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AFRICAN UNION

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UNION AFRICAINE

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PROTOCOL ON THE AFRICAN MONETARY FUND

Preamble

The Member States of the African Union;

Considering that the Constitutive Act of the African Union established the African Monetary Fund in its Article 19(c);

Further considering the Treaty Establishing the African Economic Community, adopted in Abuja, Nigeria, in June 1991;

Desiring to address collectively the main economic development challenges facing the African continent;

Recalling Assembly Decision AU/Dec.64 (IV) on the location of the Headquarters of African Union institutions in the regions of the continent, adopted in Abuja, Nigeria, in January 2005;

Further recalling Executive Council Decision Ex.CL/Dec.329 (10) on the establishment of the African Union financial institutions adopted in Addis Ababa, Ethiopia, in January 2007;

Considering the General Convention on the privileges and immunities of the Organization of African Unity/African Union;

Firmly convinced that the attainment of the objectives of the African Union requires the establishment of the African Monetary Fund,

HAVE AGREED AS FOLLOWS:

Article 1: Definitions

In this Protocol, unless otherwise specifically stated:

“**Act**” means the Constitutive Act of the Union;

“**REC**” means Regional Economic Community;

“**Board of Governors**” means the Board of Governors of the African Monetary Fund;

“**Fund**” means the African Monetary Fund;

“**Commission**” means the African Union Commission;

“**Assembly**” means the Assembly of Heads of State and Government of the Union;

“**Executive Council**” means the Council of Ministers of the Union;

“**Court**” means the African Court of Justice and Human Rights;

“**Member State**” means a Member State of the Union;

“**State Party**” means the Member State that has ratified or acceded to this Protocol;

“**Protocol**” means this Protocol and its annexes;

“**Union**” means the African Union established by the Act.

Article 2: Establishment of the Fund

1. The Fund is hereby established in conformity with Article 19(c) of the Act.
2. The Fund shall be an organ of the Union in accordance with Article 5 (i) of the Act.

Article 3: Purpose of the Fund

The purpose of the Fund shall be to foster macroeconomic stability and sustainable growth in the region, so as to facilitate the effective integration of African economies through, *inter alia*, the harmonization of economic policies, the elimination of monetary, exchange rate and trade restrictions, as well as the funding needed to correct macroeconomic imbalances of States Parties.

Article 4: Functions of the Fund

The Fund shall function in accordance with the relevant provisions of the Act, this Protocol, the Statutes and the documents annexed to it. The functions of the Fund shall be to:

- a) Promote and strengthen monetary, exchange rate and financial system stability in the region;
- b) Promote trade liberalization and elimination of restrictions/barriers in the region;
- c) Facilitate the harmonization of monetary, exchange rate and financial policies among the States Parties;

- d) Conduct regular surveillance and policy analyses on the economies of States Parties
- e) Provide advice and temporary financial support to state parties in crisis relating to macroeconomic imbalances, fiscal deficits and balance of payment disequilibrium;
- f) Reinforce capacity building in the design and implementation of effective debt management policies, for the maintenance of sustainable debt levels by States Parties;
- g) Mobilize and manage financial resources on behalf and for the benefit of the state parties
- h) Collaborate and liaise with other monetary and international financial institutions to facilitate sustainable growth and development in the region;
- i) Provide technical assistance and expertise for capacity development and policy management for the state parties;
- j) Produce statistical data necessary for the good economic governance of States Parties;
- k) Carry-out any other ad-hoc functions as may be required and approved by the Board of Governors.

Article 5: Headquarters of the Fund

1. The Headquarters of the Fund shall be in Yaoundé, Republic of Cameroon.
2. Other offices of the Fund may be established outside the Headquarters.

Article 6: Working languages of the Fund

The working languages of the Fund shall be those of the Union.

Article 7: Dissolution

1. By a resolution, the Board of Governors may recommend the dissolution of the Fund.
2. Upon the recommendation of the Board of Governors, the Assembly may decide to dissolve the Fund and determine the terms and conditions of sharing the remaining assets and liabilities.
3. After such dissolution, the Fund shall forthwith cease all activities, with the exception of those incidental to the orderly realization, conservation and safeguard of its assets and settlement of its obligations.

Article 8: Interpretation and Arbitration

The Court shall be seized with matters of interpretations and disputes arising from the application or implementation of this Protocol and the Statute annexed to it. Pending its establishment, such matters shall be submitted to the Assembly of the Union, which shall decide, accordingly.

Article 9: Signature, Ratification and Accession

1. This Protocol shall be open for signature, ratification or accession by Member States, in accordance with their respective constitutional procedures.
2. The instruments of ratification or accession to this Protocol shall be deposited with the Chairperson of the Commission.

Article 10: Entry into force

1. This Protocol and the Statutes annexed to it shall enter into force thirty (30) days after the deposit of the fifteenth instrument of ratification.
2. For each Member State which shall ratify or accede to it subsequently, this Protocol and the Statute annexed to it shall enter into force on the date on which the instruments of ratification or accession are deposited with the Chairperson of the Commission.

Article 11: Amendment and Revision

1. This Protocol and the Statutes annexed to it may be amended or revised by decision of the Assembly.
2. Any State Party to this Protocol or the Fund may propose, in writing to the Chairperson of the Commission, the amendment or revision of the Protocol.
3. The Chairperson of the Commission shall notify the proposal to all Member States at least thirty (30) days before the meeting of the Assembly which will consider the proposal.
4. The Chairperson of the Commission shall request the opinion of the Fund on the proposal and forward such opinion, where necessary, to the Assembly, which may adopt the proposal, taking into account the opinion of the Fund.
5. The amendment and revision shall enter into force in accordance with the provisions of Article 10.

Article 12: Depositary

1. This Protocol and the Statutes annexed to it, drawn up in four (4) original texts in the Arabic, English, French and Portuguese languages, all four (4) texts being equally authentic, shall be deposited with the Chairperson of the Commission who shall transmit a certified true copy to the Government of each Member State.
2. The Chairperson of the Commission shall notify Member States of the dates of deposit of the instruments of ratification or accession and shall, upon the entry into force of this Protocol, register the same with the Secretariat of the United Nations.

**ADOPTED BY THE ORDINARY SESSION OF THE ASSEMBLY, HELD
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