

Dépositaire Central/Banque de Règlement (DC/BR) of UEMOA

The Regional Central Depository  
/Settlement Bank  
Of WAEMU

**AMEDA**  
March 10<sup>th</sup>, 2014

# Table of Contents

1 – The West African Economic and Monetary Union

2 – Organization and features of BRVM

3 – BRVM recent development

4 – The Regional CDS organization

5 – The Regulatory framework

6 – The Regional CDS recent development

7 – 2014 Outlook

# 1 – The West African Economic and Monetary Union

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# 1 – The West African Economic and Monetary Union (WAEMU)

## 1.1 History

- The **West African Economic and Monetary Union** (also known as UEMOA from its name in French, *Union économique et monétaire ouest-africaine*) is an organization of eight West African states.
- It was established to promote economic integration among countries that share the CFA franc as a common currency.
- UEMOA was created by a Treaty signed at Dakar, Senegal, on 10 January 1994, by the heads of state and governments of Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, and Togo.
- On 2 May 1997, Guinea-Bissau, a former Portuguese colony, became the organization's eighth (and only non-Francophone) member state.

UEMOA is a customs union and currency union between the members. Its objectives include the following:

- ✓ Greater economic competitiveness, through open markets, in addition to the rationalization and harmonization of the legal environment
- ✓ The convergence of macro-economic policies and indicators
- ✓ The creation of a common market
- ✓ The coordination of sectoral policies
- ✓ The harmonization of fiscal policies

# 1 – The West African Economic and Monetary Union (WAEMU)

## 1.1 WAEMU Key indicators (1 / 2)

**WAEMU GDP : 40 063,494 Billion FCFA**

### Senegal



Population : 12,8 million  
GDP 2011 : 6 816,444 Billion FCFA  
GDP 2012 : 7 225,049 Billion FCFA  
Investment 2012 : 2 195,806 Billion FCFA

### Mali



Population : 15,4 million  
GDP 2011 : 5 016,968 Billion FCFA  
GDP 2012 : 5 140,406 Billion FCFA  
Investment 2012 : 967,981 Billion FCFA

### Niger



Population : 15,7 million  
GDP 2011 : 3 004,395 Billion FCFA  
GDP 2012 : 3 567,416 Billion FCFA  
Investment 2012 : 1 693,842 Billion FCFA

### Guinea Bissau



Population : 1,5 million  
GDP 2011 : 465,083 Billion FCFA  
GDP 2012 : 482,635 Billion FCFA  
Investment 2012 : 35,420 Billion FCFA

### Benin



Population: 9,0 million  
GDP 2011 : 3444,303 Billion FCFA  
GDP 2012 : 3762,684 Billion FCFA  
Investment 2012 : 772,665 Billion FCFA

### Côte d'Ivoire



Population : 22,7 million  
GDP 2011 : 11 359,822 Billion FCFA  
GDP 2012 : 12 460,064 Billion FCFA  
Investment 2012 : 1745,957 Billion FCFA

### Burkina Faso



Population: 16,3 million  
GDP 2011 : 4905,342 Billion FCFA  
GDP 2012 : 5546,285 Billion FCFA  
Investment 2012 : 1245,614 Billion FCFA

### Togo

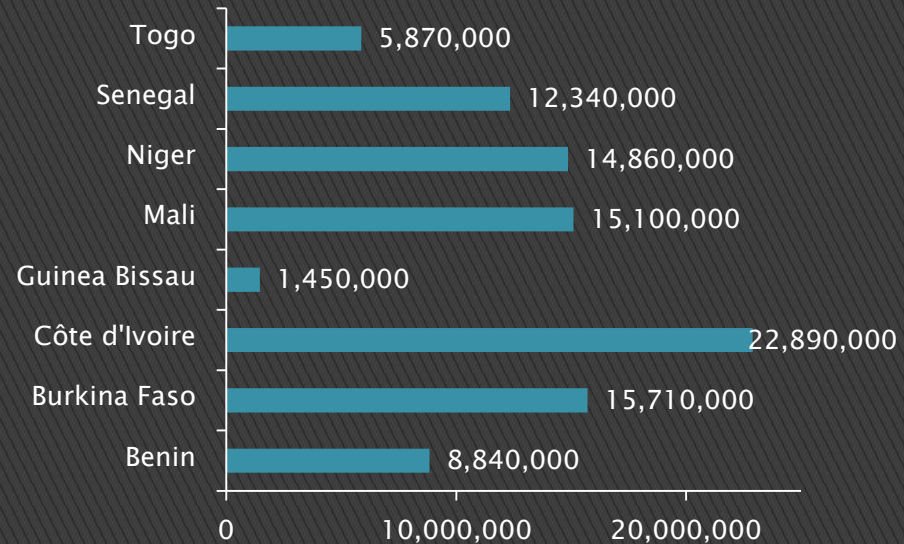
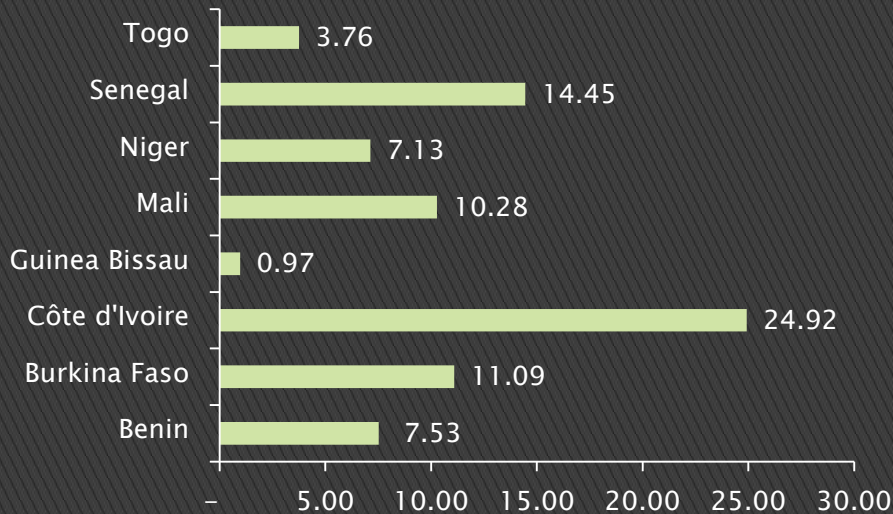


Population : 6,0 million  
GDP 2011 : 1743,274 Billion FCFA  
GDP 2012 : 1878,955 Billion FCFA  
Investment 2012 : 422,829 Billion FCFA

