

TREATY OF THE WEST AFRICAN MONETARY UNION

The Government of the Republic of Benin,

The Government of Burkina Faso,

The Government of the Republic of Côte d'Ivoire,

The Government of the Republic of Guinea-Bissau,

The Government of the Republic of Mali,

The Government of the Republic of Niger,

The Government of the Republic of Senegal,

The Government of the Republic of Togo,

- aware of the profound solidarity among their States,
- convinced that this solidarity is one of the essential conditions for the rapid and, at the same time, coordinated development of their national economies,
- considering the achievements of forty years of monetary integration in their States,
- believing that it is in their individual and common interest to remain within the West African Monetary Union and to maintain a common central bank, the Central Bank of West African States, so as to ensure its coordinated operation,
- convinced that a clear definition and strict observance of the rights and obligations of the members of such a Monetary Union can ensure its functioning in the common interest and in the interest of each individual member,
- taking account of the requirements of transparency and good governance which constitute a guarantee of monetary integration and economic development in the community,

- persuaded of the need to enhance the efficiency of the institutions of the West African Monetary Union and deepen economic, monetary and financial integration at regional level,

have agreed on the following provisions:

PRELIMINARY SECTION

DEFINITIONS

Article One

For the purposes of this Treaty, the following definitions shall apply:

- **Acts of the Conference:** the decisions of the Conference of Heads of State and Government of the Union,
- **Additional Protocol No. 1:** Additional Protocol No. 1 relating to the supervisory organs of WAEMU, which form an integral part of the WAEMU Treaty,
- **Banking Commission or CB-UMOA:** the WAMU Banking Commission,
- **Central Bank or BCEAO:** the Central Bank of West African States,
- **Common issuing institution:** the BCEAO,
- **Conference or Conference of Heads of State and Government:** the Conference of Heads of State and Government of the Union,
- **Council or Council of Ministers:** the Council of Ministers of WAMU,
- **Member State:** a member State of the Monetary Union,
- **Monetary Union or WAMU:** West African Monetary Union,
- **Regional Council or CREPMF:** the Regional Council for Public Savings and Financial Markets of the Union,
- **Treaty of the West African Economic and Monetary Union or WAEMU Treaty:** the revised Treaty of the West African Economic and Monetary Union, signed in Dakar on January 29, 2003,

- **Treaty of the West African Monetary Union or WAMU Treaty:** the present Treaty,
- **WADB:** the West African Development Bank,
- **WAEMU:** West African Economic and Monetary Union.

PART ONE

GENERAL PROVISIONS

Article 2

The West African Monetary Union, established between the States which have signed the present Treaty, is distinguished by the recognition of a common monetary unit, issued by a common central bank which is at the service of the national economies of the member States, in accordance with the conditions defined hereafter.

The Treaty of the West African Monetary Union (UMOA) is complemented by the Treaty of the West African Economic and Monetary Union or (WAEMU).

Article 3

The member States hereby undertake, under sanction of automatic exclusion from the Union, to comply with the provisions of the present Treaty, with those of the WAEMU Treaty and with their implementing instruments, particularly as regards:

- i. the rules pertaining to the issue of the currency,
- ii. the pooling of monetary reserves,
- iii. the free circulation of the currency and the freedom of transfers between member States of the Union,

iv. the other provisions of the present Treaty.

In keeping with the procedure provided in Article 6 of Additional Protocol No. 1, the WAEMU Court of Justice shall have the authority to hear cases pertaining to breaches by member States of their obligations under the WAMU Treaty.

In the event that a member State that has not upheld its commitments fails to implement measures handed down by decision of the WAEMU Court of Justice, the Conference of Heads of State and Government shall find, by a unanimous decision of the Heads of State and Government of the other members of the Union, that the State in question wishes to withdraw from WAMU.

In this case, the Conference of Heads of State and Government of the Union shall make the necessary amendments to the provisions of the present Treaty through Acts of the Conference.

Furthermore, the Council of Ministers, by unanimous decision of its members, may take the necessary measures to safeguard the interests of the Union, particularly those relating to the modalities of transfer of the currency issuing department.

PART II

THE COMMON MONETARY UNIT

Article 4

The legal monetary unit of the member States of the Union shall be the Franc of the *Communauté Financière Africaine* (African financial community), or CFA Franc.

