

**NATIONAL ECONOMIC AND
FINANCIAL COMMITTEE**

REPUBLIC OF CONGO

Ordinary Session of July 14, 2021

PRESS RELEASE

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The National Economic and Financial Committee of Congo (**CNEF Congo**) met in ordinary session on July 14, 2021, in the premises of the National Directorate of the Bank of Central African States in Brazzaville, under the chairmanship of Mr **Rigobert Roger ANDELY**, Minister of Finance, Budget and Public Portfolio. Also took part in this meeting, Mrs **Ingrid Olga Ghislaine EBOUKA BABACKAS**, Minister of Economy, Planning, Statistics and Regional Integration, Mr **Bruno Jean Richard ITOUA**, Minister of Hydrocarbons and by Visio Conference, Mr **ABBEAS MAHAMAT TOLLI**, Governor of the Bank of Central African States.

Mr **Michel DZOMBALA**, Secretary General of the National Economic and Financial Committee, mentioned the points on the agenda.

During this meeting, the CNEF mainly examined: **i)** the recent national economic and monetary situation and its short-term prospects, in the light of the evolution of the international and sub-regional environment and of the forecasts made by the BEAC services, **ii)** the various methods of financing the Congolese economy, **ii)** the status of projects carried out by the General Secretariat of the CNEF and **iv)** the draft annual report of the CNEF for the year 2020.

Internationally, the Committee noted that the global economic situation remains marked by increased uncertainty linked to the resurgence of the Covid-19 pandemic, with the emergence of new variants (Indian and British). This situation has led Governments to speed up the vaccination campaigns initiated. However, in conjunction with the accommodative stance of the monetary policies of the main

central banks, some large economies have seen an improvement in their level of economic activity.

Regionally, the Committee noted that the resumption of activities remains dependent on the evolution of the pandemic. However, in connection with the recovery of economic activity at the global level, we would observe an attenuation of the economic recession of + 1.3% in 2021, after -6.0% in 2020.

Nationally, the committee noted that the Congolese economy would behave better in 2021, even if it remains in a slight recession at -0.5%, after -6.0% in 2020, thanks in particular to the recovery in the non-oil sector. In addition, the Committee noted that the monetary situation at the end of 2021, compared to the same period of the previous year, would show: **i)** a contraction of 40.5% of foreign assets, to 332.6 billion; **ii)** a 2.5% increase in credits to the economy, to 1151.9 billion; **iii)** virtual stagnation of the money supply, to 2145.1 billion.

Examining the main **methods of financing the national economy**, the Committee noted the following developments as at April 30, 2021: **i)** a 16.7% increase in gross loans which mainly benefited the private sector: **ii)** a decrease of 16, 2% of overdue debts; and: **iii)** a strong increase in volume (+ 70%) and in value (+ 571.0%) of the amounts raised by the Congolese public treasury on the CEMAC Treasury securities market between 2018 and 2021, particularly on the Compartment of Assimilable Treasury Obligations (OTA).

Moreover, taking note of **projects carried out by its Secretary General** as part of the deepening of the financial sector, the CNEF was delighted with the level of progress of the process of adoption of texts on factoring and leasing for the next adoption by the competent authorities.

The Committee adopted the CNEF Report, 2020 edition, and took note of the decisions taken by the various bodies of CEMAC, BEAC and COBAC.

Finally, although Congo has shown relative resilience in the face of the pandemic, the Committee supports the Government's programme to intensify vaccination to counter the new variants./

Done in Brazzaville, on 14 July 2021

Le Président,

Rigobert Roger ANDELY