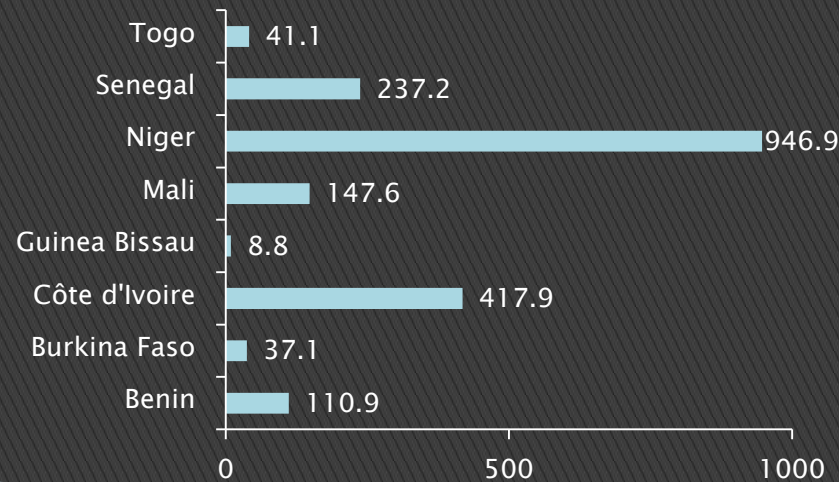


# 1 - The West African Economic and Monetary Union

## 1.1 WAEMU Key indicators (2/2)



### Population



### FDI 2010 (million USD)

## 2 – Organization and features of BRVM

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## 2 – Organization and features of BRVM

### 2.1 History

The West African Regional Stock Exchange, the BRVM started its activities on September 1998.

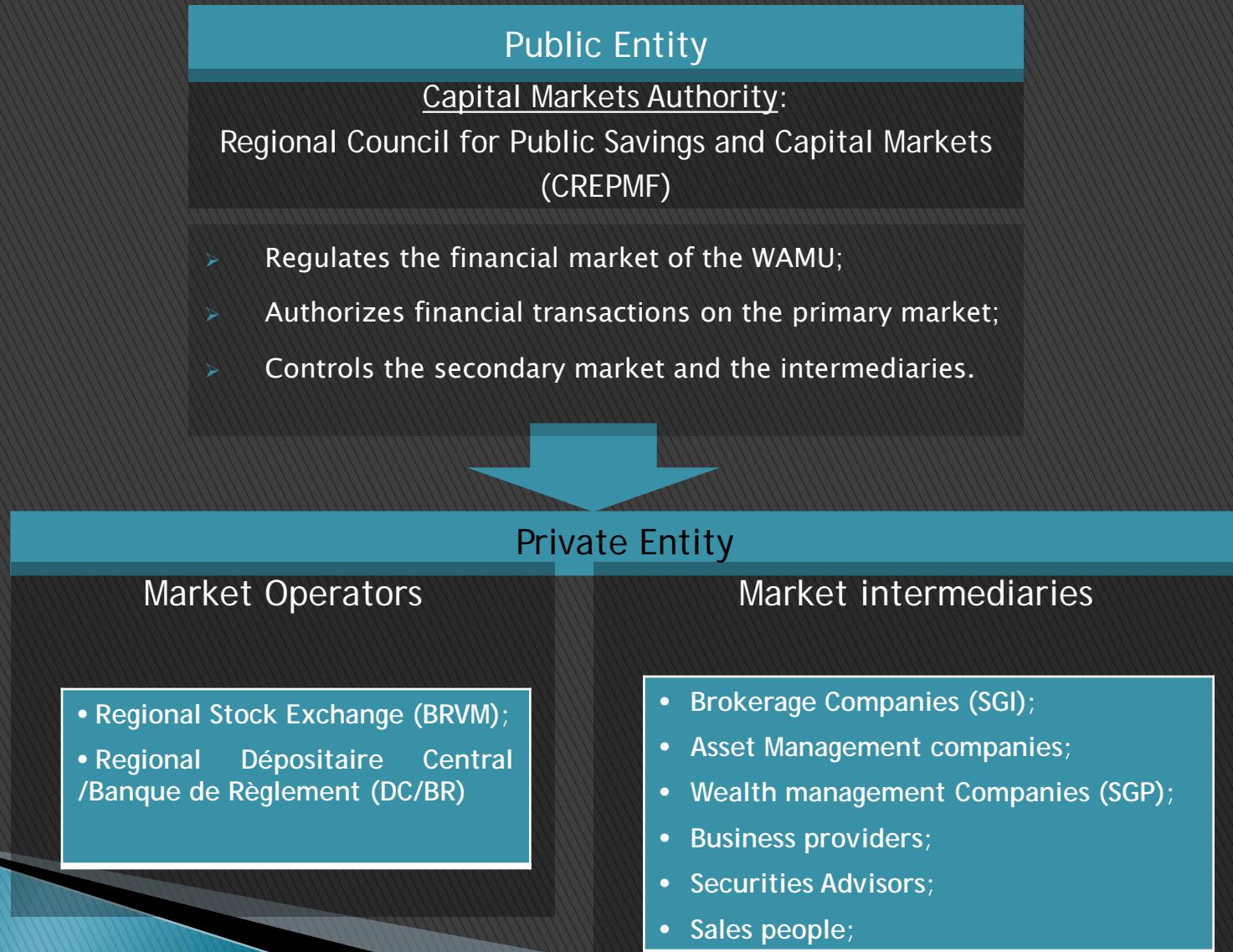
It was unanimously set up by the West African Economic and Monetary Union (WAEMU) countries, namely, Benin, Burkina Faso, Cote d'Ivoire, Guinea Bissau, Mali, Niger, Senegal and Togo.

- December 1993 : Project of creation of the Regional Financial Market adopted by the Council of Ministers of the WAEMU
- January 1994 : Creation of the WAEMU
- December 18, 1996 : Establishment of the BRVM and the CDS (DC/BR) (Privately owned)
- September 16, 1998 : The BRVM and the DC/BR started operations (centralized trading with a cycle of settling / clearing at T+5 )
- 24 March 1999 : Decentralized electronic trading system
- 12 November 2001 : Daily trading
- July 2007 : Settlement cycle from T+5 to T+3
- 16 September 2013 : Continuous trading



## 2 – Organization and features of BRVM

### 2.2 Organization



## 2 – Organization and features of BRVM

### 2.3 Features

- ▶ Fully demutualized stock exchange structure
- ▶ 1 regional electronic stock Exchange for the 8 countries of WAEMU
- ▶ World-class stock exchange infrastructure across the Region
- ▶ BRVM operates under the regulatory oversight of the Capital Markets Authorities (CREPMF)
- ▶ Modern and disclosure-based Listing Rules with an Automated Trading Systems
- ▶ BRVM became a affiliate member of the World Federation of Exchanges (WFE) in 2012
- ▶ Electronic link with Regional CDS depository which complies with G30 Standards