The definition of the African financial community Franc shall be the definition in force at the date of signing of the present Treaty.

PART III

THE ORGANS OF THE MONETARY UNION

Article 5

The organs of the Monetary Union are as follows:

- the Conference of Heads of State and Government,
- the Council of Ministers,
- the Banking Commission,
- the Regional Council for Public Savings and Financial Markets (CREPMF).

CHAPTER ONE

THE CONFERENCE OF HEADS OF STATE AND GOVERNMENT

Article 6

The Heads of the member States of the Union sitting in Conference shall constitute the supreme authority of the Monetary Union.

Article 7

The Conference of Heads of State and Government:

- shall define the major policy orientations of the Monetary Union,
- shall decide on the accession of new members as well as on the expulsion of members from the Union and take cognizance of the withdrawal of members from the Union,
- shall determine where the head office of the central bank shall be established,
- shall definitively settle any matter that the Council of Ministers of the Union has been unable to resolve by unanimous agreement and has referred to it.

Article 8

The decisions of the Conference, known as the "Acts of the Conference", are taken by unanimous vote.

The Conference shall have its seat for one calendar year in each of the States of the Union in turn in the alphabetical order of their names.

It shall meet at least once a year and as often as necessary, on the initiative of the Chair in office or at the request of one or more of the Heads of States belonging to the Union.

The Conference shall be chaired by one of the Heads of the member States of the Union chosen by his or her peers. The Chair shall be elected in such a way that each of the Heads of State of the Monetary Union is called upon in turn to chair the Conference.

The Chair in office shall set the dates and locations of the meetings and draw up the agenda.

In the event of an emergency, the Chair in office may consult the other Heads of State of the Union in writing at their place of residence.

Article 9

The Governor of the BCEAO, the Chair of the Banking Commission, the President of the WADB, the Chair of the CREPMF and the Chair of the WAEMU Commission may attend the meetings of the Conference of Heads of State and Government to represent the opinions of their institution or body on the agenda items of concern to them.

CHAPTER II

THE COUNCIL OF MINISTERS OF THE UNION

Article 10

The management of the Monetary Union shall be exercised by the Council of Ministers of the Monetary Union.

Each of the member States shall be represented on the Council by two Ministers and has a single vote, which shall be cast by the Minister of Finance.

Article 11

The Council shall elect one of the Ministers of Finance of the Union to act as its President.

Each of the Ministers of Finance of the Union in turn shall be elected ex officio to the office of President of the Council.

The President shall hold office for a term of two years.

The President of the Council of Ministers shall convene meetings of the Council and preside over them. He or she shall supervise the preparation of the reports and draft decisions to be submitted to the Council and shall monitor their implementation.

The Council may ask the BCEAO, the Banking Commission, the WADB, the CREPMF and the WAEMU Commission to submit reports to it and to take any initiative that may further the achievement of the goals of WAMU. The BCEAO, the WADB and the WAEMU Commission shall be responsible for organizing the sessions and the secretariat of the Council of Ministers.

Article 12

The Governor of the BCEAO, the Chair of the Banking Commission, the President of the WADB, the Chair of the CREPMF and the Chair of the WAEMU Commission may attend the meetings of the Council. They may ask to be heard by the Council and may be assisted by their colleagues where they deem it is necessary.

Article 13

The Council of Ministers of the Union may invite the duly accredited representatives of international institutions or States which have concluded a cooperation agreement with the Governments of the member States of the Union to participate in a consultative capacity in the proceedings or debates of the Council under the terms stipulated in the agreement in question.

The Council may also invite experts or resource persons to participate in a consultative capacity in its proceedings or debates.

Article 14

The Council of Ministers shall meet at least twice a year on the initiative of its President or at the request of a Minister of Finance representing one of the member States or at the request of the Governor of the BCEAO.

In the event of an emergency, the President of the Council of Ministers may consult the other members of the Council in writing at their place of residence.

Article 15

With a view to fulfilling its mandate, and under the conditions set forth by this Treaty, the Council of Ministers may take decisions and issue opinions and/or recommendations.

