

BANK OF CENTRAL AFRICAN STATES



ANNUAL REPORT
2017

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LIST OF ACCRONYMS AND ABBREVIATIONS

AMCP	: African Monetary Cooperation Programme
CAR	: Central African Republic
CIEA	: Composite Index of Economic Activities
DGCG	: Directorate General for General Control
DIPG	: Directorate for Investment, Wealth Management and Administration
DPRAI	: Risk Prevention and IT Audit Department
DPSBCG	: Department for Strategic Planning, Budgeting and Management Control
DSX	: Douala Stock Exchange
ECB	: European Central Bank
EONIA	: Euro OverNight Index Average
EURIBOR	: Euro Interbank Offered Rate
ECF	: Extended Credit Facility
FED	: Federal Reserve System
GRAINE	: Gabonese Agricultural Achievements and Initiatives of Committed Citizens programme
HIPCI	: Heavily Indebted Poor Countries Initiative
IMF	: International Monetary Fund
IMA	: Investment Management
IOSCO	: International Organization of Securities Commissions
ITB	: Institute of Banking Techniques
MFI	: Microfinance Institution
MSRC-AC	: Sub-Regional Coordination Mechanism for United Nations System Support - Central Africa
MUCODEC	: Congolese Savings and Loans Scheme
OECD	: Organisation for Economic Co-operation and Development
OPEC	: Organisation of Petroleum Exporting Countries
OTA	: Assimilable Treasury Bond
PDRH	: Human Resource Master Plan
PI	: Investment Portfolio
PNG	: Overall Net Position
PSB	: Central Bank Strategic Plan
PT	: Trading Portfolio
PR	: Penalty rate
REER	: Real Effective Exchange Rate
SADC	: Southern African Development Community
SDM	: Trading Room
SDR	: Special Drawing Rights
SIFI - JA	: International Finance and Investment Company - Jeune Afrique
SME	: Small and Medium-Sized Enterprise
SVT	: Primary Dealer
SYGESBEAC	: BEAC Management System
SYGMA	: Automated Gross Amount System
SYSCOBEAC	: Accounting System of the Bank of Central African States

SYSTAC	: Central African Telecompensation System
TCM	: Minimum Credit Rate
TEG	: Annualized percentage rate
TIAO	: Auction rate
TIMP	: Weighted-average Interbank Rate
TIPP	: Repurchase Agreement Interest Rate
TISPP	: Interest Rates on Public Investments
UGRIF	: Financial Institutions Reform Management Unit
VAR	: Vector Autoregressive
WAEMU	: West African Economic and Monetary Union

MAP OF MEMBER STATES OF THE ECONOMIC AND MONETARY COMMUNITY OF CENTRAL AFRICA (CEMAC)



THE GOVERNOR'S ADDRESS



The Governor of BEAC

The economic situation of countries within the Economic and Monetary Community of Central Africa (CEMAC) greatly improved in 2017, after a slight recession in 2016 as a result of the fall in commodity prices on the international market, especially crude oil, which is the main export of the Sub-region. Hence, strengthening the macroeconomic sector through vigorous and concerted action of Member States and Community institutions, including the Central Bank, made it possible to contain the drop in foreign exchange reserves.

This performance was especially achieved in an international context characterized by the consolidation of global economic growth, the quest for accommodating monetary policies in most developed countries, the resurgence of inflationary pressures, and the general spike in stock market indices in major financial markets, following the improvement in macroeconomic performance.

Overall, the sub regional economy is gradually stabilizing its economic activities, thus easing inflationary pressures, reducing government and external current account deficits, and ensuring the availability of liquidity in the banking system.

In line with the measures prescribed during the Extraordinary Summit of CEMAC Heads of State that held in Yaoundé on 23rd December 2016, which aimed at ensuring

monetary and financial stability, BEAC tightened its monetary policy on 22nd of March 2017, increasing its policy rate by 50 percentage points to 2.95%. In addition, in view of reversing the downward trend in foreign exchange reserves and redressing the short- and medium-term external sustainability of CEMAC, several relevant measures were taken, many of which were implemented in 2017.

These measures particularly included gradual reduction of excess bank liquidity, in a bid to step down the pressure on reserve assets, revitalizing the interbank market and optimizing liquidity management, reinforcing monitoring of outgoing transfers and external positioning, encouraging capital markets, especially those of negotiable securities (TCN) and public bonds, and reducing the occurrence of credit risk by improving the quality of information within the CEMAC region. A final measure taken was the definite suppression of statutory advances to Member States, which is now engraved in the Statutes of the Central Bank, as well as the freezing of assistance to Public Treasuries contributed for the same purpose.

From the first half of the year, these actions greatly slowed down the drop in foreign exchange reserves of the Central Bank. As a contribution to this strategy aimed at ending the crisis, CEMAC Member States, among other things, made substantial fiscal adjustments within the framework of the economic programmes undertaken with the IMF. The budgetary assistance obtained within the framework of these programmes allowed for growth in foreign exchange reserves, whose level at the end of 2017 was higher than that of the previous year.

Ultimately, though it is true that at the end of 2017 CEMAC had regained steady growth while preserving the internal and external value of its currency, the economic situation of the Sub-region still remained somewhat shaky. As such, it must be consolidated by speeding up macroeconomic and structural reforms.

The continuous effort towards ensuring financial equilibrium, the best transmission method for its monetary policy and the introduction of its 2017-2020 strategic plan will help place the Community's Central Bank at the heart of the modernization and development drives of the various CEMAC economies for sustainable and inclusive growth.



ABBAS MAHAMAT TOLLI

THE YEAR 2017 AT A GLANCE

In 2017, global economic growth was sustained, in relation with the trend observed in Europe, Japan, China and the United States. In addition, we equally observed (i) easing of monetary policy in most developed countries, (ii) the implementation of an economic policy to support activity in China, and (iii) a budgetary expansion in the United States. As a result, global growth rate rose from 3.2% in 2016 to 3.8% in 2017. In correlation with this evolution of global economic activity, exchange of goods and services increased by 4.9%, up from 2.3% in 2016.

With regard to prices, there was a resurgence of inflationary pressures, linked to the rise in oil prices. The Global inflation rate stood at 3.1%, against 2.8% the previous year. However, in advanced countries inflation rate increased to 1.7%, up from 0.8% in 2016, while emerging and developing countries witnessed a drop in prices, going from 4.3% in 2016, to 4.0% in 2017.

With the prevailing situation, most central banks in industrialized countries embarked on a normalisation process for their monetary policies. In sub-Saharan Africa, with the exception of the South African Reserve Bank, every other central bank has maintained their policy rates since July 2017. In Nigeria and the Democratic Republic of Congo, monetary policies have thus remained restrictive, notably with the rationalization of currency allocations.

Within the CEMAC Zone, the economic situation has stopped deteriorating, with a zero- GDP growth (-2.2% for the oil sector and +0.5% for the non-oil sector) against -0.2% in 2016. The annual average inflation rate dropped to 0.8% from 1.1% a year earlier. The budgetary situation, however, continued its downward trend, with a budget balance, commitment basis, excluding donations, of -6.9% of the GDP, against -3.3% in 2016. The current account balance, including official donations, improved, with a deficit of 4.0% of the GDP, against 11.6% of the GDP in 2016. This change can be explained by the sharp improvement in trade surplus, which went from 1 073.3 billion in 2016 to 4 166.0 billion in 2017, due to an increase in exports of oil, gas, timber and logs.

Taking into account the explanatory factors above, monetary aggregates developed as follows:

- domestic credit growth of 1.5%, in line with the increase in net claims on CEMAC States (+12.6%), since bank loans to the economy declined by 1.9%;
- a 3.9% drop in net foreign assets of the monetary system, mainly due to the simultaneous decline in net foreign assets of the banking system (-2 322.3 billion) and the Central Bank (-2 129.7 billion). The official foreign exchange reserves of BEAC increased by 122.8 billion, settling at 3 216.1 billion at the end of December 2017;
- a drop in gross reserves in months of importation of goods and services, which fell from 2.7 months in 2016 to 2.3 months in 2017, and a breakdown in the external currency recovery rate, which stood at 57.5% in December 2017, compared to 59.1% at the end of December 2016;

- an increase in the foreign assets of the Bank by 29.4% to 1 086.3 billion in 2017;
- a decline in money supply (M2) of 0.4%, after a drop of 5.4% in 2016, in connection with a decline in net foreign assets, greater than the increase in domestic credit.
- as concerns the CEMAC banking system, as of 31st December 2017, it comprised a total of 52 banks, with 15 in Cameroon, 4 in the Central African Republic, 11 in Congo, 8 in Gabon, 5 in Equatorial Guinea and 9 in Chad. The aggregated balance sheet of these banks dropped by 0.3%.

The microfinance sector of the Sub-region, counted a total of 857- institutions (MFI) accredited by the Banking Commission of Central Africa (COBAC), with the main indicators of MFI activity in CEMAC emerging as follows:

- a total balance sheet of 894 billion, gross credits of 451 billion consisting mainly of short-term credits, and customer deposits of 676 billion, mainly comprised of demand deposits;
- outstanding loans valued at 64 billion, worth 14.2% of gross credits;
- a cash surplus of 317 billion.

Faced with that, BEAC embarked on a prudent monetary policy that matched the development of the main macroeconomic indicators. In this regard, the refinancing objective of CEMAC Member States was capped at 1 050 billion until May 2017. It was later reduced to 942 billion, then to 912 billion in July 2017, for the last quarter of the year. BEAC's interest rates were reviewed thrice during the year, and stood at 2.95% for the TIAO, 4.70% for the TIPP, and 2.45% for the TCM on 31st December 2017. Moreover, the CPM maintained the rates of remuneration of government bonds.

In terms of internal management, BEAC continued to strengthen its financial equilibrium, with net profit before allocation amounting to 77.1 billion in 2017, against 164.1 billion in 2016. On the other hand, the total balance sheet of the Central Bank rose to 7 313.9 billion, against 7 073.7 billion as of 31st December 2016.