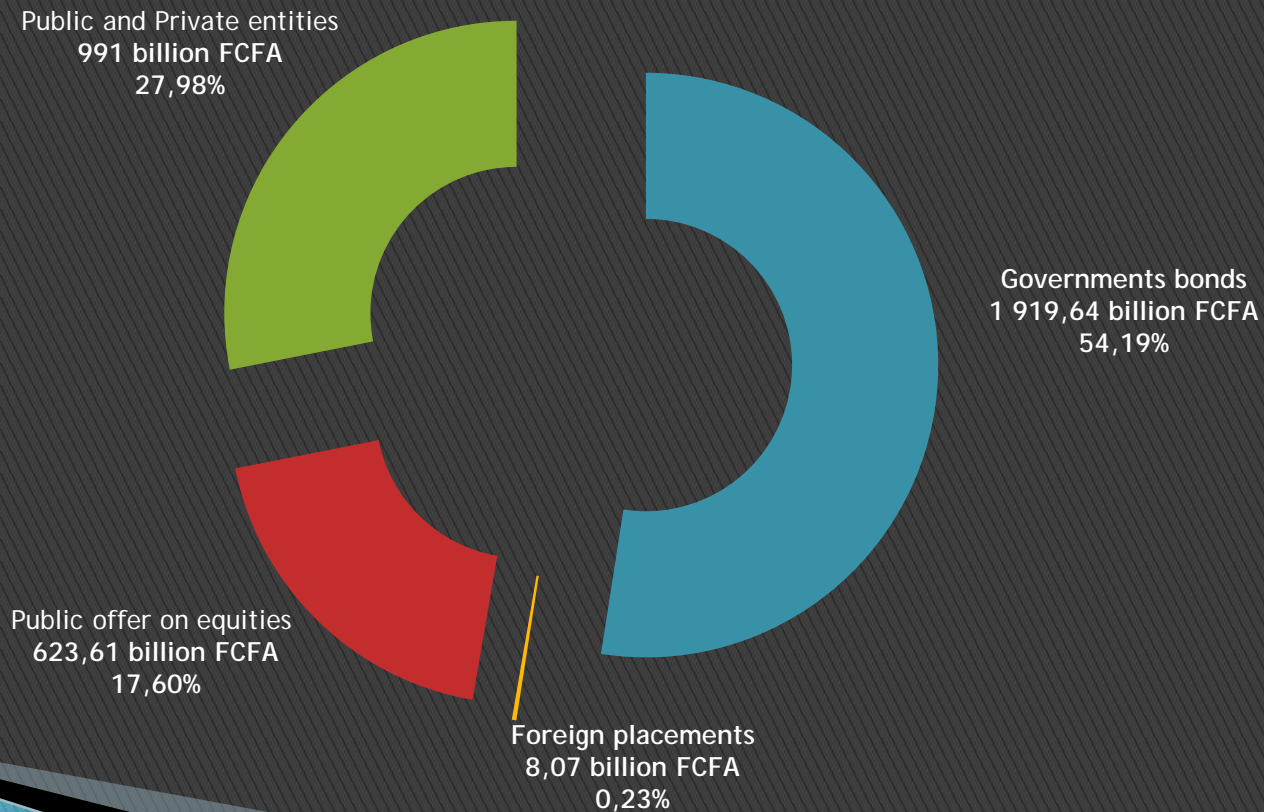
## 3 – BRVM recent development

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## 3 – BRVM recent development

### 3.1 Primary market (1 / 1)

- From 1998 to December 2013 : 3 542 billion FCFA were raised in the primary market.

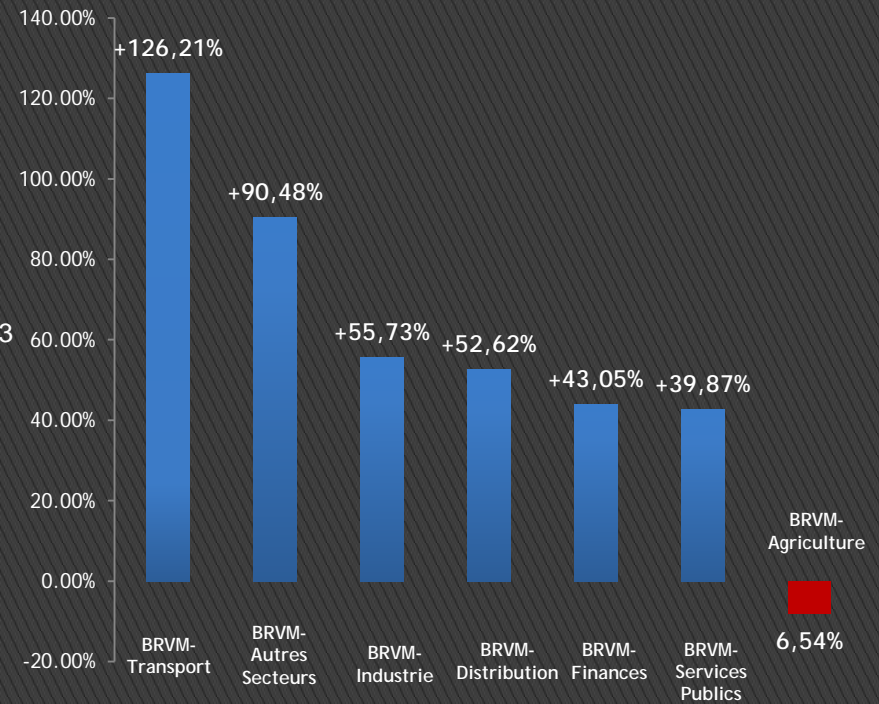
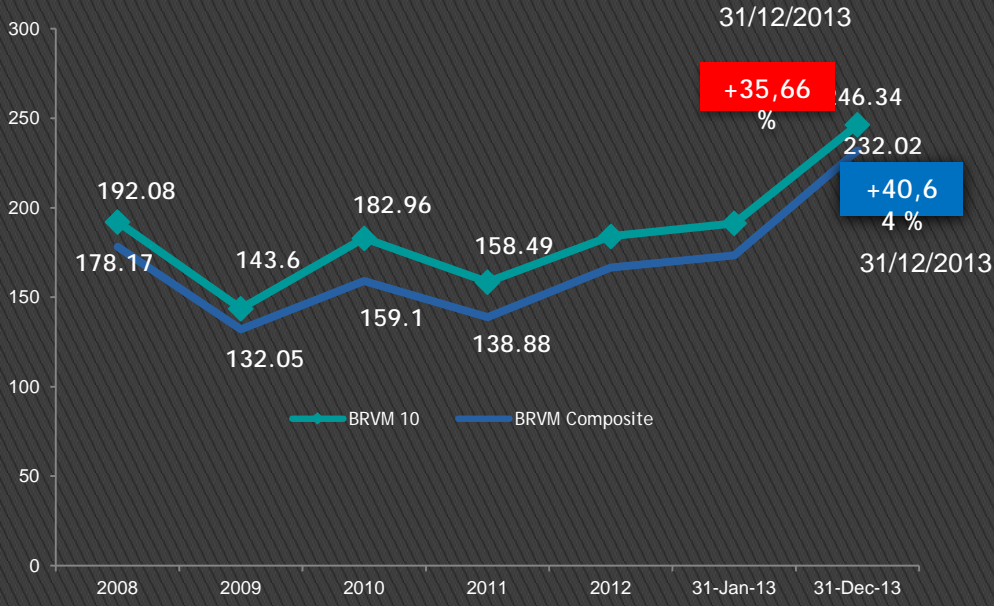


