



# PROJETS INTÉGRATEURS CEMAC

16 & 17 NOVEMBRE 2020 - PARIS

## FINAL PRESS RELEASE

### ROUND TABLE FOR THE FINANCING OF CEMAC INTEGRATION PROJECTS –

PARIS, 16 & 17 NOVEMBER 2020

Organized by the Economic and Monetary Community of Central Africa (CEMAC) under **the very high patronage of HE Mr. Denis SASSOU N'GUESSO, President of the Republic of Congo, President dedicated to the Economic and Financial Reform Program of CEMAC (PREF -CEMAC)**, represented by **HE Mr. Clément MOUAMBA**, Prime Minister, Head of Government of the Republic of Congo, the round table on the mobilization of funding for integration projects of CEMAC was held on November 16 and 17, 2020 in Paris.

Given the situation of the COVID-19 pandemic, this round table took place both in person and by videoconference. The members of the governments of the CEMAC States, representatives of the French Government, the heads of community institutions, representatives of international Institutions, donors and private investors were present at the round table. **Four hundred (400) other people participated by videoconference.**

The event was marked by five key moments: the opening ceremony, the detailed presentation of the projects, the testimonies on the successes of PPPs in Africa and the possibilities of financing integration projects by Islamic Finance, B to B meetings, and the announcements from partners and donors.

**The opening ceremony was punctuated by six addresses.**

The first was delivered by **Prof. Daniel ONA ONDO, President of the CEMAC Commission** in which he recalled the investment opportunities in the CEMAC zone and the importance of the implementation of integration projects for the strengthening of regional integration and accelerated diversification of economies.

**Mr. Fortunato OFA MBO NCHAMA, President of BDEAC**, reaffirmed the commitment of his institution to contribute to the funding of integration projects through direct intervention and mobilization of its strategic partners. He also recalled the advantages and opportunities that Central Africa offers in terms of profitability of investments, and invited the technical and financial partners to take part in the financing and implementation of the integration projects.

In his intervention, **Mr. Solomane KONE**, acting **Director General of the Central Africa Region, on behalf of the President of the African Development Bank Group, Dr. Akinwuni ADESINA**, welcomed the initiative of organizing the round table and noted the alignment of the integration projects with the intervention strategy of his institution.

For the **World Bank, Mr. Ousmane DIAGANA, Vice-President for West and Central Africa**, reassured the CEMAC states of the Bank Group's commitment to support them in the implementation of these projects, and urged the other partners to join in this process.

On behalf of the President of the **African Union Commission, Mr. Victor HARISON, Commissioner for Economic Affairs**, noted that the implementation of integration projects in the CEMAC zone will undoubtedly contribute to the effectiveness of the African Continental Free Trade Zone (ZELCAF) implementation.

Opening the proceedings, HE Mr. **Clément MOUAMBA, Prime Minister, Head of Government of the Republic of Congo**, welcomed all the guests and participants on behalf of HE **Mr. Denis SASSOU NGUESSO**, President of the Republic of Congo, and also expressed his gratitude and that of all the populations of the CEMAC zone towards the French people and their authorities who, despite the international environment marked by the COVID-19 pandemic, have exceptionally agreed to authorize the organization of this meeting on French territory.

The Prime Minister then recalled the main objective of this round table which is to mobilize traditional technical and financial partners, donors and private investors to provide funds and expertise for the realization of eleven (11) integration projects in the CEMAC zone. He also presented the potential of the CEMAC countries, while specifying that the subregion still faces challenges that slow its progress towards emergence, in particular a blatant deficit in the field of infrastructure. The economic and social development of the various member countries of CEMAC, which remains dependent on these vital infrastructures, suffers enormously, he added. He closed his remarks by adding that the funds mobilized during this round table will allow the countries of the CEMAC zone to pursue an optimized, structured and effective global development action, to accelerate the economic growth of the region, significantly reduce poverty, and promote regional integration.

Addressing the project presentation phase, the Ministers of the CEMAC countries made detailed presentations on the eleven projects, indicating the content, objectives, financial evaluations, funding methods and expected results of each project.

**The eleven integration projects relate globally to: (i) the facilitation of transport and trade, (ii) the production and interconnection of electricity and communications networks, (iii) the common market and economic diversification, and (iv) human capital.**

**The total cost of the eleven integration projects is estimated at 4,074.64 million euros. Of this amount, 709.92 million euros, i.e. 17.42% of the total cost, had been mobilized before the round table. The funding sought amounts to 3,364.72 million euros, i.e. 82.58% of the total cost.** The Technical and Financial Partners, regional organizations, donors and private investors have undertaken to finance and participate in the implementation of all these projects, which will be carried out over five years (2021-2025).

It was recalled that the direct beneficiaries of these projects are the states, the local authorities and the populations of the direct and extended areas of influence. These actors were involved in all phases of project formulation, preparation and appraisal as well as in technical, economic, social and environmental studies which made it possible to frame the conditions for carrying out said projects.

With regard to testimonials on the realization of projects and the implementation of PPPs in Africa, private and public investors as well as consulting firms, **OLAM, SOGEA-SATOM, STOA, MERIDIAM and FIDAL**, shared their experiences of carrying out the projects in PPP mode in Central Africa and expressed their interest and availability to support the subregion in the implementation of integration projects.