I. Economic and Monetary Developments



1. International Context

1.1. Economic situation of the main partners of CEMAC Member States

In 2017, the growth of the global economy continued its upswing, triggered by the dynamism observed in Europe, Japan, China and the United States. This situation also benefited from (i) the quest for accommodating monetary policies embarked on in most developed countries, (ii) the implementation of an economic policy to support activity in China, and (iii) budget expansion in the United States. As a result, the global growth rate increased from 3.2% in 2016 to 3.8% in 2017. In correlation with the evolution of global economic activity, trade in goods and services increased by 4.9% in 2017, up from 2.3% in 2016.

With regard to prices, inflationary pressures increased in 2017, a situation which was linked to the rise in oil prices. Thus, the average annual global inflation rate stood at 3.1% in 2017, compared to 2.8% the previous year. In advanced countries, it rose to 1.7% in 2017, from 0.8% in 2016, while in emerging and developing countries, inflation declined from 4.3% in 2016 to 4.0% in 2017.

As concerns unemployment, according to the International Labour Office (ILO), global rates stood at 5.6% in 2017, down from 5.8% in 2016. The number of

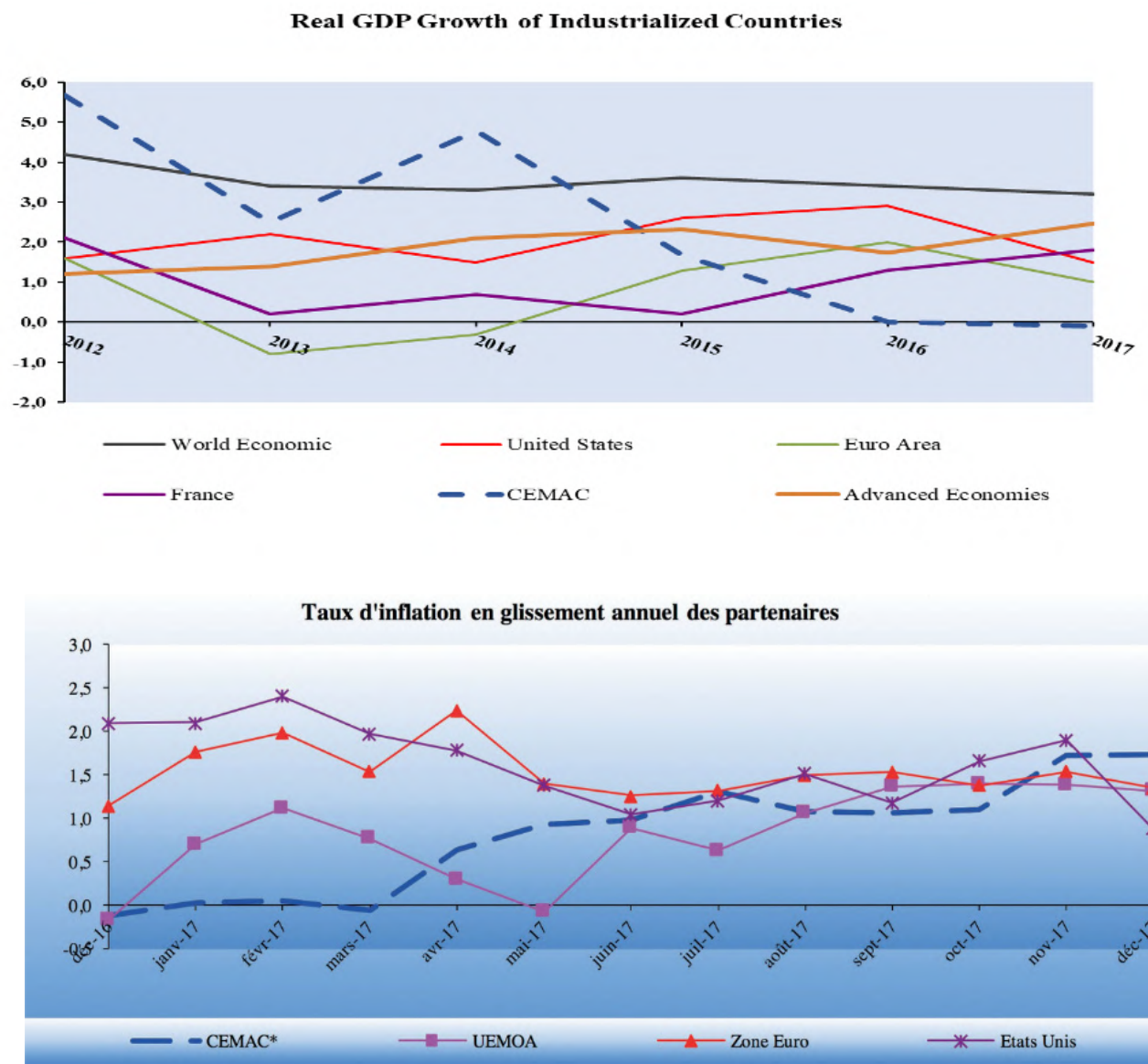
unemployed people dropped from 199.5 million the previous year to 192 million in 2017.

In terms of the monetary policy, except for Japan and China, the central banks of industrialized countries embarked on a standardization process for their policies. The Federal Reserve (Fed) and the Bank of Canada consecutively tightened their monetary policies, whereas the Central Banks of Japan and China are still hesitant in joining the drive of other industrialized countries. In sub-Saharan Africa, on the other hand, no central bank on the panel¹ has changed its interest rates since July 2017, when the South African Central Bank reoriented its monetary policy. However, to cope with the high inflation levels recorded since the second half of 2016, the Central Banks of Nigeria and the Democratic Republic of Congo maintained contractionary monetary policies through rational currency allocations.

Figure I briefly presents the main indicators of the international environment, notably the real GDP growth rate of industrialized countries and the year-on-year inflation rate of partners.

¹ A panel of ten central banks was selected, namely: i) the American Federal Reserve (Fed), ii) the European Central Bank (ECB), iii) the Bank of Japan (BoJ), iv) the Bank of England (BoE), v) the Bank of Canada, vi) the Central Bank of China (PBoC), vii) the Central Bank of West African States (BCEAO), viii) the Central Bank of Nigeria (CBN), ix) the Central Bank of Congo (BCC), and x) the South African Reserve Bank (SARB). The analysis is essentially based on the minutes and / or press releases produced during meetings of the Monetary Policy Committee, as well as data from the National Statistical Institutes.

Figure 1: Key metrics of the international environment



Sources: BEAC, January 2018 World Economic Outlook (IMF)

Going by economic groups or by country, the economic situation of CEMAC partner countries emerged as follows in 2017.

In countries of the **Organization for Economic Co-operation and Development (OECD)**, the actual GDP growth rate of all Member increased from 1.8 % in 2016 to 2.4% in 2017, as a result of greater economic activity in Europe. Unemployment rate dropped sharply to 5.8% in 2017, down from 6.3% in 2016. The financial deficit of public administrations improved slightly to 2.6% of GDP in 2017, compared to 3% of GDP in 2016, reflecting the speedy fiscal strengthening in most countries, especially in the European Union. The deficit in the external account balance was 0.3% of GDP in 2017, against 0.2% of GDP in 2016. The inflation rate, measured by the annual variations of the GDP deflator, stood at 1.9% in 2017, from 1.5% in 2016, in connection with the increase in the prices of energy and foodstuff.

In the **United States**, activity increased by 2.3% in 2017, compared to 1.5% a year earlier, due to the increase in consumer spending coupled with that of external demand induced by the weakness of the dollar. Unemployment rate dropped to 4.4% in 2017, down from 4.9% in 2016. Public administration financial deficit narrowed to 4.6% of GDP in 2017, compared to 5.0% of GDP in 2016. Conversely, the current account deficit remained stable between 2016 and 2017, at 2.4% of GDP. In terms of prices, inflation rose to 2.1% in 2017, against 1.3% in 2016, mainly due to the increase in fuel prices.

In **Japan**, economic growth was sustained throughout 2017, in line with the

increase in demand from China and other Asian countries. Actual GDP growth rate was 1.7% in 2017, compared to 0.9% in 2016. Unemployment rate dropped to 2.9% in 2017, after hitting 3.1% in 2016. Public administration financial deficit increased to 4.8% of GDP in 2017, compared to 4.6% of GDP in 2016. The current account surplus was 4.0% of GDP in 2017, from 3.8% of GDP in 2016. In terms of prices, the dynamics of private consumption helped to raise the inflation rate to 0.5% from -0.1% in 2016.

In the **European Union**, the actual GDP growth rate increased to 2.7% in 2017, compared to 2.0% in 2016. In the Euro Zone, in particular, the growth rate of activity dropped to 2.3% in 2017, against 1.8% in 2016, due to the flexibility of investments. Unemployment rate dropped to 9.1% in 2017, down from 10.0% in 2016. Budget deficit narrowed to 1.1% of GDP in 2017, compared to 1.6% of GDP in 2016. The current account surplus improved to 3.5% of GDP in 2017, compared to 3.4% of GDP in 2016. Inflation rate increased to 1.5 %, after 0.2% in 2016, due to the rise in energy prices.

In **Germany**, the actual GDP increased by 2.5% in 2017, against 1.9% in 2016, driven by the upturn in household consumption and exports. Unemployment rate dropped to 3.8% in 2017, down from 4.2% in 2016. The public administration budget balance stood at 1.1% in 2017, compared to 0.8% of GDP in 2016. The current account surplus dropped to 8.0% in 2017, from 8.6 % of GDP in 2016. As a result, inflation rate increased from 0.4% in 2016 to 1.7% in 2017.

In **France**, economic growth improved

significantly to 1.8% in 2017, compared to 1.2% in 2016, with the principal drivers of growth being the strength of exports, household spending and private investment. Unemployment rate dropped to 9.4% in 2017, down from 10.0% in 2016. At the same time, public debt was narrowed to 2.9% of GDP in 2017, compared to 3.4% of GDP in 2016. The current account deficit increased in 2017, standing at 1.4% of GDP in 2017, up from 0.9% in 2016. Inflation rate increased to 1.2% in 2017, from 0.3% in 2016.