# 3 - BRVM recent development

## 3.2 Secondary market (1 / 6)

BRVM 10 et BRVM All shares  
(2008 -2013)

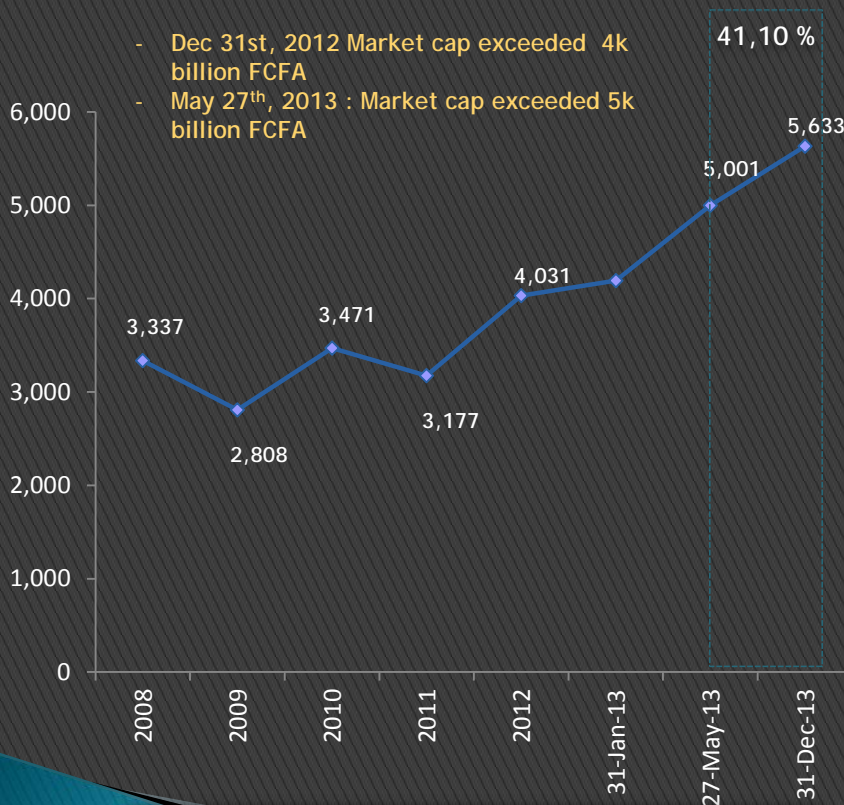
Sectors indices  
(2013)



# 3 - BRVM recent development

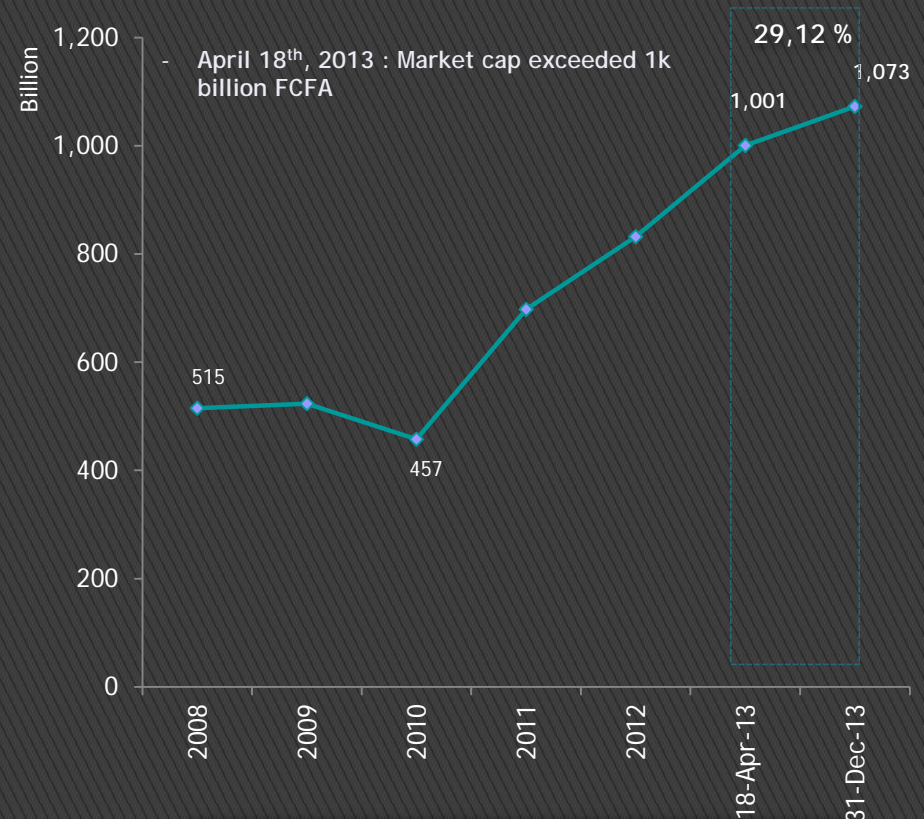
## 3.2 Secondary market (2 / 6)

Market Cap : Equity market  
(2008 - 2013)



+68,8 %

Market Capitalisation : bond market  
(2008 - 2013)

