

# EXTRAORDINARY SUMMIT OF THE CENTRAL AFRICAN HEADS OF STATE ON THE ECONOMIC AND MONETARY SITUATION IN THE CEMAC ZONE

## COMMUNIQUE DECLARATION

YAOUNDE, 22 NOVEMBER 2019

At the invitation of His Excellency Paul BIYA, President-in-Office of the Republic of Cameroon, an Extraordinary Summit of Heads of State of Central Africa took place in Yaounde on November 22, 2019 at the Unity Palace.

The summit was aimed at examining the economic, financial and monetary situation in the CEMAC zone and analyzing the prospects of the economies of the Sub-region.

Ce Sommet avait pour objectif d'examiner la situation Economique, financière et monétaire dans la zone CEMAC et d'analyser les perspectives des économies de la sous-région.

The following took part in this meeting:

His Excellence Paul BIYA, President of the Republic of Cameroon;

His Excellency Faustin Archange TOUADERA, President of the Central African Republic;

His Excellency Denis SASSOU NGUESSO, President of the Republic Congo;

His Excellency OBIANG NGUEMA MBASOGO, President of the Republic of Equatorial Guinea;

His Excellency IDRIS DEBY ITNO, President of the Republic of Chad.

Mr. Julien NKOGHE BEKALE, Prime Minister of the Republic of Gabon; Representative of His Excellency ALI BONGO ONDIMBA, President of the Republic of Gabon;

The following also took part in these deliberations: Dr ADESINA AKINWUMI, President of the African Development Bank;

Prof. Daniel ONA ONDO, President of la Commission de la CEMAC ;

Mr. ABBAS MAHAMAT TOLLI, Governor of the Bank of Central African States (BEAC).

Addressing the items on the agenda, the Heads of State and Government went through the report of their peers, the PREF-CEMAC President, HE. Denis SASSOU NGUESSO, the special communication of the President of the African Bank and the BEAC Governor's report on the monetary and financial situation and prospects of the Sub-region.

Following these presentations, the Heads of State and Government broadly shared on the state of the economies of the CEMAC countries. They examined the results obtained following the implementation of the common exit strategy adopted in 2016. Then they analyzed the economic, financial and monetary prospects of the community in a global

context strongly marked by geopolitical tensions, uncertainties and difficult economic environment.

At the end of these discussions, the Heads of State and Government have:

1. Commended the overall recovery of the macroeconomic situation in the CEMAC zone marked by the return to positive economic growth, inflation control, and the strong reduction in budget and account deficits.
2. Noted with satisfaction the replenishment of the Community's foreign exchange reserves, thus making it possible to preserve the exchange rate at a fixed parity of common currency and to a monetary adjustment.
3. Commended the financial and technical contributions of the IMF, World Bank, African Development Bank, European Union and France, which have significantly taken part in the success of the CEMAC economic recovery programme.
4. Reiterated their full support for the resolute pursuit of the implementation of the relevant measures adopted in favour of a sound budgetary policy, an appropriate monetary policy and strengthened international co-operation, conducive for a rapid economic recovery.
5. Renewed their solidarity commitment to make CEMAC an emerging economic environment through the acceleration of the realization of integrated infrastructures necessary for the promotion of inclusive economic and social development.
6. Decided to pursue institutional reforms and the implementation of appropriate measures within the BEAC. It should contribute to sustainable effective monetary policies, judicious, concerted, rigorous and improved application of the Community's foreign exchange regulations, the preservation of financial stability and the consolidation of the CEMAC zone banking system.
7. Examining the monetary question specifically, the Heads of State and Government reaffirmed their desire to have a stable and strong common currency. With particular regard to monetary cooperation with France, on the CFA franc, they decided to engage in a deeper reflection on the conditions and framework of a new cooperation. To this end, they have instructed the CEMAC Commission and the BEAC to propose, within a reasonable period of time, an appropriate scheme leading to the evolution of the common currency.
8. Renewed their commitment to pursue in an orderly manner the budgetary consolidation in each State for a controlled return to sound management of public finance.
9. Underscored the need to ensure, with the technical and financial support of development partners, an appropriate treatment of payment arrears and to pay particular attention to the impact of security spending on States public finances.
10. Notes the need to preserve the sustainability and viability of public debt by giving priority to concessional financing and by promoting public-private partnerships for the implementation of infrastructure projects.

11. Renewed their commitment to a united, coherent and concerted approach in the drafting, in agreement with the technical and financial partners, of new cooperation frameworks at the end of the first-generation economic and financial programs supported by an IMF Credit Facility Extension.
12. Called on all development partners to improve on the mobilization financial resources in order to achieve the goal of the structural transformation of economies towards greater industrialization.
13. Reaffirmed their commitment, as well as their determination to improve the business climate in the CEMAC zone through major structural reforms, in order to promote private investment, diversify their economies to make them stronger, more resilient and more competitive.
14. Agreed to accelerate the strengthening of integration to develop intra-community trade and prepare CEMAC to make the most of the African Free Trade Area.
15. Decided to strengthen consultations and joint actions in the face of the many security challenges related to international terrorism as well as the various destabilizing attempts of the established order within the community.
16. Commended the African Development Bank for the remarkable success of the 7<sup>th</sup> capital increase to 125% and expressed their support for the strategic action plan of this multilateral financial institution for the development of African countries

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At the end of the work that sanctioned the Extraordinary Summit, the Heads of State and Government commended the African Development Bank, the IMF, the World Bank and France for their participation in this Summit. Finally, they expressed their deep and fraternal gratitude to His Excellency Paul BIYA, President-in-Office of CEMAC, President of the Republic of Cameroon, for the great initiative to convene the Summit and its successful organization. The deliberations of the Extraordinary Summit of Heads of State and Government of Central Africa on the economic, financial and monetary situation in the CEMAC zone, took place with a serene, mutual and cordial atmosphere.

Done in Yaounde, on the 22<sup>nd</sup> of November 2019

For the Heads of State Summit

Paul BIYA President of the Republic of Cameroon