In the **United Kingdom**, the pace of business expansion gradually continued to slowdown from 2016, despite high domestic demand. Actual GDP growth rate dropped to 1.8% in 2017, from 1.9 % in 2016. Unemployment rate dropped to 4.4% of the active population in 2017, from 4.9% the previous year. Budget deficit dropped, falling from 3.3 % of GDP in 2016 to 2.3% of GDP in 2017, and of the current account balance declined to 4.1% of GDP in 2017, from 5.8% of GDP in 2016. Inflation rate rose sharply to 2.7% in 2017, up from 0.7% in 2016.

In **emerging countries**, economic activity improved in 2017, with GDP growth rate of 4.8%, compared to 4.4 % in 2016, as a result of the economic recovery in China.

In **China**, real GDP growth rate stood at 6.9%, up from 6.7% in 2016, triggered by the increase in industrial production and exportation. Unemployment rate dropped to 3.9% in 2017, down from 4.0%, one year earlier. Budget deficit remained stable at 4.5% of GDP in 2017, as in 2016. The current account surplus went from 1.8% of GDP in 2016, to 1.4 % of GDP in 2017. Inflation rate dropped to 1.6% in 2017, down from 2.0 % in 2016.

In **India**, a fall in consumption greatly weighed on economic activity in 2017, due to the shortage of liquidity and irregular payments caused by the renewal of certain types of banknotes in November 2016. Thus, actual GDP growth rate dropped to 6.7% in 2017, from 7.1% in 2016. Budget deficit narrowed to 6.1% of GDP in 2017, from 6.7% of GDP in 2016. The current account deficit widened to 2.0% of GDP in 2017, from 0.7% of GDP in 2016. Inflation rate dropped to 3.6% in 2017, down from 4.5% in 2016.

In **sub-Saharan Africa**, growth rate gradually increased to 2.8% in 2017, up from 1.4% in 2016, pushed by recovery of the global economy and the rise in commodity prices. Budget deficit remained stable at 4.5% of GDP in 2017, as in 2016. On the other hand, the current account deficit narrowed to 2.6% of GDP in 2017, from 4.1% of GDP in 2016 and inflation rate decreased to 11.0 % in 2017, from 11.3% in 2016.

In **Nigeria**, economic growth improved significantly to 0.8% in 2017, against - 1.6% in 2016. Budget deficit worsened to 5.0% of GDP in 2017, from 4.4% of GDP in 2016. As a result, unemployment rate increased from 13.4% in 2016 to 16.5% in 2017. On the other hand, the country recorded an external current account surplus of 2.5% of GDP in 2017, from 0.7% in 2016. Pressure on prices shot upward, with an inflation rate standing at 16.5% in 2017, up from 15.7 % in 2016.

In **South Africa**, the real GDP growth rate increased to 1.3% in 2017, up from 0.6% in 2016. Budget deficit remained stable at 3.5% of GDP in 2017, as in 2016. Unemployment rate rose to 27.5 % in 2017, up from 26.7% a year earlier. On the other hand, the current account

deficit narrowed to 2.3% in 2017, up from 3.3% of GDP in 2016. Pressure on prices decreased, with an inflation rate of 5.3% in 2017, down from 6.3% in 2016.

In the **West African Economic and Monetary Union** in 2017, economic growth stood at 6.8%, up from 6.6% in 2016. Budget deficit, on a commitment basis, excluding donations, slightly increased to 6.5% in 2017, up from 6.3 % of GDP in 2016. In the same vein, the deficit for external current account transactions rose to 7.2% in 2017, up from 5.5% of GDP in 2016. With regard to consumer prices, inflation rate stood at 0.9% in 2017, rising from 0.3% in 2016.

1.2. Financial, Foreign Exchange and Gold Markets

After a fairly eventful year in 2016, both economically and geopolitically, 2017 came with an outburst of renewed economic activity and harmonious economic cycles in most regions of the world. Financial markets benefited from this cyclical upturn as well as from more favourable financing conditions, with low interest rates and low inflation despite the recovery in commodity prices. In general, performances of major assets were positive, all of them with relatively low volatility, compared to previous years. Thus, equity markets thrived healthily, especially in the United States and emerging countries. At the same time, long-term interest rates on bond markets increased slightly, especially in the Euro Zone. Same was the case for gold and oil prices. However, the fall in the dollar and the negative performance

of currency markets have somewhat dampened this trend.

1.2.1. Currency Markets

In the **Euro Zone**, despite improving economic conditions, inflation remained below the target level of 2% set by the BCE, pushing the latter to maintain an accommodating monetary policy. Thus, the refinancing rate, the deposit facility rate and the marginal lending rate remained constant, at 0.00%, - 0.40% and 0.25%, respectively. At the same time, the BCE maintained its non-conventional operations, especially by repurchasing assets and reinvesting mature securities. However, the monthly volume of asset repurchases reduced from 80 to 60 billion euros. The European Central Bank may have reduced its support to the economy, but still had the possibility of backtracking, indicating that its injections of liquidity could increase if the situation were to deteriorate again in Europe. In addition, it announced the extension to September 2018, and even beyond if necessary, of its Quantitative Easing Programme.

The BCE was also confronted with the appreciation of the Euro exchange rate, especially vis-à-vis the dollar, which, even if not a prime monetary policy objective, is an important indicator for growth and inflation. Thus, despite a rebound in growth, the main problem which the BCE faced in deciding whether to tighten monetary policy remains the constant low inflation rate.

Regarding the “EONIA²” benchmark interest rate, it remained negative throughout the year, depicting the precarious situation of the European interbank market and the low cost of liquidity provided to banks by ECB.

In the **United States**, the FED continued with its monetary policy tightening, which started in 2015. In this light, it moved interest rates by 0.25 basis points for three times in 2017, thus placing its main policy rate (Fed funds rate) within the range of 1.25 -1.50%. Throughout the year, the major questions focused on additional monetary tightening measures- which could gradually reduce the size of FED’s balance sheet- that has remained constant for almost three years at nearly 4.5 trillion dollars. As such, the FED has decided to gradually reduce the monthly amount of its reinvestment of mature securities, based on the fact that the U.S. economy is now close to full employment.

In the **United Kingdom**, for the first time in ten years, the Bank of England (BoE) raised its main policy rate in November 2017 from 0.25% to 0.50%. The decision, which had been postponed severally, primarily aims at addressing the surge in inflation, which reached 3% in September 2017, mainly due to the depreciation of the Pound Sterling since the vote in favour of Brexit. This rate hike, however, raises concerns about its effects on Britain’s economy that is already slowing down, and which also has to face difficult negotiations on the terms of separation from the European Union. Taking these concerns into account, the BoE has maintained the pace of its asset purchases.

In **emerging countries**, stabilizing the prices of major emerging currencies

led to extensive disinflation, which then enabled some central banks to adopt more flexible monetary conditions. Thus, the Central Bank of Russia made six changes to its principal interest rate, reducing it to 7.75 %, down from 10.00 % at the end of 2016, while the Central Bank of Brazil modified its policy rate eight times, dropping it from 13.75% to 7.00%. The Reserve Bank of India followed in the same tracks, lowering its policy rate by 25 basis points, dropping it to 6.00%, its lowest level in seven years. In order to revamp its economy, the South African Reserve Bank also lowered its policy rate by 25 basis points to 6.75%. As for the People’s Bank of China, it maintained an accommodating monetary policy with a constant policy rate of 4.35%.

1.2.2. Bond Markets

The effective increase in interest rates, earmarked by the bond markets in the wake of improving economic conditions, did not ultimately occur in a uniform manner. As a matter of fact, despite the three consecutive increases in monetary policy rates, improved growth prospects, the institution of fiscal stimulus measures and the drop in unemployment rates, American long-term rates closed the year 2017 in the low. Thus, the 10-year U.S. Treasury bond (T-Bonds) ended the year short of 3.90 basis points, far below its level by the end of 2016, which was 2.406%.

In the Euro Zone, on the other hand, percentage returns increased thanks to solid economic indicators, notably comfortable growth of GDP levels, and a lower unemployment rate. Thus, the

² Euro OverNight Index Average

German 10-year sovereign bond rate increased from 0.204% at the end of 2016 to 0.423% at the end of 2017, and that of the French OAT, with the same maturity, increased from 0.681% to 0.780% over the same period.

1.2.3. Stock Markets

The year 2017 witnessed a general increase in stock market indices, sustained by favourable macro and microeconomic indicators, despite the busy political calendar in Europe and the United States. This trend was especially felt for the American indices, which registered a string of records. Thus, the Dow Jones index increased by 25.1% over the year and, for the first time in its history, exceeded the 24 000 points in December, triggered by President Donald Trump's tax reform. As for the NASDAQ index of technological values, it increased by 28.2%, boosted by the dynamism of its key values. The Japanese market (+19.1% for the Nikkei index) also experienced its largest increase in twenty-five years.

On the other hand, the growth was less felt on the European markets, with only 6.5% increase for the Eurostoxx 50 index, 9.3% for the French CAC 40, 12.5% for the German DAX, and 7.6% for the British FTSE 100. An explanatory factor for this lower performance is the lower proportion of technology stocks, which particularly contributed to the performance of the American indices.

Another element was the change in exchange rates, especially that of the Euro which appreciated sharply.

1.2.4. Foreign Exchange and Gold Markets

One of the surprises of 2017 on the financial markets came from the unexpected counter-performance of the U.S. dollar, which depreciated by 13.99% against the Euro and by 10.00% against a benchmark basket composed of the leading world currencies (Euro, Pound Sterling, Yen, Canadian Dollar, etc.).

Indeed, while expectations suggested an appreciation of the dollar in relation to the rate hike move undertaken by FED, the American currency finally fell victim of uncertainties on the prospects of reforms promised by the American president. As for the Euro, it got stronger against other currencies, sustained mainly by the relative political calm in the Euro Zone, an improvement of economic conditions, renewed interest- from foreign investors for the Zone and the prospects of standardization of the monetary policy of the ECB.

Regarding the gold market, 2017 saw an increase in the price of an ounce of gold (+12.66%), taking advantage of its safe haven status, the depreciation of the dollar, a tense geopolitical situation on the Korean Peninsula and uncertainties within the American administration.