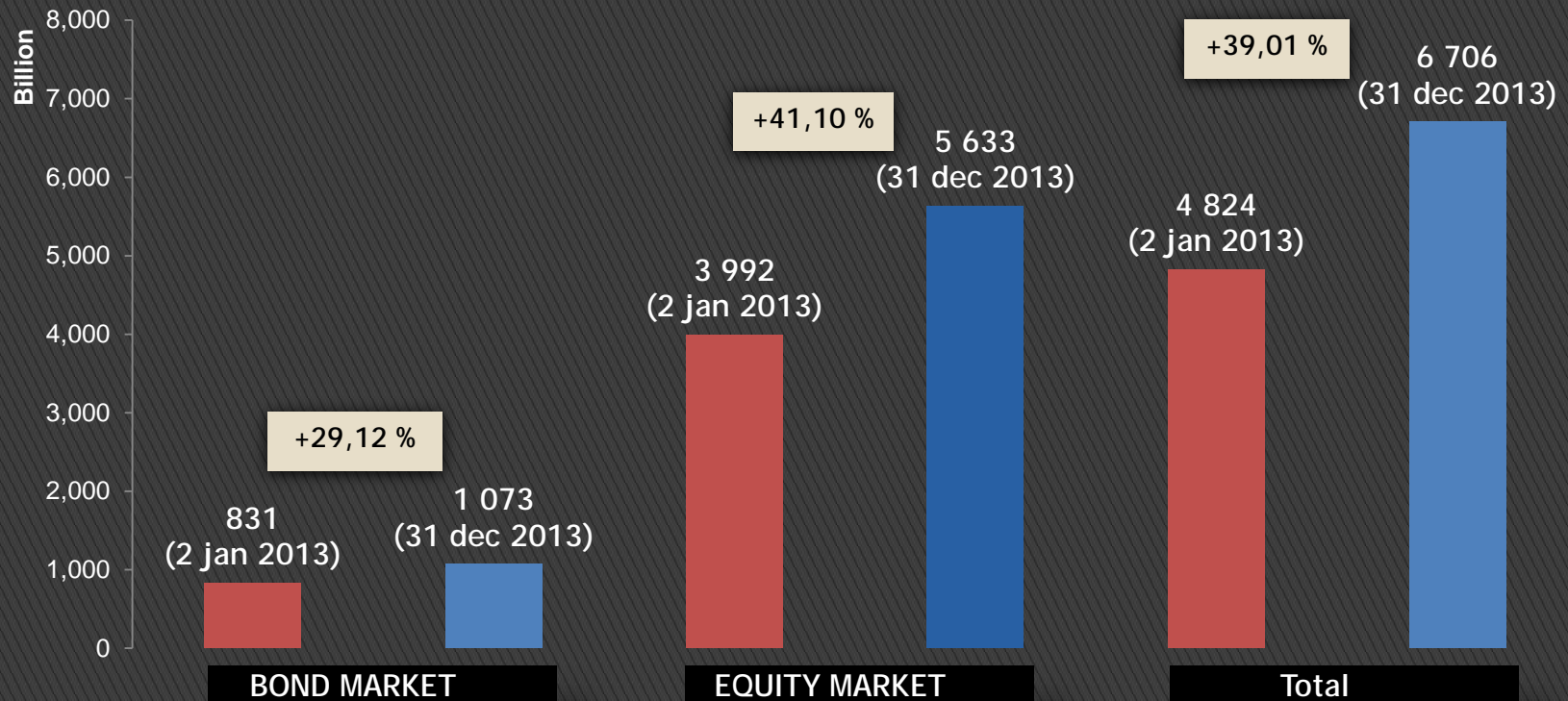


+108,34 %

## 3 – BRVM recent development

### 3.2 Secondary market (3/6)

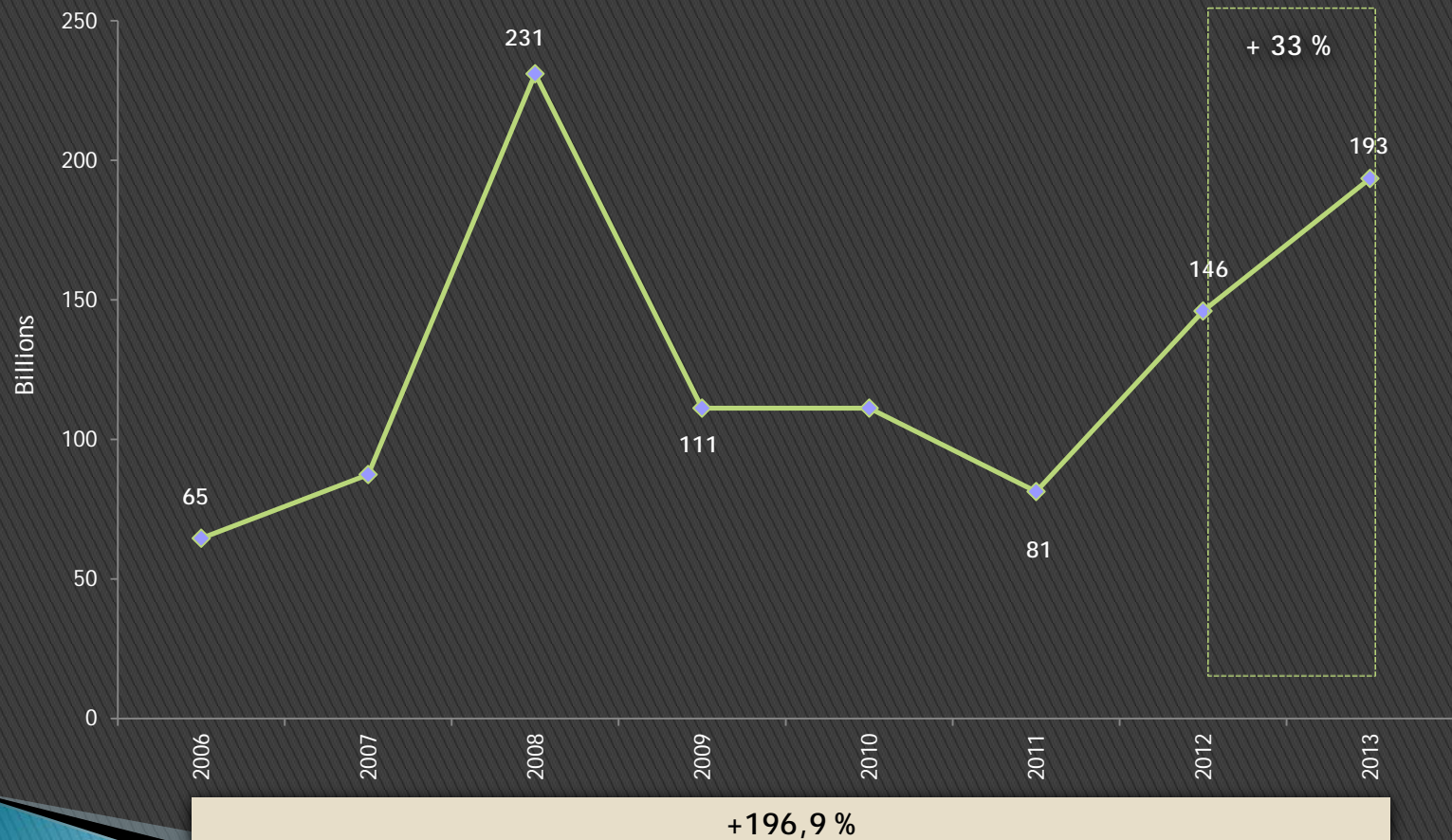
Total market Cap  
(2nd January 2013 - 31st décembre 2013)