The Council of Ministers shall take decisions by a unanimous vote in matters in which it is empowered to act under the provisions of the present Treaty and the Statutes of the BCEAO annexed hereto, as well as in any matters that the Governments of the member States of the Union may agree to refer to it for review or decision. The Council's decisions shall respect the international commitments entered into by the member States of the Union.

Article 16

The Council of Ministers shall monitor the implementation of the general orientations and decisions of the Conference of Heads of State and Government.

Article 17

The Council of Ministers shall be responsible for defining the regulatory environment for banking and financial system activity and for the exchange rate policy of the Union. To this purpose, the Council shall establish draft instruments, which it shall prepare on its own initiative or on the initiative of the Central Bank, pertaining to the matters enumerated in Article 34 of the present Treaty and shall grant the exemptions deemed necessary for their adaptation to the specific conditions of the member States of the Union.

The Council of Ministers shall also define orientations designed to consolidate monetary and financial integration in the framework of

multilateral supervision of the macroeconomic policies and performances of the member States of the Union.

Article 18

The Council of Ministers shall define the foreign exchange policy of the Union, in consultation with the Governor of the BCEAO and subject to compliance with the international commitments undertaken by the member States of the Union. It shall set up a foreign exchange committee to assist it towards that end.

The membership and operating procedures of the foreign exchange committee shall be defined by the Council of Ministers.

Article 19

The denomination of the monetary unit of the Union and its divisions may be modified by decision of the Council of Ministers.

Article 20

Any agreements or conventions to be concluded with foreign governments or central banks or with international institutions that give rise to an obligation or commitment on the part of the common central bank shall be subject to approval by the Council of Ministers.

The approval of the Council of Ministers shall be required, in particular, for clearing and payment agreements between the common central bank and foreign central banks for the purpose of facilitating the external payments of the member States of the Monetary Union.

Article 21

The Council of Ministers shall establish draft agreements to be concluded with the West African Governments that have asked to join the Monetary Union under the provisions of Article 35 of the present Treaty.

The Council shall also establish draft agreements to be concluded between the BCEAO and the Government of any member State having given notice of its decision to withdraw from the Union under the provisions of Article 36 of the present Treaty.

Article 22

The Council of Ministers may decide that the Central Bank shall, in accordance with the monetary balance, carry out specific assignments or projects or that the Central Bank will create or contribute to the constitution of any special fund, organization or institution designed to help improve the monetary policy environment, and diversify and strengthen the WAMU financial system and the technical and professional capacities of the banking and financial sector.

CHAPTER III

THE BANKING COMMISSION

Article 23

The Banking Commission is an organ of the Union whose responsibilities include the organization and control of credit institutions.

The Banking Commission is governed by a specific agreement signed with the member States of the Monetary Union.

CHAPTER IV

THE REGIONAL COUNCIL FOR PUBLIC SAVINGS

AND FINANCIAL MARKETS

Article 24

The Regional Council for Public Savings and Financial Markets is an organ of the Union responsible for organizing and controlling public

offerings and for authorizing and supervising operators on the regional financial market.

The Regional Council for Public Savings and Financial Markets is governed by a specific agreement signed with the member States of the Monetary Union.

PART IV

INSTITUTIONS OF THE WEST AFRICAN MONETARY UNION

Article 25

The institutions of the West African Monetary Union are:

- the Central Bank of West African States (BCEAO),
- the West African Development Bank (WADB).

CHAPTER ONE

CENTRAL BANK OF WEST AFRICAN STATES

Article 26

Within the territories of the member States of the Monetary Union, the exclusive right of currency issue shall lie with the common central bank, the Central Bank of West African States.

Article 27

The Central Bank shall be governed by the Statutes annexed to the present Treaty of which they form an integral part.

Article 28

Within the territories of each of the member States of the Monetary Union, the Central Bank shall enjoy the privileges and immunities usually granted to international financial institutions, in accordance with the

conditions stipulated by the protocol on the privileges and immunities of the BCEAO annexed to the present Treaty, of which it forms an integral part.

Article 29

The notes and coins issued in each State of the Union by the Central Bank shall be legal tender throughout the territory of the States of the Union.

Procedures for the identification of the notes issued by the Central Bank may be established by the Council of Ministers of the Union.

Article 30

The Central Bank may maintain a separate account of the currency issue and its counterparts for each member State of the Union.