Table 1: Key metrics in financial markets

		31/12/2016	31/03/2017	30/06/2017	29/09/2017	29/12/2017	Variation dec.16-dec. 17
Currency	EUR/USD	1,0547	1,06970	1,14130	1,18030	1,20220	13,99%
	EUR/GBP	0,8544	0,85293	0,87737	0,88118	0,88893	4,04%
	EUR/CHF	1,0729	1,06963	1,09455	1,14403	1,17047	9,09%
	EUR/JPY	123,04	119,07	128,23	132,93	135,36	10,01%
	1 EUR to CFAF	655,957	655,957	655,957	655,957	655,957	0,00%
	1 USD to CFAF	621,937	613,215	574,745	555,754	545,630	-12,27%
	1 GBP to CFAF	767,739	769,063	747,640	744,407	737,917	-3,88%
	1 CHF to CFAF	611,386	613,255	599,293	573,373	560,421	-8,34%
	1 JPY to CFAF	5,331	5,509	5,115	4,934	4,846	-9,10%
Rate (in %)	Refinancing rate (BCE)	0,00	0,00	0,00	0,00	0,00	0,00 points de base
	Marginal lending rate	0,25	0,25	0,25	0,25	0,25	0,00 points de base
	Fed Funds	0,50	0,75	1,00	1,00	1,25	75,00 points de base
	EONIA	-0,33	-0,355	-0,350	-0,360	-0,346	-1,70 points de base
	T-Notes 10 ans	2,445	2,388	2,305	2,334	2,406	-3,90 points de base
	Bund 10 ans	0,204	0,325	0,465	0,462	0,423	21,90 points de base
	OAT 10 ans	0,681	0,966	0,813	0,742	0,780	9,90 points de base
Indices	DOW JONES	19762,60	20663,22	21349,63	22405,09	24719,22	25,08%
	NASDAQ COMPOSITE	5383,12	5911,74	6140,42	6495,96	6903,39	28,24%
	NIKKEI-225	19114,37	18909,26	20033,43	20356,28	22764,94	19,10%
	CAC-40	4862,31	5122,51	5120,68	5329,81	5312,56	9,26%
	DJ-EUROSTOXX 50	3290,52	3500,93	3441,88	3594,85	3503,96	6,49%
	Gold (\$/ ounce)	1145,90	1244,85	1242,25	1283,10	1291,00	12,66%
	Brent (\$/ barrel)	56,82	53,53	48,77	57,54	66,87	17,69%

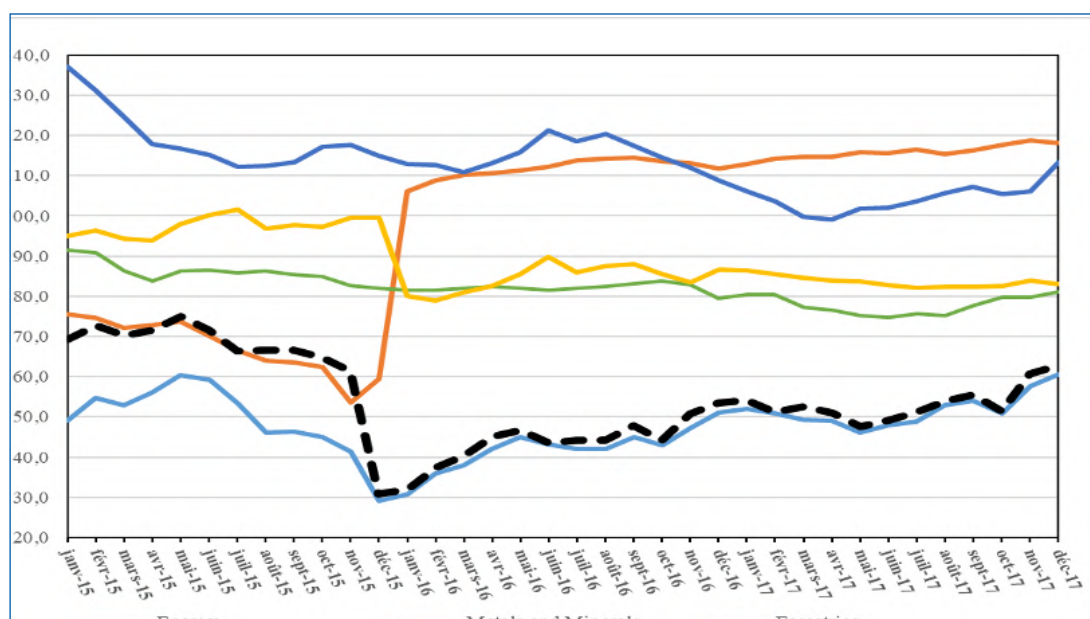
Sources: BEAC, Bloomberg, Reuters

1.3. Markets for basic commodities

In 2017, the index of basic commodity prices exported by CEMAC countries

increased by 27.07% after dropping by 39.3% one year earlier.

Figure 2: Composite index of commodity prices exported from CEMAC



Source: BEAC

World **cocoa** prices dropped in 2017 by 34.5% to 2 dollars/kg, while **coffee** prices shot up by 17.1% to 2.2 dollars/kg. The decline in cocoa prices can be explained by its abundant supply on the global market, especially in West Africa. As for coffee prices, the observed increase was stimulated by the prospect of a reduction in world supply.

The price of sugar increased by an annual average of 21.8% between 2016 and 2017, standing at 0.4 dollars/kg. This increase can be explained by the drop in supply due to unfavourable weather conditions and the end of the surplus phase of the world sugar production cycle.

The annual average of **cotton** prices increased by 15.2% over the period, to settle at 1.8 dollars/kg. This increase is

mainly due to the improvement in world demand for cotton lint.

Following the continuous readjustment of **natural rubber** prices, which started in 2016, rates increased significantly in 2017, standing at 2 dollars/kg (+28.0%), due to increased global demand, especially in China.

On the **tropical timber market**, prices of sawn Sapele dropped on average over the period under review

(-15.7%, at 617.7 dollars/m³), same for Okoume logs, which also dropped by 3.1%, standing at 226.2 dollars/m³.

The recovery in crude oil prices observed in early 2016 was maintained until ending 2017. For two years and a half, the drop in crude oil reserves in the

United States, as a result of the constant demand, especially in North America and Europe, took prices to record highs. The November 2017 extension of the production reduction agreement between OPEP and Russia also boosted oil prices. Thus, on an annual average, the price of a barrel amounted to 55.5 U.S. Dollars in 2017, up from 52.4 U.S. Dollars in 2016.

Elsewhere, **the aluminium market** witnessed a price increase of 18.2%, to

2 dollars/kg on an annual average in 2017, due to the increase in global demand.

Manganese ore prices continued their upward trend in 2017. The kilogram of this mineral was sold on average at 0.3 U.S. dollars/kg, up by 29.4%, due to the increase in global production of carbon steel, triggered by increased demand in China.

2. Economic and Monetary Situation of CEMAC

The economic situation of CEMAC Member Countries, in 2017, was characterised by:

- no real GDP growth (-2.2% for the oil sector and +0.5% for the non-oil sector), from -0.2% in 2016;
- a drop in the inflationary pressure, with the inflation rate falling to 0.8%, from 1.1% in 2016;
- a reduction in government budget deficit, including commitments and donations, from -6.9% of GDP in 2016, to -3.3% of GDP in 2017;
- a reduction in the current account deficit, including official grants, (down from 63.4% at 1 941.2 billion), to 4.0% of GDP, compared to 11.6% of GDP in 2016.

2.1. Economic growth

In 2017, CEMAC economies continued to suffer from the effects of the ever-low level of crude oil prices, despite the rebound that started in mid-November 2017. Nevertheless, the growth rate picked up to zero in 2017, from the negative growth a year earlier. At a lesser degree than in 2016 (-6.3%), the oil sector dropped by 2.2%. At the same time, the non-oil sector increased only by 0.5%, from +1.1% in 2016.

In terms of drivers of growth, the oil sector contributed 0.4 point, against -1.1 point in 2016, while the contribution of the non-oil sector plummeted to 0.4 point, against +0.9 point in 2016.

In nominal terms, CEMAC's GDP increased by 5.2% to 48 241.2 billion. By country, the GDP evolved as follows:

- **Cameroon:** +4.1%, to attain 19 886.7 billion, or 41.2% of the Community's GDP in 2017, against 41.6% in 2016;
- **Central African Republic:** +6.3%, getting to 1 104.7 billion in 2017, representing 2.3% of CEMAC's GDP, as in 2016;
- **Congo:** +11.4% to reach 5 362.7 billion, i.e. 11.1% of the Community's GDP in 2017, compared to 10.5% in 2016;
- **Gabon:** +6.8%, to attain 8 497.6 billion, equivalent to 17.6% of GDP in 2017, from 17.4% in 2016;
- **Equatorial Guinea:** +9.4%, to attain 6 484.3 billion, representing 13.4% of CEMAC's GDP in 2017, compared to 12.9% in 2016;
- **Chad:** - 1.8%, reaching 6 905.2 billion, accounting for 14.3% of the Community's GDP in 2017, against 15.3% in 2016.