## 3 – BRVM recent development

### 3.2 Secondary market (4/6)

Turnover 1998-2013

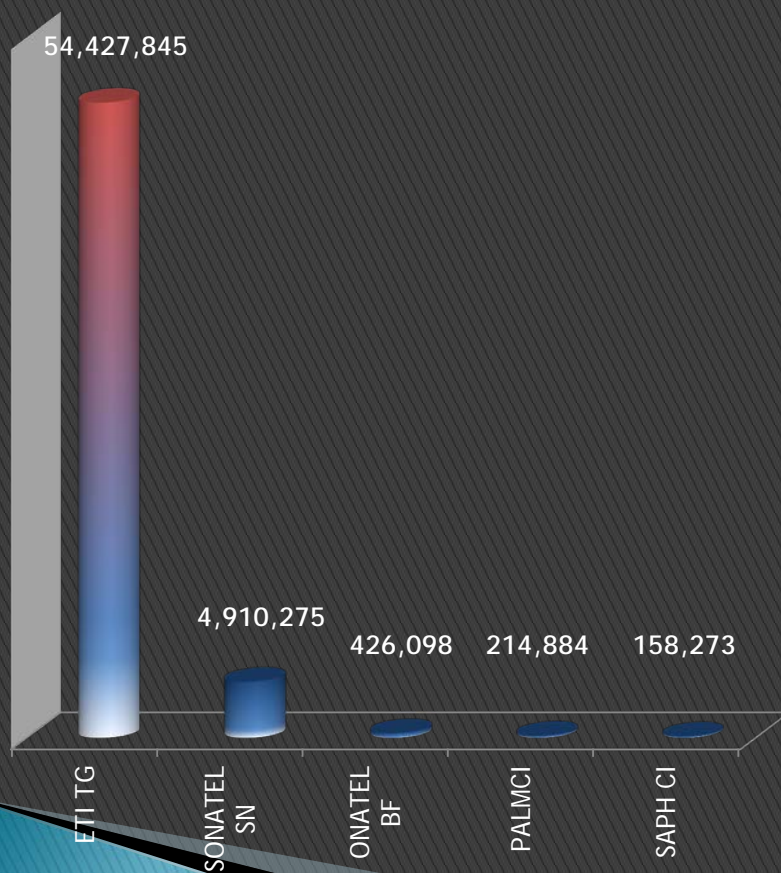




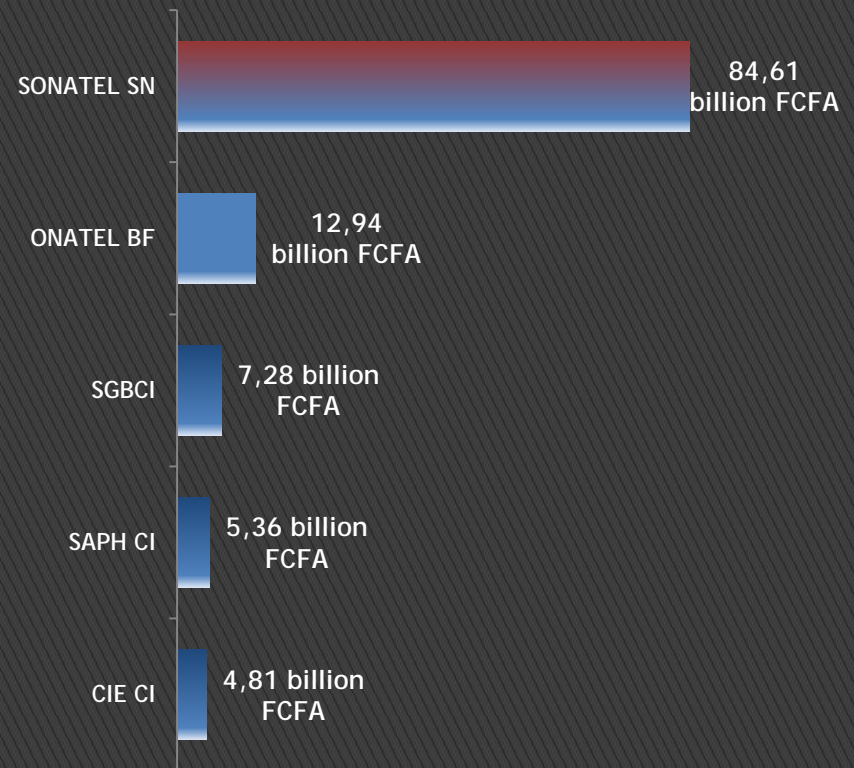
## 3 - BRVM recent development

### 3.2 Secondary market (5/6)

Most traded by volume in 2013

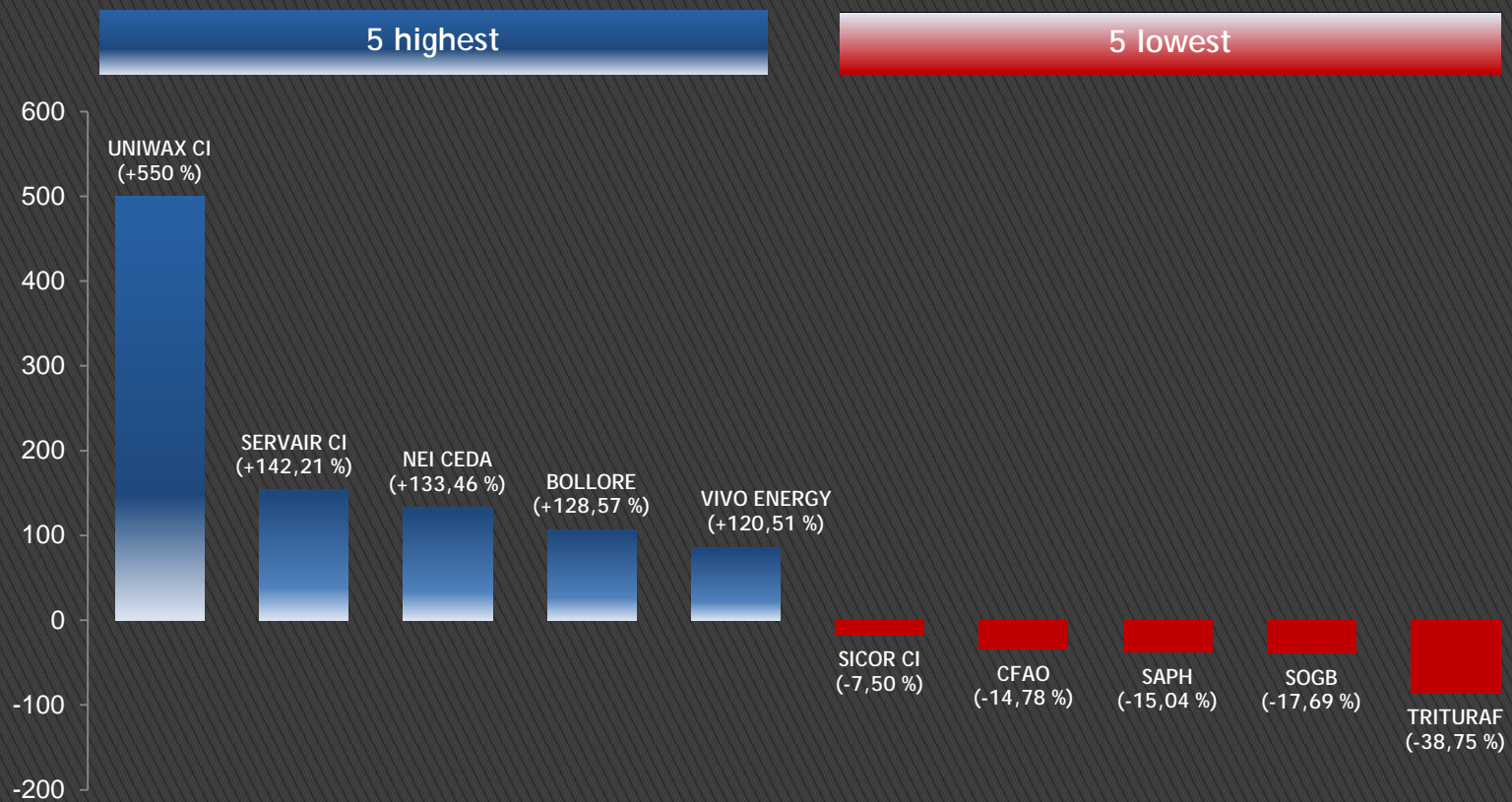


Most traded by value in 2013



## 3 – BRVM recent development

### 3.2 Secondary market (6/6)



## 4 – The Regional CDS Organization

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Dépositaire Central/Banque de Règlement of WAEMU

## 4 – The Regional CDS organization

- One CDS for 8 WAEMU countries.
- Operational since September 1998
- Fully demutualized CDS
- Provides Depository, Clearing and Settlement services to market brokers and custodian banks
- Manages equity and debt instruments
- Full member of ANNA covering 8 countries of WAEMU in 2013
- Efficient system that has greatly reduced risks:
  - Meets international standards
  - Securities are dematerialized (+ISIN numbers issuance)
  - DVP (T+3)
  - Net settlement of funds with central bank money
  - Settlement guaranteed through a Market Guarantee Fund