Article 31

The Central Bank shall maintain an account showing:

- the foreign assets of national treasuries and public institutions, enterprises and authorities of the member States of the Union,
- the portion of the foreign assets of the banks and credit institutions established within the Union that represents their business within the member States of the Union.

Should its foreign assets be exhausted, the Central Bank may require any public or private institution under the jurisdiction of the States of the Union to surrender to it their foreign assets against currency of its own issue.

According to its foreseeable needs, the Central Bank may confine its request for the surrender of such funds solely to public institutions and banks, and may make prior call on those States whose currency issue statement, drawn up in accordance with the provisions of Article 30 of the present Treaty, shows a negative balance under the item "Foreign assets".

Article 32

The Central Bank shall keep the Council of Ministers and the Ministers of Finance of the member States informed of the financial flows and the development of claims and liabilities between these States and countries outside the Union.

CHAPTER II**THE WEST AFRICAN DEVELOPMENT BANK****Article 33**

The West African Development Bank is a development bank created in the framework of the Monetary Union.

The purpose of the WADB is to promote balanced development in the member States of the Union and contribute to their economic integration.

The West African Development Bank is governed by a specific agreement signed with the member States of the Monetary Union.

PART V**HARMONIZATION OF NATIONAL LEGISLATION****Article 34**

To allow the full application of the principles of monetary union defined above, the Governments of the member States of the Union agree to adopt uniform regulations, to be established by the Council of Ministers. The uniform regulations shall specifically apply to:

- the execution and control of their financial dealings with countries outside the Monetary Union,

- the general rules for the exercise of the banking and financial profession and related business activities,
- payment systems,
- sanctions for the forgery of notes and coins and for the use of forged notes or coins,
- sanctions applying to money laundering.

The Council of Ministers of the Union may take any other steps it sees fit with a view to consolidating or ensuring the application of the uniform regulations with regard to banking and financial legislation.

The Council of Ministers of the Union may authorize exemptions to the provisions adopted if deemed justifiable in the light of the particular circumstances and requirements of a member State of the Union and provided that they do not prejudice the underlying principles.

PART VI

MISCELLANEOUS PROVISIONS

Article 35

Any West African State may request membership in the West African Monetary Union.

To this end, such States shall apply to the Conference of Heads of State and Government, which shall take its decision based on a report by the BCEAO.

The conditions for becoming a member State and the subsequent amendments to be made to the present Treaty shall be the object of an agreement between the member States and the applying State, upon approval by the WAEMU Parliament.

The agreement shall be subject to ratification by the member States of the Union, in accordance with their respective constitutional rules.

Article 36

Any member State may withdraw from the West African Monetary Union.

The decision to withdraw from the Union shall be notified to the Conference of Heads of State and Government of the Union. Withdrawal shall take effect automatically one hundred and eighty (180) days after notification. This period may be reduced, however, by agreement of the parties.

The modalities for the transfer of the currency issuing department shall be established by an agreement between the Government of the withdrawing State and the BCEAO acting on behalf of and under the terms established by the Council of Ministers of the Union.

This agreement shall also establish the portion of the negative positions that may be presented by the “foreign assets” account in the statements of certain other WAMU member States to be covered by the withdrawing State in light of its joint participation in the past management of the common currency.

Article 37

The present Treaty may be revised by the Conference of Heads of State and Government of the Union, on its own initiative or upon a proposal by a member State of the Union.

Amendments decided or approved by the Conference of Heads of State and Government shall enter into force on their ratification by all of the member States, in accordance with their respective constitutional rules.

Article 38

The Statutes of the Central Bank and the protocol on the privileges and immunities of the BCEAO annexed to the present Treaty may be amended by a unanimous decision of the Council of Ministers, according to the procedure stipulated in said instruments.

Such amendments shall not be subject to ratification or approval.

Article 39

The member States shall consult one another within the Council of Ministers to jointly take the necessary steps to ensure the safety of the property of the organs and institutions of the Union and their staff in the event of serious domestic troubles leading to disturbance of the public peace, war or serious international tension constituting a specific threat in a member State.

Safeguard measures shall be established by the Council of Ministers.

Article 40

The following provisions of the WAEMU Treaty shall be amended as per the present article.