Table 2: Evolution of Gross Domestic Product by country from 2012 to 2017

(In billions of CFAF)

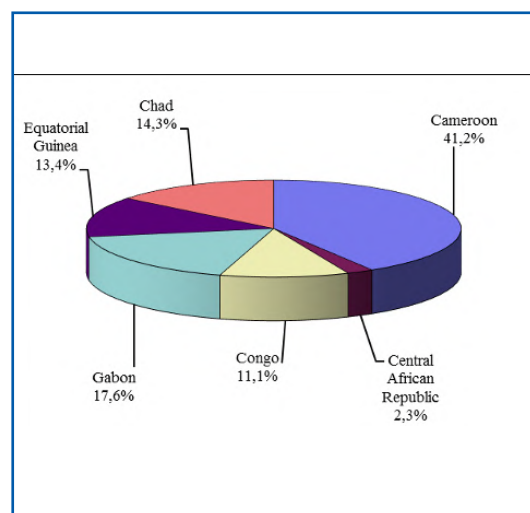
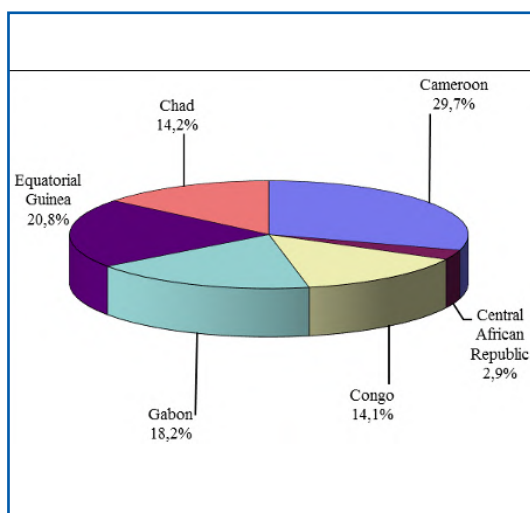
	2012	2013	2014	2015	2016	2017
GDP ON FUEL PRICES						
Cameroon	14 858,6	15 981,3	17 276,5	18 285,4	19 105,0	19 886,7
Central African Republic	1 468,4	831,1	919,6	974,2	1 038,9	1 104,7
Congo	7 064,4	7 031,8	7 247,4	5 392,2	4 812,4	5 362,7
Gabon	9 094,4	9 599,6	9 391,7	8 131,2	7 959,9	8 497,6
Equatorial Guinea	10 424,0	9 797,4	9 715,1	6 932,5	5 927,0	6 484,3
Chad	7 097,8	7 307,1	7 649,2	7 262,2	7 030,5	6 905,2
CEMAC	50 007,7	50 548,4	52 199,4	46 977,7	45 873,5	48 241,2
(Part relative In percentage)						
Cameroon	29,7	31,6	33,1	38,9	41,6	41,2
Central African Republic	2,9	1,6	1,8	2,1	2,3	2,3
Congo	14,1	13,9	13,9	11,5	10,5	11,1
Gabon	18,2	19,0	18,0	17,3	17,4	17,6
Equatorial Guinea	20,8	19,4	18,6	14,8	12,9	13,4
Chad	14,2	14,5	14,7	15,5	15,3	14,3
CEMAC	100,0	100,0	100,0	100,0	100,0	100,0

Sources: National Administrations and BEAC

Figure 3: Distribution of CEMAC's nominal GDP in 2012 and 2017

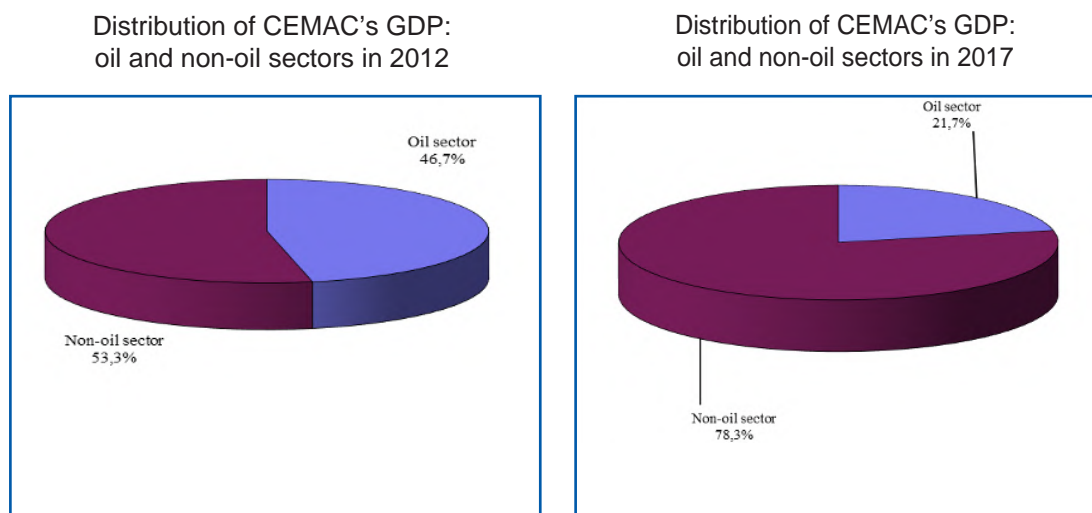
Distribution of CEMAC GDP in 2012

Distribution of CEMAC GDP in 2017



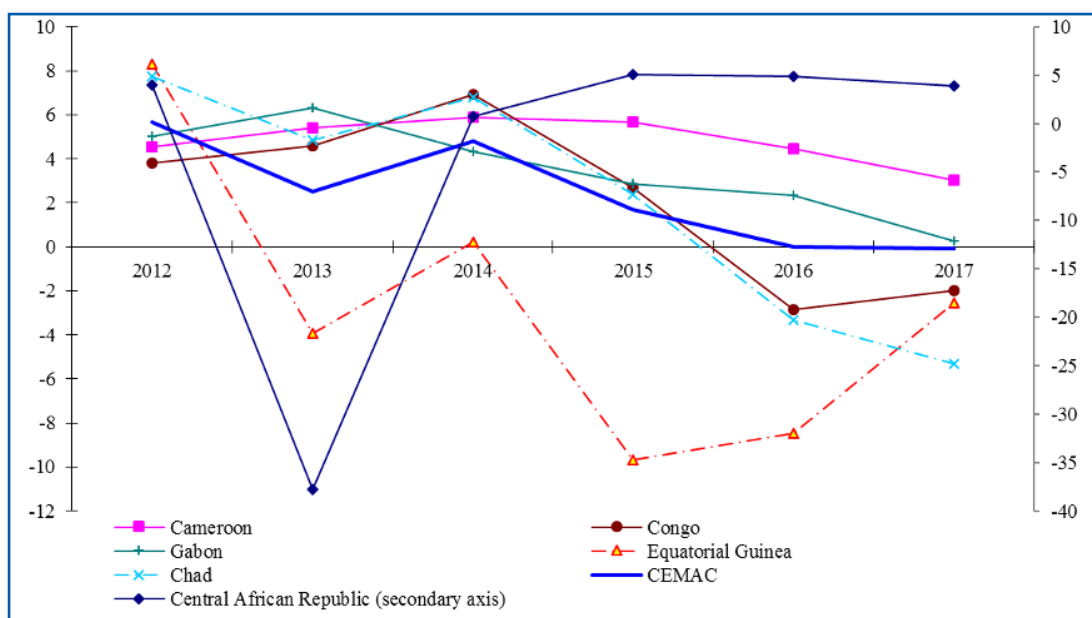
Sources: National Administrations and BEAC

Figure 4: Distribution of CEMAC's GDP: oil and non-oil sectors



Sources: National Administrations and BEAC

**Figure 5: Actual growth in CEMAC Member States
(Annual Percentage Variation)**



Sources: National Administrations and BEAC

In real terms, CEMAC's GDP stagnated in 2017, after negative growth in 2016. The following was observed by country:

- slow economic growth;
- in Central African Republic (4.2% in 2017, down from 4.9% in 2016);
- in Cameroon (+3.2% in 2017, from +4.5% a year earlier);
- in Gabon (+0.1% in 2017, from +2.1% a year earlier);

- stable economic growth in Congo at - 2.6% in 2017;
- low recovery in Equatorial Guinea, although still with a negative growth rate, (-2.3% in 2017, up from -9.4% in 2016);
- slowdown in economic activity in Chad (-4.6% in 2017, down from - 3.6% a year earlier).

Table 3: Contribution of aggregate demand to actual growth from 2012 to 2017

	2012	2013	2014	2015	2016 (In percentage)	2017
GROSS DOMESTIC PRODUCT	5,7%	2,4%	4,6%	1,9%	- 0,2%	0,0%
DOMESTIC DEMAND	4,8%	7,0%	9,6%	- 6,5%	- 0,6%	- 3,1%
Consumption	0,3%	3,6%	7,5%	- 4,6%	0,4%	- 0,5%
Public (State)	5,1%	2,5%	- 1,2%	- 1,8%	- 0,2%	0,3%
Private	- 4,8%	1,1%	8,8%	- 2,8%	0,6%	- 0,8%
Gross investment	4,5%	3,4%	2,1%	- 1,9%	- 1,0%	- 2,5%
Gross fixed capital formation	4,3%	3,3%	2,1%	- 1,6%	- 1,1%	- 2,5%
Public (State and Public Administrations)	2,7%	- 1,3%	0,4%	- 2,5%	- 1,7%	- 0,9%
Private (Companies and households)	1,6%	4,6%	1,7%	0,9%	0,6%	- 1,6%
Oil and gas sector	0,9%	2,3%	0,5%	2,1%	0,3%	- 4,0%
Non-oil sector	0,7%	2,3%	1,2%	- 1,2%	0,3%	2,4%
Stock variations	0,2%	0,1%	- 0,1%	- 0,3%	0,1%	0,0%
NET EXTERNAL DEMAND	0,8%	- 4,5%	- 5,0%	8,4%	0,4%	3,1%
Exportation of goods and services	- 0,2%	- 1,6%	0,8%	0,2%	- 1,6%	- 0,1%
Importation of goods and services	1,0%	- 3,0%	- 5,8%	8,2%	2,0%	3,2%

Sources: National Administrations and BEAC

2.1.1. Global Demand

From a demand perspective, in 2017, activity was driven by net external demand, with a contribution of +3.1 points to growth, against +0.4 points in 2016, mainly due to the sharp reduction in the importation of non-factor goods and services. The contribution of domestic demand remained negative. In 2017, domestic demand contributed to growth by 3.1 points, against a contribution of -0.6 points in 2016, due to the parallel drop in gross investment and consumption.

The drop in the contribution of gross investment to growth (-2.5 points, from -1.0 point in 2016) is mainly due to the drop in investments in the oil sector, with the end of the Moho-Nord project in Congo. As a result, investment from the oil sector stood at -4.0 points in 2017. On the other hand, that of the non-oil sector was +2.4 points. Public investment continued to hamper growth, due to the decrease in amount of resources allocated to the sector.