  - Participants settlement limit based on their contribution to the Guarantee fund.
  - Buy-in procedures in the event of securities settlement failure
- No failed trades until now.

# 5 – Regulatory framework of the Regional CDS

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Dépositaire Central/Banque de Règlement of WAEMU

## 5 – Regulatory framework of the Regional CDS

- ▶ The *Dépositaire Central/Banque de Règlement of WAEMU* Act 1998 provides the legal framework for the operations of the CDS.
- ▶ The object of the Act is “to provide regulation of a central, depository, clearing and settlement service in order to facilitate dealings in securities in the WAEMU.”
- ▶ The *Dépositaire Central/Banque de Règlement of WAEMU* is guided in its day-to-day management by the CDS Rules and Operational Procedures.
- ▶ The *Dépositaire Central/Banque de Règlement of WAEMU* is under the regulatory oversight of the Capital Markets Authority (Conseil Régional de l’Épargne Publique et des Marchés Financiers).

# 6 – The Regional CDS recent development

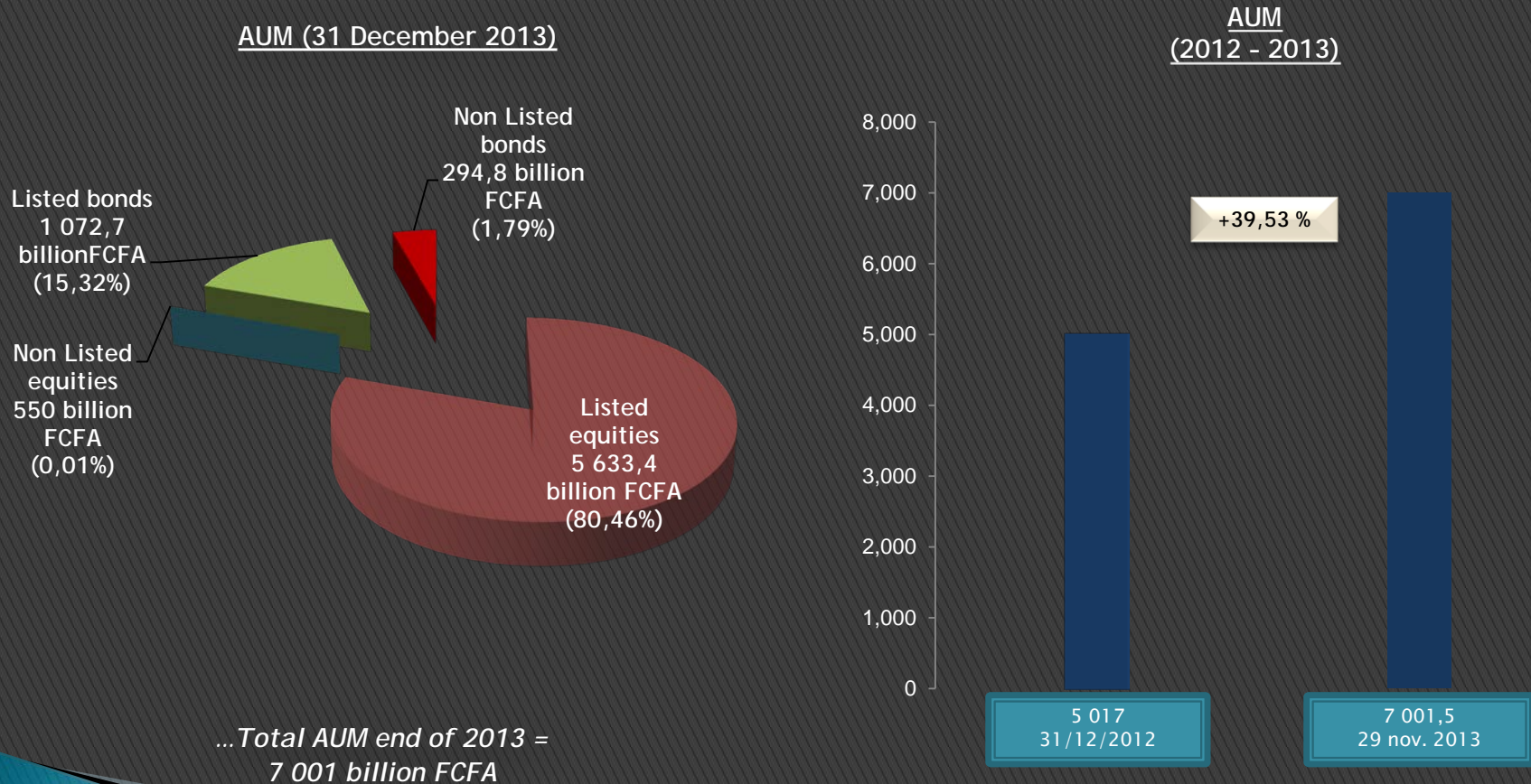
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Dépositaire Central/Banque de Règlement of WAEMU

