

## **Phil Mnisi: Statement - 44th meeting of the Bureau of the COMESA Committee of Governors of Central Banks**

Statement by Mr Phil Mnisi, Governor of the Central Bank of Eswatini and Chairman of the COMESA Committee of Governors of Central Banks, at the opening ceremony of the 44th meeting of the Bureau of the COMESA Committee of Governors of Central Banks, Ezulwini, 6 November 2024.

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- Hon. Chileshe Mpundu Kapwepwe, Secretary General of COMESA
- Distinguished Governors
- Distinguished Delegates
- Ladies and Gentlemen

It is my great pleasure to welcome you all to the beautiful Kingdom of Eswatini, a land of rich cultural heritage. I hope you have been well-received and have settled comfortably in preparation for our meeting. I encourage you to explore our stunning landscapes, vibrant communities, and historical sites that embody the spirit of our nation. I extend my gratitude to the Bureau's Experts for their invaluable work in the lead-up to today's meeting.

Today, we gather here not only to consider the performance and financials of our two institutions; the COMESA Monetary Institute (CMI) and the COMESA Clearing House (CCH), but also to reaffirm our commitment to the COMESA regional integration agenda. This agenda is crucial in fostering economic growth and stability across our member states, and one of the key pillars in achieving this is through financial and monetary cooperation.

- Distinguished Governors
- Distinguished Delegates

Central banks play a crucial role in this integration process. Economic convergence, policy coordination and central bank independence are topical issues that are already receiving our attention in our various countries as part of the goals towards a Monetary Union. As Central Banks, we have our work cutting across inflation control, fiscal discipline and debt management among others, in ensuring that we have sound monetary and fiscal policies.

We have our institution, the COMESA Monetary Institute, whose overall objective is to undertake all the technical, policy, statistical, institutional and legal preparatory work. The ultimate goal is that this work culminates into the COMESA Monetary Union. The institution has been carrying demand driven capacity building for Central Banks, research activities and workshops for the improvement of macroeconomic management and financial system stability.

The journey towards harmonizing monetary policies and fostering collaboration is a long one and if we achieve it, we can create a more resilient financial ecosystem that benefits all member states. Our collective efforts in monetary and fiscal policies, along

with training and capacity building, are essential in equipping our institutions to meet the challenges of a rapidly changing economic landscape.

As we navigate this evolving landscape, we must also address the changing payments environment. Central Banks' role in regional integration is evident in the efforts on trade facilitation through payment system modernization and financial inclusion tailored to our economic realities. The enhancements in cross-border payments are not just a necessity but an opportunity for us to streamline transactions and improve efficiency. CCH's mandate is to facilitate the settlement of trade and services payments amongst Member States.

The Regional Payments and Settlement System (REPSS) stands as a testament to our commitment to this cause. We currently have 9 Central Banks that are live on REPSS, and it is crucial that all our Central Banks use this platform to maximize its benefits and make it possible to open more trade markets within our region.

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- Distinguished Delegates

I am excited to share that we are on the verge of a significant upgrade to REPSS, including the mandatory migration to ISO 20022. I would like to extend my heartfelt gratitude to the Governors of Central Banks for their unwavering support in approving the funding for this crucial initiative. It is expected that an upgraded system will enable interoperability with other regional payment systems and bring much needed enhancements to REPSS

Interoperability is a key theme that has been emphasized at the level of the African Association of Central Banks as the continent seeks to make efficient use of existing payment channels and rails for cross border payments.

This will not only enhance our regional payment systems by ensuring seamless and effective communication, but it will also foster greater trust and collaboration among our member states. The issue of utilization of national currencies in our cross-border payments and settlement has become urgent and CCH is exploring ways to pursue this option.

Our meeting today will look into the activities of CMI and CCH as well as consider their financials and budgets for 2025. These institutions rely on us, and I urge all of us, as Central Banks, to support them even as we navigate the complexities of global financial systems and strive to support economic stability and growth.

As we look to the future, we must remain hopeful and pro active in our approach to digitization and cybersecurity. The advancements in technology present us with unprecedented opportunities to enhance our financial systems, but they also come with challenges that we must address collectively. By working together, we can create a secure and efficient financial environment that supports our regional integration goals.

- Distinguished Governors
- Deputy Governors
- Distinguished Delegates

In conclusion, I would like to once again extend a warm welcome to all of you. Let us embrace this opportunity to collaborate, share knowledge, and strengthen our bonds as we work towards a brighter future for our region.

I thank you all!