**The Islamic Bank** also made a communication on Islamic finance (sukuk) as a source of financing for structuring and integration projects.

As part of the B to B meetings: (i) the Ministers discussed the specific characteristics of certain projects with the donors, (ii) the BEAC with the investors on the issue of foreign exchange regulations and the financial environment in the CEMAC, and (iii) BDEAC with donors for details on their intentions and funding methods.

During the session dedicated to partner statements and announcements, three types of announcements were made:

## i) Funding acquired:

- **Afrximbank** has committed to provide funding amounting to one billion euros for the following projects: (i) Construction of a bridge over the Ntem river (including road connections), and facilitation of transport and road safety on the transnational Kribi-Campo-Bata road linking Cameroon and Equatorial Guinea, (ii) Construction of the missing sections of the Ndende-Dolisie road of the Libreville-Brazzaville corridor, (iii) Construction of the Kogo- road Akurenam (South-East Equatorial Guinea-Gabon), (iv) Chollet hydroelectric development and power lines (Cameroon / Congo / Gabon / RCA), (v) Construction of the Beloko dry port (Douala-Bangui corridor), and (vi) Construction of the dry port of Dolisie.

- **BDEAC** has undertaken to provide funding for a total amount of 471 million euros for the following projects: (i) Construction of a bridge over the Ntem river (including road connections) and transport facilitation, (ii) construction of the Lolabe-Campo expressway between Cameroon and Equatorial Guinea, (iii) Construction of the missing sections of the Ndende-Doussala-Dolisie road of the Libreville-Brazzaville corridor, (iv) Construction of the Kogo-Akurenam road (South-East Equatorial Guinea-Gabon), (v) Development of the Brazzaville-Ouessou-N'Djamena corridor, and (vi) interconnection of the fiber optic network between Cameroon and the other CEMAC countries.

- **The African Development Bank** has pledged to provide funding totaling one billion euros, including 470 million euros already available relating to the following projects: (i) Construction of a bridge over the Ntem river (including road connections), and facilitation of transport and road safety on the transnational Kribi-Campo-Bata road linking Cameroon and the Equatorial Guinea, (ii) construction of the Lolabe-Campo expressway between Cameroon and Equatorial Guinea, (iii) Construction of the missing sections of the Ndende-Dolisie road of the Libreville-Brazzaville corridor, and (iv) interconnection of electricity networks Cameroon-Chad.

- **The World Bank** has agreed to provide funding for a total amount of 385 million dollars, already committed for the following projects: (i) Chollet hydroelectric development and power lines (Cameroon / Congo / Gabon / RCA) and (ii) interconnection of the fiber optic network between Cameroon and the other CEMAC countries.

- **SX CAPITAL HOLDINGS** has undertaken to provide funding for a total amount of 2 million euros for the construction project of the Interstate University (Cameroon Congo).

## ii) Funding awaiting finalization:

The following donors and partners have indicated which projects they are interested in, particularly in axes 2 and 3, and have requested additional details to refine their intentions: JMC Projects (India), STOA, Islamic Development Bank and OLAM.

## iii) Expressions of interest:

The following donors and partners have expressed their interest in funding without specifying the amounts to be committed:

- Scandinavian Chamber of Commerce
- SOGEA-SATOM
- BADEA – OLAM

**The Scandinavian Chamber of Commerce** has announced the mobilization of a credit line of one billion euros from the Nordic funds in favor of **BDEAC** for the financing of projects and a 13% equity investment in the capital of said institution.

To ensure better efficiency of projects for the benefit of the populations, the need for states to accelerate economic reforms and improve the business climate was reminded.

**The total amount of funding mobilized for this round table amounts to 3.8 billion euros. The financing of 8 integration projects out of the 11 presented has been fully completed.** To monitor the mobilization of resources and the implementation of integration projects, it was decided to set up a tripartite committee: CEMAC Commission, BDEAC and PREF-CEMAC.

The announcement of contributions from donors and investors was concluded by the thanks of the Ambassador of the French Republic to the organizers for choosing the French capital to host the round table. Encouraging the states and the CEMAC Commission to continue the efforts undertaken to make the different national economies more attractive and competitive, he reiterated France's commitment, in the continuity of its multifaceted support to the member states and the community institutions of CEMAC, to support them in the implementation of economic reforms and regional integration aimed at the structural transformation of the community space.

Concluding the workshop, the President of the COPIL of PREF-CEMAC thanked the French high authorities, and conveyed, on behalf of the heads of state of CEMAC, all the acknowledgment of the people of Central Africa to His Excellency Mr. **Emmanuel MACRON**, President of the French Republic, for the ongoing support of France to the CEMAC States.

He also thanked the traditional technical and financial partners, in particular the African Development Bank, who supported CEMAC in the preparation and organization of this round table. These thanks also go to the **World Bank, the International Monetary Fund, the European Union, the African Union, the United Nations** and other partners, who have regularly contributed to the completion of major infrastructure and development projects in our subregion. He welcomed the interest of the Nordic funds, which for the first time have expressed their intention to support the countries of the subregion in the implementation of integration projects.

He warmly congratulated all the people who, in one way or another, have actively worked for the realization of this important round table in the difficult context of COVID-19.

Finally, he thanked the Permanent Secretary of PREF-CEMAC and all his staff for the quality of the work accomplished