1°) - Article 18

“The Conference of Heads of State and Government of the Monetary Union provided under Article 5 of the WAMU Treaty shall exercise the functions assigned thereto by the present Treaty.”

shall be amended as follows:

“The Conference of Heads of State and Government of the Monetary Union provided under Article 6 of the WAMU Treaty shall exercise the functions assigned thereto by the present Treaty.”

2°) - Article 21

“The Council of Ministers of the Monetary Union provided under Article 6 of the WAMU Treaty shall exercise the functions assigned thereto by the present Treaty.”

shall be amended as follows:

“The Council of Ministers of the Monetary Union provided under Article 10 of the WAMU Treaty shall exercise the functions assigned thereto by the present Treaty.”

3°) - Article 23 paragraph 1

“As an exception to Article 6 paragraph 2 of the WAMU Treaty, with respect to the adoption of decisions whose principal focus is other than economic or financial policy, the Council shall convene the competent Ministers. The proceedings shall only be made final after verification, by the Ministers of the Economy, Finance and Planning, of their compliance with the economic, monetary and financial policy of the Union.”

shall be amended as follows:

“As an exception to Article 10 paragraph 2 of the WAMU Treaty, with respect to the adoption of decisions whose principal focus is other than economic or financial policy, the Council shall convene the competent Ministers. The proceedings shall only be made final after verification, by the Ministers of the Economy, Finance and Planning, of their compliance with the economic, monetary and financial policy of the Union.”

4°) - Article 62

“The monetary policy of the Union shall be governed by the provisions of the Treaty of November 14, 1973, establishing the West African Monetary Union (UMOA) and by the subsequent instruments of the Union.

Without prejudice to the goals assigned to it, it shall also support the economic integration of the Union.”

shall be amended as follows:

“The monetary policy of the Union shall be governed by the provisions of the Treaty of the West African Monetary Union (UMOA) and by the subsequent instruments of the Union. Without prejudice to the goals assigned to it, it shall also support the economic integration of the Union.”

5° - PART VI: TRANSITIONAL AND FINAL PROVISIONS

“CHAPTER II: REVISION OF THE WAMU TREATY”

shall be amended as follows:

*“CHAPTER II: CONSOLIDATION OF THE WAMU AND
WAEMU TREATIES”*

6° - Article 112

“At the appropriate time, the Conference of Heads of State and Government shall adopt a Treaty consolidating the WAMU Treaty with the present Treaty.

Pending such consolidation, the WAMU Treaty shall be amended in accordance with the provisions of Articles 113 to 115 below.”

shall be amended as follows:

“At the appropriate time, the Conference of Heads of State and Government shall adopt a Treaty consolidating the WAMU Treaty with the present Treaty.”

Article 41

The present Treaty shall repeal the provisions of Articles 113 to 115 of the WAEMU Treaty.

PART VII**FINAL PROVISIONS****Article 42**

The provisions of this Treaty shall automatically replace those of the Treaty establishing the West African Monetary Union concluded on November 14, 1973, those of the agreement on the accession of the Republic of Mali to WAMU on 17 February 1984 and the agreement on the accession of the Republic of Guinea-Bissau to WAMU on January 19, 1997.

This substitution shall not affect the rights and obligations of the Central Bank of West African States with regard to third parties.

Article 43

The present Treaty shall be ratified by the signatory States, in accordance with their respective constitutional rules. The ratifying instruments shall be deposited with the Government of the State in which the head office of the BCEAO is located.

Article 44

The present Treaty shall enter into force on the first day of the month following the deposit of the ratifying instrument by the last signatory State to carry out this formality. However, should this deposit take place less than fifteen (15) days before the beginning of the next month, the entry into force shall be deferred to the first day of the second month following the date of the deposit.

In witness whereof, the present Treaty has been signed in
Ouagadougou, on January 20, 2007.

For the Republic of Benin

For Burkina Faso

Thomas Boni YAYI

Blaise COMPAORE

For the Republic of Côte d'Ivoire

For the Republic of Guinea-Bissau

Laurent GBAGBO

João Bernardo VIEIRA

For the Republic of Mali

For the Republic of Niger

Amadou Toumani TOURE

Mamadou TANDJA

For the Republic of Senegal

For the Togolese Republic

Abdoulaye WADE

Faure Essozimna

