" insert the words "in addition to Banks" (*Hon. E. Anaka*).

Question, that the amendment be made, put and agreed to.

Recommendation (iv):

That the BPE should re-negotiate and pay the consortium the outstanding payments for services already rendered, to forestall any hitch when the scheme takes off again; (*Hon. N. C. Ughanze*).

Question put and agreed to.

Recommendation (v):

That the BPE should also discuss with the owner of the intellectual property in the PSPLS scheme, Image Kraft Ltd, with a view to agreeing on a payment for the intellectual property, as a way of encouraging good initiatives by gifted Nigerians; (*Hon. N. C. Ughanze*).

Question put and agreed to.

Recommendation (vi):

That the National Council on Privatization (NCP) and BPE should expedite action on the IPOS of some already privatized or about to be privatized enterprises so as to kick off the dividends of the privatization share purchases loan scheme; (*Hon. N. C. Ughanze*).

Question put and agreed to;

Recommendation (vii):

That the NCP and the BPE should also consider the option of Mutual Trust Structure of pre-privatised companies if the IPOS cannot be immediately undertaken so as to start attending to those qualified Nigerians whose forms have been received. This will on its own spur others to start participating in the scheme as it **will** be seen as a reality; (*Hon. N. C. Ughanze*).

Question put and agreed to.

Recommendation (viii):

That the NCP/BPE should precede the Scheme with aggressive information dissemination and marketing in all media outfits to create awareness and maximum participation of the targeted audience (*Hon. N. C. Ughanze*)

Question put and agreed to.

Committee on Privatization and Commercialization ordered to investigate details of the expenditure of Eight Hundred and Seven Million, Seven Hundred and Thirty-Seven Thousand, Thirty-Three Naira and Seventeen Kobo (N807,737,033.17) by the Bureau of Public Enterprises and report to the House.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of Whole considered the Report of the Committee on Privatization and Commercialization on the Delayed Implementation of the Privatization Share Purchase Loan Scheme (PSPLS) and approved Recommendations (i) and (ii) and Recommendation (iii), as amended; it also approved Recommendations (iv), (v), (vi), (vii) and (viii) and ordered the Committee on Privatization and Commercialization to investigate the details of the expenditure of **N807,737,033.17** by the Bureau of Public Enterprises and report to the House.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

(iii) *Committee on Public Petitions:*

*Motion made and Question proposed, "That this House do consider the Report of the House Committee on Public Petitions on the petition by Eze (Sir) W.W. Onunwor Nyesiri Mbam Oropotoma and 4 others against the Nigeria Air Force and approve the Recommendations therein" (*Hon. ChidiDuru*).*

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Report, put and agreed to.

(HOUSE IN COMMITTEE) (Mr Deputy Speaker in the Chair)

Debate:

Recommendation (i):

The Federal Government should calculate and pay the community their due rents which has fallen in arrears for 31 years from 1974 to 2005.

Amendments Proposed:

- (i) *Leave out* all the words in the Recommendation and *insert* the following instead thereof:
"That the commercial operators, namely Julius Berger Plc, Aero Contractors, Sky Line and Duma Airlines be made to pay for use of the land for commercial purposes and such payment be made to the original owners (*Hon. C. Macebuh*).

Question, that the amendment be made, put and negatived.

- (ii) *Leave out* all the words in the recommendation and *insert* the following instead thereof:
"The Federal Government should calculate and pay adequate compensation to the Rumuolukwu community for the land acquired" (*Hon. N. C. Ughanze*)

Question, that the amendment be made, put and agreed to.

Recommendations (ii):

The Ministry of Defence should ensure the prompt approval of the sketch of the surveyed area ceded to the Community and hand over the area to the Rumuolukwu Community (*Hon. Chidi Duru*).

Amendment Proposed:

In line 1, immediately after the word "sketch" *insert* as follows: "C"
(*Hon. Andrew Uchendu*).

Question, that the amendment be made, put and agreed to.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, Reported that the House in Committee of Whole considered the Report of the Committee on Public Petitions on the petition by Eze (Sir) W. W. Onunwor Nyesiri Mbam Oropotoma and 4 others against the Nigeria Air Force and approved the Recommendations (i) and (ii), as amended.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

(iv) Committee on Public Petitions:

Motion made and Question proposed, "That this House do consider the Report of the House Committee on Public Petitions on the petition by Mr Samuel Owolabi Akerele against the Nigerian Airspace Management Agency (NAMA) and approve the Recommendation therein" (*Hon. Chidi Duru*).

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Report, put and agreed to.

(HOUSE IN COMMITTEE) (Mr Deputy Speaker in the Chair)*Debate:**Recommendation:*

Since the petitioner has been paid his gratuity and is collecting his pension, we cannot recommend his reinstatement (*Hon. Chidi Duru*).

Question put and agreed to.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of Whole considered the Report of the Committee on Public Petitions on the Petition by Mr Samuel Owolabi Akerele against the Nigerian Airspace Management Agency (NAMA) and approved the Recommendation.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

(v) *Committee on Public Petitions:*

'Motion made and Question proposed, "That this House do consider the Report of the House Committee on Public Petitions on the petition by Jibrin Bakari Medugu against the Nigeria Investment Promotion Commission and approve the Recommendation therein" (Hon. Chidi Duru).

Question put and agreed to.

Question that the House do resolve into the Committee of Whole to consider the Report, put and agreed to.

(HOUSE IN COMMITTEE) *(Mr Deputy Speaker in the Chair)*

Debate:

Recommendation:

We cannot recommend Jibrin Bakari Medugu¹'s reinstatement into the services of the Nigeria Investment Promotion Commission *(Hon. Chidi Duru).*

Question put and agreed to.

(HOUSE IN PLENARY)

Mr Deputy Speaker in the Chair, reported that the House in Committee of Whole considered the Report of the Committee on Public Petitions on the petition by Jibrin Bakari Medugu against the Nigeria Investment Promotion Commission and approved the Recommendation.

Question that the House do adopt the Report of the Committee of Whole, put and agreed to.

6. *Adjournment:*

That this House do now adjourn till Tuesday, 14 February, 2006 at 10.00 a.m *(Hon. Gilbert Nnaji).*

Adjourned accordingly at 2.50 p.m.

Austin Opara
Deputy Speaker