The negative contribution of consumption (-0.5 point) resulted from the private sector (-0.8 point in 2017, from +0.6 point in 2016), with public consumption increasing during the same period (contribution of +0.3 point in 2017, from -0.2 point the previous year).

In 2017, net external demand contributed 3.1 points to growth, up from 0.4 point in 2016, in connection with the drop in the volume of importations (+3.2 points, up from +2.0 points in 2016), and a contribution from exportations of -0.1 point, from -1.6 point in 2016.

2.1.2. Global supply

In 2017, variations in global supply within CEMAC was null, as a result of the drop in the volume of activity in the primary sector (-1.0 point), especially in the extractive industries. However, this downward trend was tempered by positive contributions from the secondary and tertiary sectors with 0.4 point and 0.8 point respectively, from -0.8 point and +1.2 point in 2016.

The diminished growth in the primary sector is as a result of the slowed activity of the extractive industries, which contributed to growth by -0.8 point, from -1.6 point a year earlier, despite the production of the Moho-Nord oil field, which reached its full production potential in Congo. In addition, the level of activity in the agricultural sector, which has still not reached its full potential, weighed on growth by 0.2 point, in contrast with the positive contribution of 0.2 point in 2016, despite the numerous public programmes aimed at increasing the level of production, especially the Agropoles Projects in Cameroon, the Gabonese Agricultural Achievements and Initiatives of Committed Citizens (GRAINE project) in Gabon, and the revival of farming villages in Congo.

The dynamics of activities in the secondary sector was mainly driven by manufacturing industries (+0.4 point, against +0.3 point in 2016) and other industries (+0.2 point as in 2016). In the same vein, the good performance of activities in the tertiary sector was achieved thanks to tradable services (+0.6 point, against +0.9 point in 2016), encouraged by *general trade and air transport*.

Table 4: Contribution of various sectors to actual GDP growth from 2012 to 2017

	(In percentage)					
	2012	2013	2014	2015	2016	2017
Primary Sector	1,2%	- 1,1%	1,8%	1,0%	- 1,4%	- 1,0%
Agriculture, Stock farming, Hunting and Fishing	1,4%	1,0%	1,0%	- 0,1%	0,2%	- 0,2%
Forestry	0,1%	0,0%	0,1%	0,0%	0,1%	0,1%
Extractive Industries	- 0,2%	- 2,1%	0,7%	1,0%	- 1,6%	- 0,8%
Secondary Sector	1,5%	0,5%	0,2%	- 0,7%	- 0,8%	0,4%
Manufacturing Industries	0,4%	0,4%	0,3%	0,6%	0,3%	0,4%
Construction and Public Works	1,1%	0,1%	- 0,2%	- 0,7%	- 1,3%	- 0,2%
Others	0,1%	0,0%	0,2%	- 0,6%	0,2%	0,2%
Tertiary Sector	2,6%	3,2%	2,2%	1,0%	1,2%	0,8%
Tradable Services	1,8%	2,3%	1,4%	0,7%	0,9%	0,6%
Non-tradable Services	0,8%	0,9%	0,8%	0,3%	0,3%	0,2%
GDP at Factor Cost	5,4%	2,6%	4,2%	1,3%	- 0,9%	0,2%
Import Duties and Taxes	0,3%	- 0,2%	0,4%	0,6%	0,7%	- 0,2%
GDP at Constant Market Prices	5,7%	2,4%	4,6%	1,9%	- 0,2%	0,0%
GDP of Oil Sector	- 0,3%	- 1,6%	0,8%	- 0,4%	- 1,1%	- 0,4%
GDP of Non-Oil Sector	6,0%	4,0%	3,8%	2,3%	0,9%	0,4%

Sources: National Administrations and BEAC

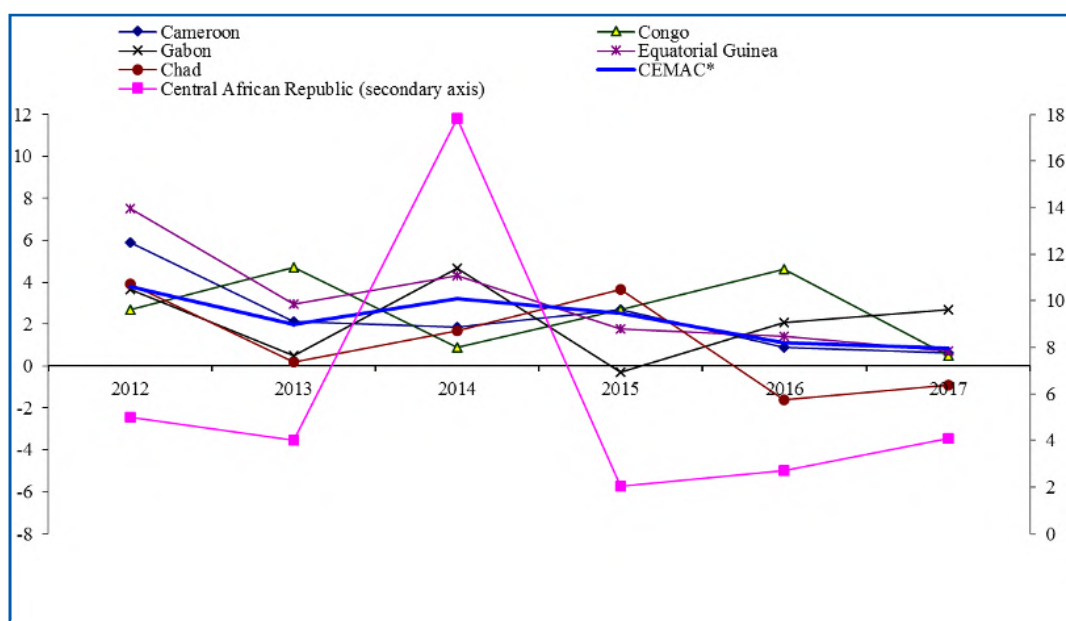
2.2. Prices and competitiveness

2.2.1. Prices

As far as prices are concerned, in 2017, there was a downward trend in inflationary pressures in most of the countries of the Sub-region. At the end of 2017, the overall consumer price index for households rose by 0.8% on average annually in the Community, from 1.1% in December 2016. On a year on year basis, the inflation rate was +1.7% in December 2017, against -0.1% a year earlier.

The reduction of inflationary pressure at the end of 2017 was mainly due to (i) the sluggishness of domestic demand in all CEMAC countries, triggered by the drop in oil revenues, and (ii) the abundance of food crops following a good agricultural yield, thanks to favourable rainfall in the main production areas.

Figure 6: Annual average inflation rate from 2012 to 2017
(Percentage variation of the consumer price index)

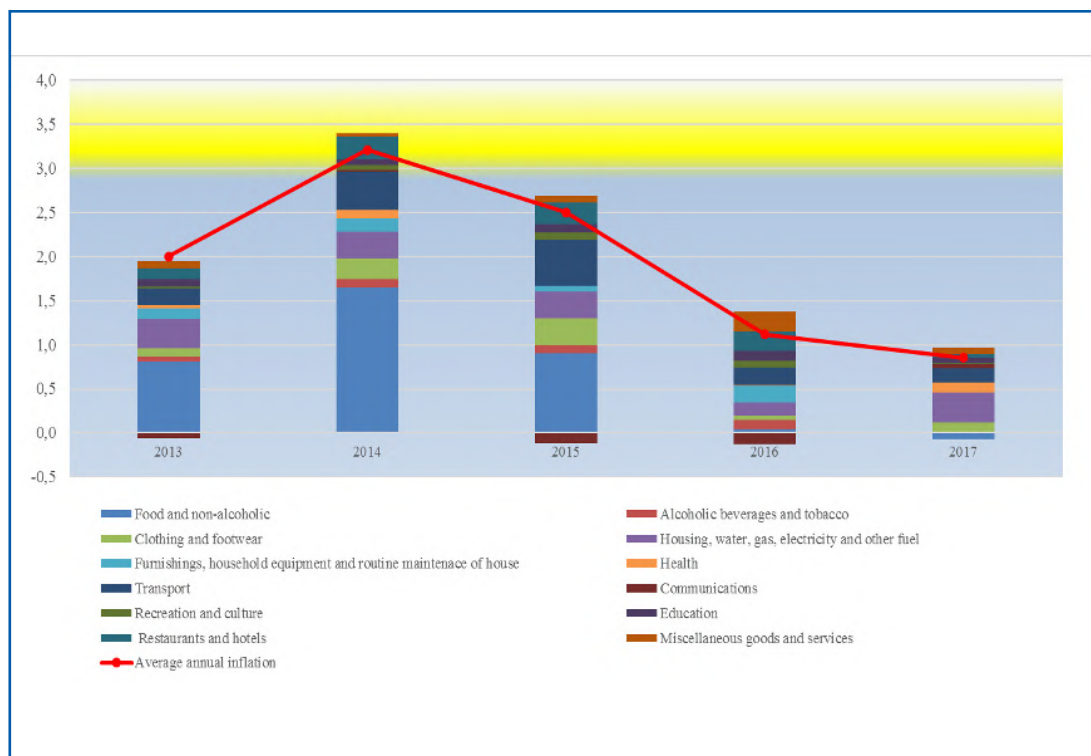


Sources: National Administrations and BEAC

In terms of contribution on an annual average basis, the evolution of the general price levels in CEMAC was mainly affected by the negative contribution of 1.4 point (+0.7 point in 2016) from the “food and non-alcoholic beverages” sector. During same period, however,

there was a positive contribution from the “housing, water, gas and electricity” sector (0.5 point), as well as the “health”, “transport”, “clothing and footwear”, and “restaurants and hotels” sectors, of +0.1 point each.

Figure 7: Contribution of consumption sectors to the price index in CEMAC's consumption levels



Sources: National Administrations and BEAC

2.2.2. Competitiveness

In 2017, the price competitiveness of CEMAC, measured by changes in the composite Real Effective Exchange Rate (REER) composite³, was characterised by a loss in competitive positions on international markets, a situation which started in January 2015.