## 6 – The Regional CDS recent development

### 6.1 CDS activities (1 / 2)

#### Assets under management in the CDS books at the end 2013

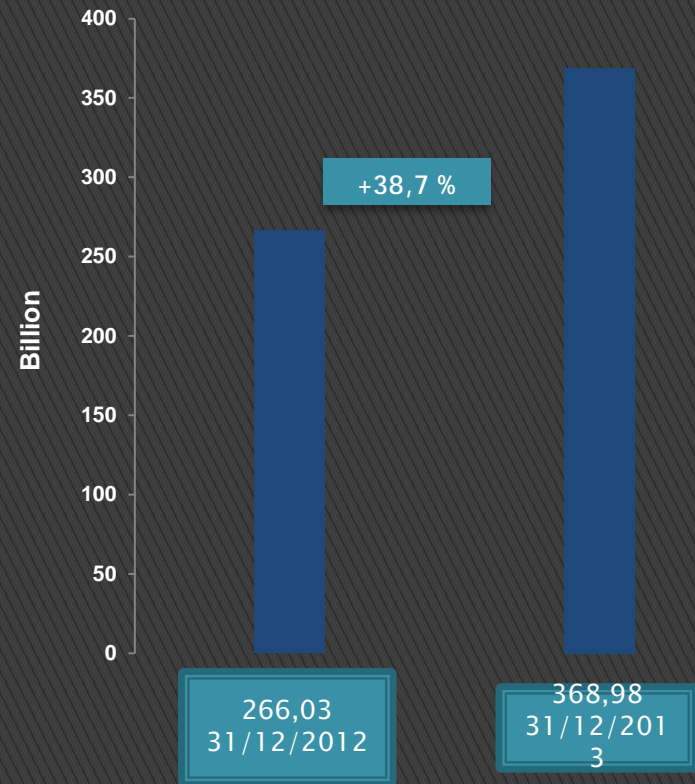
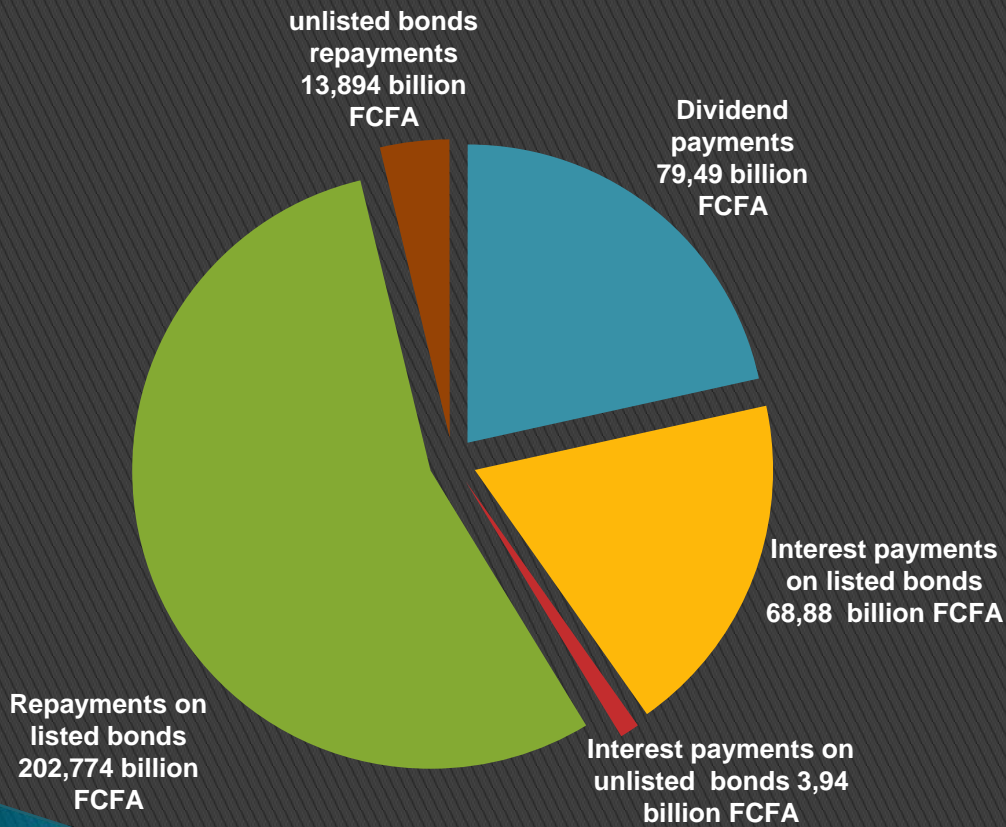




## 6 – The Regional CDS recent development

### 6.2 CDS activities (2/2)

#### Corporate actions end of 2013



- At the end of 2013, 368,98 were processed by the CDS.

## 6 – The Regional CDS recent development

### 6.3 CDS participants

Members			Total
Issuers	Listed equities	37	92
	Unlisted equities	2	
	Listed bonds	35	
	Unlisted bonds	18	
Brokers	Benin	4	21
	Burkina Faso	2	
	Côte d'Ivoire	10	
	Mali	1	
	Niger	1	
	Senegal	2	
	Togo	1	
Custodian banks			6
Total members			119

# 7 - 2014 Outlook

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## 7 – 2014 Outlook

Forecasting 2014 year, BRVM will engage in various projects to boots over the stock exchange.

- ❑ Focus on the listing of new companies in 1<sup>st</sup> and 2<sup>nd</sup> board
- ❑ Launch a 3<sup>rd</sup> board for SME's, growth enterprises and star ups
- ❑ Implement a new CDS system
- ❑ Draft a project for the implementation of Stock lending/borrowing
- ❑ The launch of the ECOWAS stock exchange integration project
- ❑ Signing of MOUs with the Private Equity Funds to build pipeline of new listing
- ❑ Signing MOUs with the Chambers of Commerce to leverage on their experience and database of companies to bring more companies in the market

**THANK YOU**