



**27TH ORDINARY MEETING OF THE EAST AFRICAN COMMUNITY
MONETARY AFFAIRS COMMITTEE, 3RD MAY 2024**

COMMUNIQUÉ

1. The 27th ordinary meeting of the East African Community (EAC) *Monetary Affairs Committee (MAC)* was held in Juba, South Sudan, on 3rd May 2024. The meeting was chaired by Hon. Dr. James Alic Garang, Governor of the Bank of South Sudan, and current Chairperson of MAC.

The meeting was attended by Governors, Senior Officials of the EAC Partner State Central Banks and the EAC Secretariat. Present were:

- Hon. Dr. James Alic Garang, Governor of the Bank of South Sudan
- Mr. Edouard Normand Bigendako, Governor of the Bank of the Republic of Burundi
- Dr. Kamau Thugge, Governor of the Central Bank of Kenya
- Hon. Emmanuel M. Tutuba, Governor of the Bank of Tanzania
- Dr. Adam Mugume, Executive Director, Research and Economic Analysis, Bank of Uganda; representing the Deputy Governor
- Dr. Thierry Mihigo Kalisa, the Chief Economist, National Bank of Rwanda; representing the Governor.

The following Governors were unable to attend the meeting and sent apologies:

- Hon. Marie Malangu Kabedi Mbuyi, the Governor of Bank of Democratic Republic of Congo.

- Hon. Abdirahman Mohamed Abdullahi, Governor of the Central Bank of Somalia.
2. The meeting was held against a backdrop of improving global economic outlook, continued higher central bank policy rates in some of the advanced economies due to sticky inflation, continued exchange rate pressures partly arising from a stronger US dollar, adverse impact of climate change and vulnerabilities arising from sustained geopolitical tensions.
 3. The Committee noted that economic performance in the EAC region in 2023 was strong, recording GDP growth rates ranging from 2.8 percent to 8.1 percent. This performance was supported by strong growth in key sectors and continued implementation of policies and reforms geared towards improving private and public investment in most countries.
 4. The Committee also noted that EAC economies are projected to continue improving, with economic growth expected to be higher than the global and Sub-Saharan Africa growth rates. This robust performance is expected to be driven by strong performance in most sectors, supported by sustained public investment, improved export performance as well as measures to support private sector investment.
 5. Nevertheless, the region still faces unfavourable global financial conditions, negative spill-overs from geopolitical conflicts and the impact of climate change that continue to weigh on the economic performance of East African countries. In addition, the region is confronted with high fuel and food import prices, costly market access and pressures on the exchange rate and foreign reserves.
 6. The Committee further noted that inflation in the region increased in 2022 and 2023 but has since eased following the implementation of appropriate monetary policies and the easing of global commodity prices. The increase in inflation in 2022 and part of 2023 was driven by high global commodity prices (mainly food and energy prices), owing




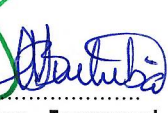


to global shocks, as well as adverse weather conditions that affected agriculture production in some countries.

7. The meeting also reviewed the status of implementation of previously agreed actions towards the establishment of the East Africa Monetary Union (EAMU), with a focus on the decisions of the 26th Ordinary MAC meeting held in Bujumbura in March 2023. The Committee also reflected on the progress made towards the establishment of the East African Monetary Union supporting institutions. The Governors pledged to continue working with the relevant authorities to advance the regional integration agenda.
8. The Committee noted that Partner States' Central Banks have made significant strides towards implementing price-based monetary policy frameworks; harmonising regional macroeconomic and financial statistics to support policy formulation; implementing EAC Capital Markets Infrastructure; harmonising principles and rules for the regulation and supervision of the region's financial system; enhancing risk and crisis management frameworks to ensure the stability of the region's financial systems; adopting climate-risk awareness; and promoting the use of the regional cross-border payments system (EAPS).
9. Notwithstanding the above progress, the Committee reaffirmed its commitment to implementing the remaining activities set out in the revised East African Monetary Union roadmap within the set timelines, in order to achieve the monetary union by 2031. The Governors resolved to review the performance of the convergence criteria taking into account the revised timelines for the achievement of the East African Monetary Union.
10. The Governors welcomed the Central Bank of Somalia, as the newest member of the EAC Monetary Affairs Committee and pledged to provide all necessary support to the Central Bank of Somalia as the country integrates into the EAC. They also took the opportunity to

welcome the Governor of the Bank of Republic of Burundi, Governor of the Central Bank of Kenya and Governor of Bank of South Sudan, who were attending the MAC meeting for the first time since they were appointed and wished them success.

11. The Governors thanked the Governor of the Bank of South Sudan for hosting and chairing the 27th MAC meeting and for the excellent hospitality accorded to the Governors and their delegations.

Juba, South Sudan, 3rd May 2024.

					
Hon. Dr. James Alic Garang	Hon. Edouard Normand Bigendako	Dr. Thierry Mihigo Kalisa	Dr. Kamau Thugge	Hon. Emmanuel M. Tutuba	Dr. Adam Mugume
Bank of South Sudan	Bank of Republic of Burundi	National Bank of Rwanda	Central Bank of Kenya	Bank of Tanzania	Bank of Uganda
REPUBLIC OF SOUTH SUDAN	REPUBLIC OF BURUNDI	REPUBLIC OF RWANDA	REPUBLIC OF KENYA	UNITED REPUBLIC OF TANZANIA	REPUBLIC OF UGANDA