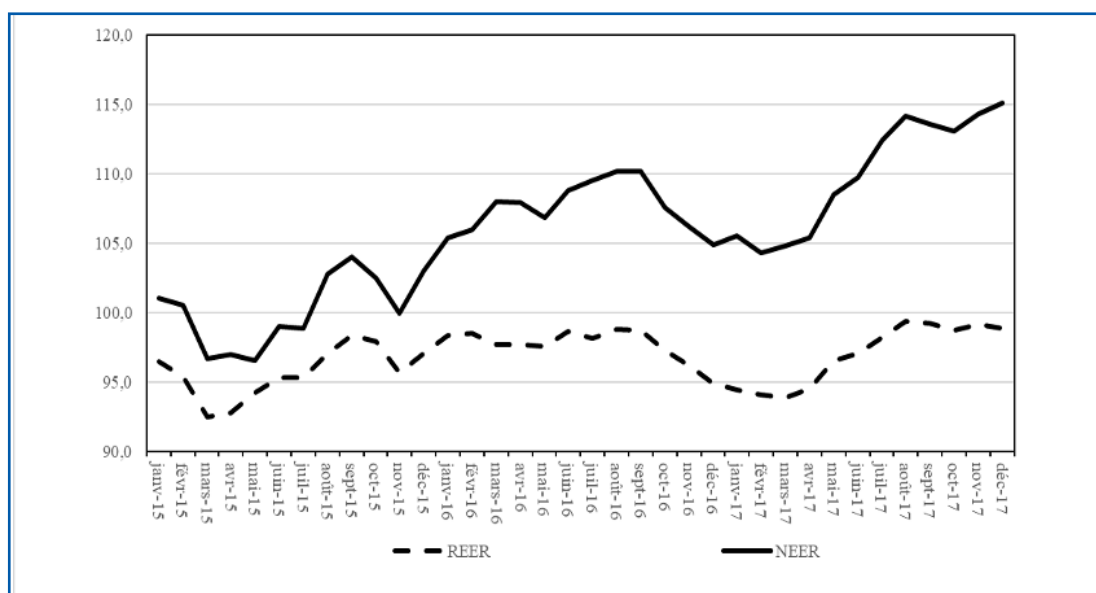
- Progression of global REER⁴

CEMAC's overall REER increased by +2.4% between January 2015 and

December 2017, as a result of the loss of competitive positions on exports (+1.5 %). As illustrated in figure 8, the REER dropped significantly below the Nominal Effective Exchange Rate (NEER) from May 2016, reflecting a rather low domestic inflation differential, but was generally much better compared to the main partners and competitors in CEMAC.

³ Direct quotation method for the CFAF and other currencies..

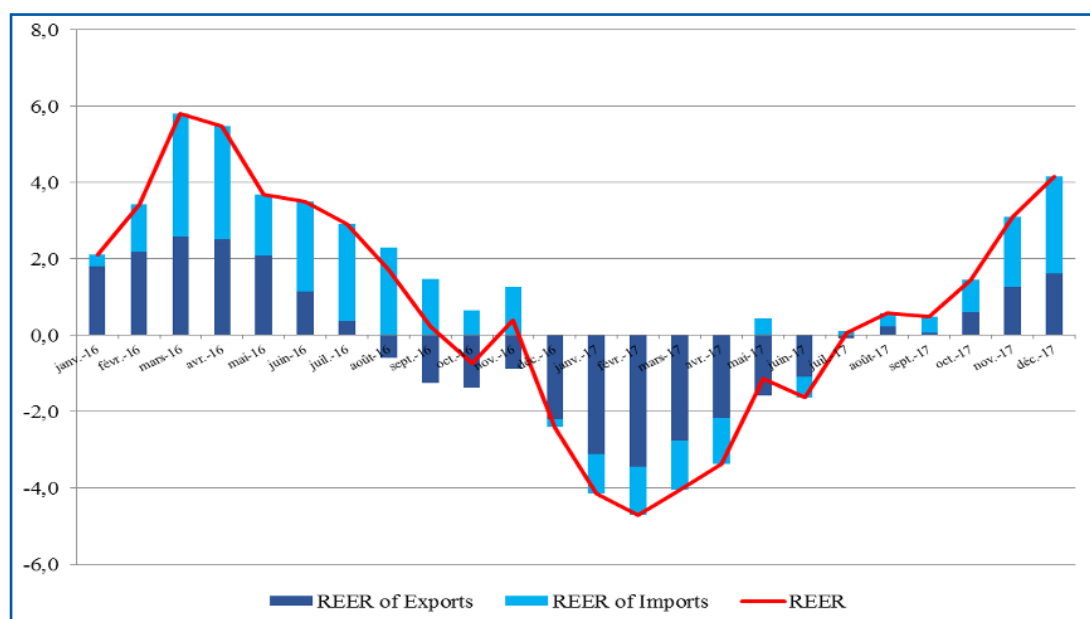
⁴ The external competitiveness of CEMAC is assessed out of the oil sector because of the huge burden of oil on exportations but also because this activity, which requires much capital, is essentially off-shore. The influence of oil exploitation on the external competitiveness indicator, calculated as such, is implied and can be appreciated through evolution statistics of domestic prices.

Figure 8: Progression of REER and NEER

Source: BEAC

In terms of contribution to the evolution of CEMAC's global REER, it was noted that it was highly dependent on the appreciation of the real effective exchange rate of imports, which was significantly higher

than that of exports. Between January 2016 and December 2017, the average annual contribution of the REER from imports was 82.7%, and the contribution of the REER from exports stood at 17.3%.

Figure 9: Total contributions to global REER

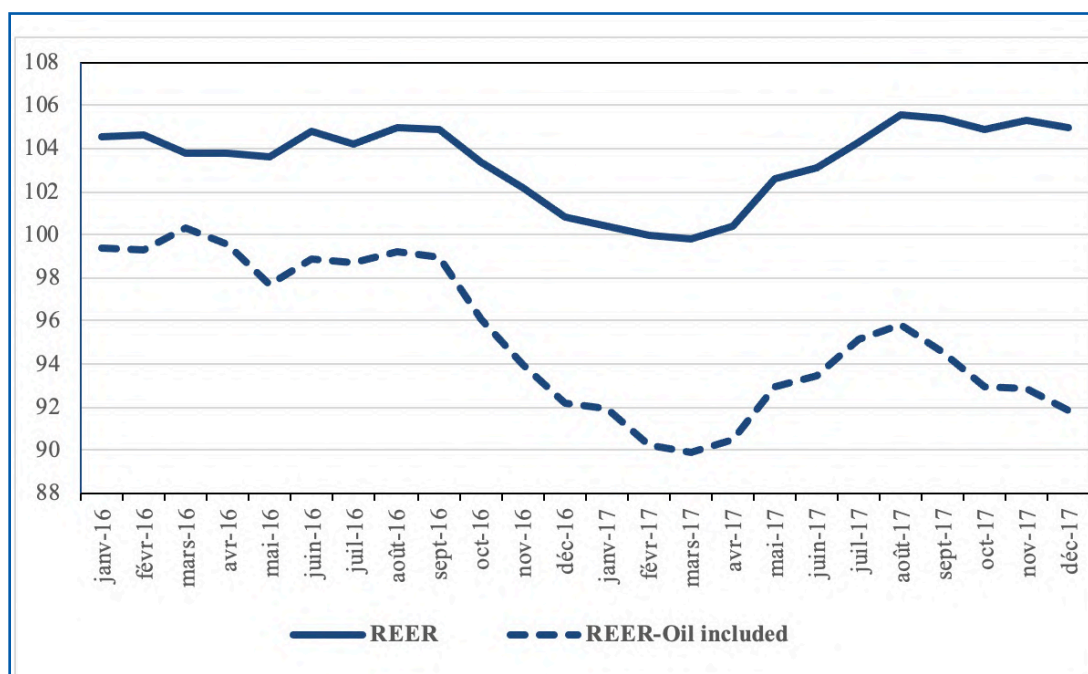
Source: BEAC

- Sensitivity of price competitiveness to crude oil exports

Because CEMAC's exports are more dominated by crude oil (70%), whose contribution to the REER of exports is around 84%, it was noted that between the period from January 2015 to December 2017, the overall REER excluding oil is structurally above the REER with oil included.

This situation reveals that the loss of competitive positions in CEMAC economies is much stronger when crude oil exports are excluded from the analysis. In fact, since 2015, non-oil REER appreciated by +2.4%, while the oil REER depreciated by 8.1%. This development is characteristic of an economy affected by the Dutch disease, with chronic underinvestment in the non-oil sector.

Figure 10: Progression of REER



Source: BEAC

2.3. Public finance and external debt

2.3.1. Evolution of financial transactions by States

Public finance management in 2017 resulted in a reduction in the budget balance deficit, on a commitment basis, including donations, which fell from 6.9% of GDP in 2016 to 3.3% of GDP. This situation stems from budgetary consolidation measures implemented especially within the framework of adjustment programmes signed with the International Monetary Fund, and from the significant rise in the price of a barrel of crude oil, despite the security situation in Cameroon and in the Central African Republic.

The main trends in public finance, in terms of income and expenditure in 2017 were as follows:

- budget revenues went up by 3.9% to 7,847.9 billion, triggered by an increase in oil revenue (+9.6% to 2 826.4 billion) following the sharp increase in crude oil prices (+23.3% to 52.8 dollars for a barrel of Brent). Non-oil revenue rose by 1.0% to 5 021.5 billion dollars, thanks to the introduction of new taxes and an increase in the taxable base, combined with progress made in tax collection in most countries, which made it possible to reverse the drop in revenue recorded in 2015 and 2016;

- public spending went down by 11.2% to 9 776.0 billion, following the 26.6% drop to 3 180.1 billion in capital spending. In the same vein, current expenditure dropped by 1.2% to 6 595.9 billion dollars, mainly due to the remarkable drop in spending on goods and services, as

well as transfers and subsidies, following the implementation of fiscal consolidation measures;

- a primary balance that ultimately turned into a surplus, going from -1 656.6 billion (-3.6% of GDP) in 2016, to 11.5 billion (+0.0% of GDP) in 2017. Conversely, the deficit in the basic budget balance dropped, falling to 619.9 billion (-1.3% of GDP), from -2 272.3 billion (-5.0% of GDP) a year earlier.

