

Extraordinary General Assembly
Central African Employers' Union
(UNIPACE)

FINAL DECLARATION

We, representatives of the employers' organizations members of Central African Employers' Union (UNIPACE) - Confédération Patronale Gabonaise (CPG), Conseil National du Patronat Tchadien (CNPT), the Cameroon Employers' Organisation (GICAM), Union Patronale et Interprofessionnelle du Congo (UNICONGO), Groupement Interprofessionnel de Centrafrique (GICA)-, meeting in extraordinary general assembly at the headquarters of GICAM in Douala, Cameroon, on July 30, 2019, under the chairmanship of Mr. Célestin TAWAMBA, President of UNIPACE.

Taking into account the difficult economic situation of CEMAC stemming from the fall in the price of oil and the collapse of the prices of other commodities, which manifested by a worsening of national balance of payments deficits and a significant decrease in foreign exchange reserves;

Noting with interest the economic recovery efforts undertaken by our States under the Economic and Financial Reform Program of CEMAC (PREF-CEMAC) set up with the IMF in July 2016, and structured around five pillars: budgetary policies, monetary policies and financial system, structural reforms, regional integration, international cooperation;

Concerned about the threats to the activities and operations of companies due to the scarcity of foreign exchange, which results in: (i) much longer turnaround times, which went from 3 days to 2 weeks minimum, or even several months, (ii) additional costs for companies in terms of rates of transfer fees and purchase of foreign currency, as well as various bank fees, (iii) longer and more complex procedures, (iv) a considerable lengthening of the payment periods;

Noting the easing measures taken by the BEAC as part of the implementation of the new exchange regulations and announced at the meeting of 4 July 2019 in Douala, particularly: (i) the processing of transfer requests regardless of the external situation of the bank, (ii) the information of the economic agents on the fate of their request by the BEAC, (iii) the requests from employers'

organisations and importers by the BEAC to inquire about pending transfer requests, (iv) clearance of correspondent accounts of banks, (v) retrocession by banks, no longer of 100%, but of 70% of the currencies of all transactions, enabling banks to have a liquidity buffer for the execution of current operations, (vi) the establishment of a mechanism to monitor the application of the new regulations between employers' organisations and BEAC, etc.

Noting that the implementation of these measures at the level of the non-oil sector is contrasting on the one hand with the visible and encouraging improvements in the implementation of transfers in Cameroon and Gabon and, on the other hand, little progress in the Congo, Chad, and Central;

Noting that the fact that certain provisions of the exchange regulations do not take into account the specificities of the operations of the oil and mining sectors;

Conscious of the fact that overcoming the crisis and, basically, ending the economic vulnerability and the profound transformation of the CEMAC economies, require a strong private sector, as a drive for investment, growth and wealth creation as well as national employers' organizations and a regional employers' organization "Forces de propositions".

We have agreed on the following:

- 1- The measures announced and taken by the BEAC go in the right direction, they reflect the desire for a quick return to normal in the execution of transfers;
- 2- We ensure the effective implementation of measures announced and aimed at improving the traceability of transactions between the BEAC, commercial banks and economic operators;
- 3- We call for an urgent consultation between BEAC and operators of the Oil and Mining sectors, with the aim of finding answers to the specific problems of these sectors of activity before September 1st, date of the implementation of the new regulation within them;
- 4- We welcome the efforts undertaken on both sides and we commit ourselves to maintaining contact with the Monetary Authorities in order to bring to their attention on a regular basis the problems facing the private sector of the sub region.

In addition, we take note of the initiative taken within ECOWAS to create a common currency within it, which reflects the political will to create optimal conditions for the advent of a dynamic and viable sub regional market.

At the same time, we welcome the fact that the Central African CFAF XAF meets the expectations of stability and the fight against inflation in a difficult environment, and we encourage the States to promote a regional dynamic extended to ECCAS, in which will be undertaken an approach aimed at the establishment of a common currency adapted to the requirements of a successful economic integration.

We mandate the President of UNIPACE to ensure, on our behalf, the follow-up of these different recommendations with the competent authorities.

We express our profound gratitude to GICAM and its leaders for their warm hospitality and the excellent organization of our work.

Done in Douala, on the 30th July 2019