

**EXTRAORDINARY VIRTUAL SUMMIT
OF HEADS OF STATE OF THE CENTRAL AFRICAN ECONOMIC
AND MONETARY COMMUNITY (CEMAC)
(18 August 2021)**

Theme: **"Assessing the Macroeconomic Situation of CEMAC
amid the COVID-19 Pandemic and Analyzing Recovery
Measures"**

**OPENING SPEECH BY H.E. PAUL BIYA,
PRESIDENT OF THE REPUBLIC OF CAMEROON,
CURRENT PRESIDENT OF CEMAC**

Yaounde, 18 August 2021

- Fellow Presidents and Dear Brothers;
- The Prime Minister of the Congo;
- The Managing Director of the International Monetary Fund;
- The President of the World Bank Group;
- The President of the African Development Bank Group;
- The President of the CEMAC Commission;
- The Representative of the Minister of Economy and Finance of the French Republic;
- Distinguished Guests;
- Ladies and Gentlemen,

Today's meeting is the first of its kind since the tragic death of the President of Chad, our brother, the late Marshal IDRIS DEBY ITNO. Once again, I would like to pay tribute to him. His exceptional pan-African commitment, his remarkable advocacy for our Community and his crucial role in sub-regional integration left a deep impression on us all.

- Fellow Presidents and Dear Brothers;
- Distinguished Guests;
- Ladies and Gentlemen,

Due to the COVID-19 pandemic and its many constraints, I am obliged to welcome you virtually to Yaounde. I wish you all a very warm welcome to this Extraordinary Summit of CEMAC Heads of State and Government. I acknowledge the presence of Special Guests from the IMF, the World Bank, the African Development Bank and France. Your constant support for CEMAC is a major asset, especially in this context of the fight against a serious global health crisis.

Indeed, the crisis has caused human, economic and social consequences with unprecedented impact worldwide. The global 3.3% recession recorded in 2020 did not spare our countries. Extreme poverty and vulnerabilities have suddenly resurfaced in our sub-region.

Achieving the 2030 Sustainable Development Goals is now in serious jeopardy.

Nevertheless, I wish to commend our joint response to this new crisis. Despite the shortcomings of our health systems and infrastructure, we have succeeded, overall, in containing the over-spreading of the coronavirus, thus saving many lives.

However, we must remain vigilant and mobilized, for this rapidly changing health crisis is still around. Together, we must resolutely continue the crucial phase of the fight against this virus through vaccination. Africa needs broad and equitable access to the vaccine. Indeed, how can we achieve herd immunity with less than 5% of our citizens currently vaccinated?

I hereby wish to acknowledge the work of our development partners since the outbreak of the pandemic. Indeed:

- The IMF, the World Bank and the African Development Bank have provided emergency funding for our various response plans;
- The Debt Service Suspension Initiative for our countries has eased the strain on our public finances;
- The IMF allocated US\$650 billion in new Special Drawing Rights (SDRs);

- The significant amount of cash made available strengthens our ability to respond to the health crisis and enables economic recovery.

Furthermore, in line with the recommendations of the 18 May 2021 Paris Summit on the financing of African economies, and the recent Abidjan Summit, we urge countries with satisfactory reserves to agree to a partial reallocation of their SDRs to African countries. This would increase the cash flow in all our countries by at least US\$100 billion.

Our States support the 15 July 2021 Abidjan Declaration for a replenishment of IDA-20 resources at the end of 2021. Indeed, the International Development Association's assistance in Africa plays a decisive role, and should contribute considerably in the post-COVID-19 reconstruction of our economies, which have been severely affected by the pandemic.

- Fellow Presidents and Dear Brothers;
- Distinguished Guests;
- Ladies and Gentlemen,

We expressed great satisfaction during the November 2019 assessment of the implementation of our Economic and Financial Reform Programme (PREF-CEMAC), backed by our financial partners.

We lauded the return to 2.1% growth that year and the replenishment of our foreign exchange reserves to a level compatible with the exchange rate regime of our common currency.

Unfortunately, the onset of the COVID-19 pandemic brought about a deterioration of the macroeconomic and

fiscal balances. The trends in our foreign exchange reserves have declined. Our regional integration has had insufficient knock-on effects on intra-community trade. The weak structural diversification of our economies and the extraversion of our development models have limited our capacity to react.

It should also be noted that security crises and climate change-induced vulnerabilities are serious threats to our sustainable development process.

This is why it is more than urgent for us to speed up the implementation of structural reforms in order to regain economic vitality. We also need to improve the business climate to enable the private sector become more involved in growth revival.

This Summit will avail us the opportunity for a collegial review of all these undeniably pressing issues.

Therefore, with the same determination as in the past, we must continue to restore the macroeconomic and fiscal balances of our public finances. Our monetary policy must also remain directed towards strong external stability within the framework of stronger international cooperation. This is a precondition for the credibility of our exchange rate regime.

The trends in our public debt and the challenges of sustainability call for more rigorous and more transparent management, in line with the requirements of good governance.

Together, we initiated ambitious structural reforms on all these issues, with the technical and financial support of our development partners. However, in view

of the results obtained, which are mixed and further weakened by the current health crisis, the speed and scope of implementation of the reforms should be reviewed.

These, to me, are the challenges facing us once again.

To overcome such challenges, we have, as in 2016, one major asset: OUR SOLIDARITY. It enabled us to take concerted, coherent and effective action within our Community. This time again, we can show such solidarity and forge ahead towards a structural transformation of our economies. Indeed, our industrialization is the main guarantee of our sustainable inclusive development, capable of demonstrating greater resilience in the face of possible exogenous shocks.

I remain convinced that this Summit will result in the adoption of relevant measures likely to keep our sub-region on the path of its economic and social emergence.

In solidarity, and with the help of our partners, we will meet today's challenges. Such is the expectation of our fellow citizens. And, above all, such is our duty. Let us strive to live up to this ambition.

Thank you.