By country, in 2017, the budget deficit on a commitment basis, including donations, dropped significantly in Congo (-5.1% of GDP), Cameroon (- 4.6% of GDP), Equatorial Guinea (- 2.3% of GDP), Gabon (-1.9% of GDP) and Chad (-1.2% of GDP). On the other hand, the fiscal balance had a deficit in the Central African Republic (-1.2% of GDP), whereas it was in surplus of 1.6% of GDP a year earlier.

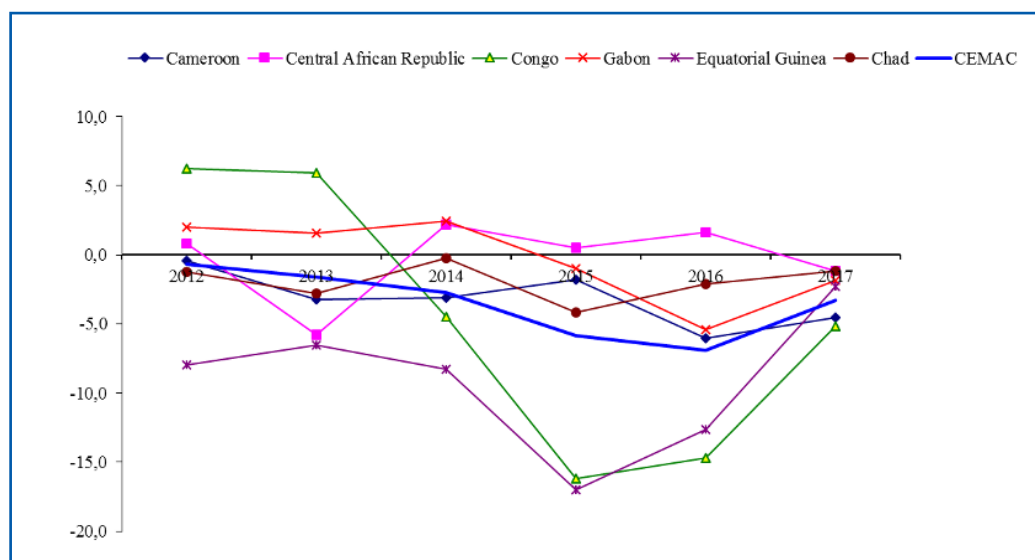
Thus, the implementation of the State budget, commitment base, including donations, in 2017 resulted in an overall deficit of 1 586.1 billion, down by 49.9%. Taking into account the overall deficit, cash basis, which stood at 2,311.7 billion, and adding to it the amortization of the external debt up to 905.3 billion and the disengagement of the State vis-à-vis the banking system of 25.0 billion, the overall financing requirement of the various States reached 3,241.9 billion. It was entirely covered by external assistance comprising of 342.0 billion in donations, 2,134.1 billion in drawings for project and cash loans, 235.6 billion in debt relief, and non-bank financing amounting to 530.2 billion.

Table 5: Opérations Financières des Etats de la CEMAC
(in billions of CFAF)

	2012	2013	2014	2015	2016	2017
Total revenue	12 736,4	12 315,0	12 516,0	9 300,4	7 553,1	7 847,9
Oil revenue	8 387,5	7 567,2	7 003,3	3 839,8	2 579,5	2 826,4
Non-oil revenue	4 348,8	4 747,8	5 512,7	5 460,5	4 973,6	5 021,5
. Tax revenue	3 991,2	4 443,3	4 764,0	4 845,4	4 523,5	4 624,8
. Non-tax revenue	357,6	304,5	748,7	615,1	450,1	396,6
Total Expenditure	13 360,1	13 343,3	14 272,4	12 394,5	11 023,5	9 776,0
Current expenditure	6 005,7	6 650,7	6 911,5	6 701,6	6 675,2	6 595,9
Salaries and wages	1 842,8	2 068,6	2 406,7	2 470,7	2 538,5	2 618,2
Goods and services	1 878,4	2 227,3	1 925,3	1 802,3	1 874,5	1 792,1
Transfers and subsidies	2 067,4	2 044,6	2 266,7	1 995,2	1 640,5	1 554,1
Interest	217,0	310,2	312,9	433,4	621,8	631,5
External debt	169,1	242,2	219,4	330,3	486,1	432,9
Domestic debt	47,8	68,0	93,5	103,0	135,7	198,6
Capital expenditure	7 354,4	6 692,6	7 360,9	5 692,9	4 348,3	3 180,1
Local resources	6 393,9	5 236,1	5 939,7	4 669,3	3 150,2	1 871,9
External resources	960,5	1 456,5	1 421,2	1 023,6	1 198,1	1 308,2
Primary balance (in billions of CFAF)	553,7	738,4	- 22,4	- 1 637,2	- 1 650,6	11,5
Primary balance (in percentage of GDP)	1,1	1,5	0,0	- 3,5	- 3,6	0,0
Underlying budget balance (in billions of CFAF)	336,8	428,2	- 335,3	- 2 070,5	- 2 272,3	- 619,9
Underlying budget balance (in percentage of GDP)	0,7	0,8	- 0,6	- 4,4	- 5,0	- 1,3
Global deficit (commitment basis excluding grants)	- 623,7	- 1 028,3	- 1 756,5	- 3 094,1	- 3 470,4	- 1 928,1
Global deficit (commitment basis including grants)	- 344,6	- 828,1	- 1 433,4	- 2 760,0	- 3 168,4	- 1 586,1
Savings on oil resources	3 327,5	1 536,6	631,7	- 2 282,3	- 2 329,9	- 753,0
(EFRP)	- 5,2	- 3,5	- 3,1	- 2,0	- 2,8	- 1,9
Baseline budgetary balance	- 305,9	- 527,1	93,4	675,9	325,4	- 383,6
Variations of arrears (drop -)	- 252,2	- 563,1	85,1	675,4	71,8	- 273,0
Internal (principal and interest)	- 53,7	36,0	8,3	0,5	253,6	- 110,5
External (principal and interest)						
Overall deficit (Cash base)	- 929,6	- 1 555,4	- 1 663,1	- 2 418,2	- 3 145,1	- 2 311,7
Total funding	929,6	1 555,4	1 663,1	2 418,2	3 145,1	2 311,7
External	906,9	1 702,4	1 744,3	2 575,8	1 161,2	1 806,4
Donations	279,0	200,2	323,1	334,1	302,0	342,0
Current	54,8	41,2	87,2	131,8	121,2	158,2
Projects	224,3	159,0	235,9	202,3	180,8	183,8
Drawings	1 007,5	2 478,1	2 222,2	2 940,2	1 610,5	2 134,1
Loans and programmes	271,3	1 180,5	1 037,0	2 118,9	593,2	1 009,7
Loans - projects	736,2	1 297,5	1 185,3	821,3	1 017,3	1 124,4
External debt repayment	- 414,6	- 972,4	- 854,6	- 1 490,6	- 803,3	- 905,3
External debt relief	60,4	36,5	79,0	792,1	52,0	235,6
Others	- 25,5	- 40,0	- 25,4	0,0	0,0	0,0
Internal	22,7	- 146,9	- 81,2	- 157,6	1 983,8	505,2
Banking system	382,6	- 222,5	1 017,6	1 685,9	2 193,4	- 25,0
BEAC, standard operations	415,1	- 905,9	1 253,6	1 366,4	1 611,0	- 1 912,8
BEAC, improved refinancing	1,4	2,6	0,7	0,2	1,6	1 628,1
IMF (net)	- 1,9	- 12,8	17,5	18,2	23,2	292,1
Reserve funds	11,8	528,3	112,2	- 0,4	- 21,5	59,3
Commercial banks, excluding purchase...	- 43,8	165,4	- 366,4	301,5	579,2	- 91,7
Non-banking	- 359,9	75,5	- 1 098,8	- 1 843,5	- 209,6	530,2
Residual gap	0,0	0,0	0,0	0,0	0,0	0,0
Overall budgetary balance (commitment basis - including donations)	- 0,7	- 1,6	- 2,7	- 5,9	- 6,9	- 3,3

Sources: National Administrations and BEAC

Figure 11: Progression of budgetary balance, commitment basis, including grants
(In percentage du PIB)



Sources: National Administrations and BEAC

2.3.2. External public debt

In 2017, the stock of external public debt of CEMAC countries stood at 16 083.9 billion (including 810.2 billion in arrears), an increase of 9.1%, compared to 2016, when the total was 14 738.1 billion including arrears. As a percentage of GDP, the total stock of external debt is 33.3%, compared to 32.1% in 2016.

In **Cameroon**, the stock of external public debt increased by 23.2%, to 4 891.8 billion in 2017 (24.6% of GDP), against 3,972.0 billion in 2016. Drawings for the period under review stood at 918.3 billion in 2017, compared to 453 billion a year earlier. Similarly, debt service increased from 243.9 billion in 2016 to 270.5 billion in 2017. It accounted for 7.1% of exports of goods and services and 8.8% of government revenue.

In the **Central African Republic**, the stock of external public debt increased by 373.9 billion at the end of 2016, to 430.0 billion in 2017, including 171.4 billion in arrears. Drawings amounted to 13.5 billion, compared to unpaid services of

3.9 billion- (3.8% of exports of goods and services and 5.3% of fiscal revenue). As a percentage of GDP, the Central African debt stock is estimated at 38.9% in 2017, compared to 36.0% in 2016.

In **Congo**, the total stock of external public debt in 2017 increased by 2.9%, reaching 5 238.6 billion (97.7% of GDP), including 453.3 billion in arrears, against 5 089.5 billion (105.8% of GDP) in 2016. During the same period, debt servicing rose from 356 billion to 339.8 billion (9.5% of exports of goods and services and 24.0% of government revenue).

In **Gabon**, the stock of external public debt in 2017 increased by 5.4%, to reach 3 439.7 billion (40.5% of GDP), including 104.4 billion in arrears, against 3 262.6 in 2016 (41.0% of GDP). In 2017, debt servicing was 13.8% of exports of goods and services and 31.5% of government revenue.

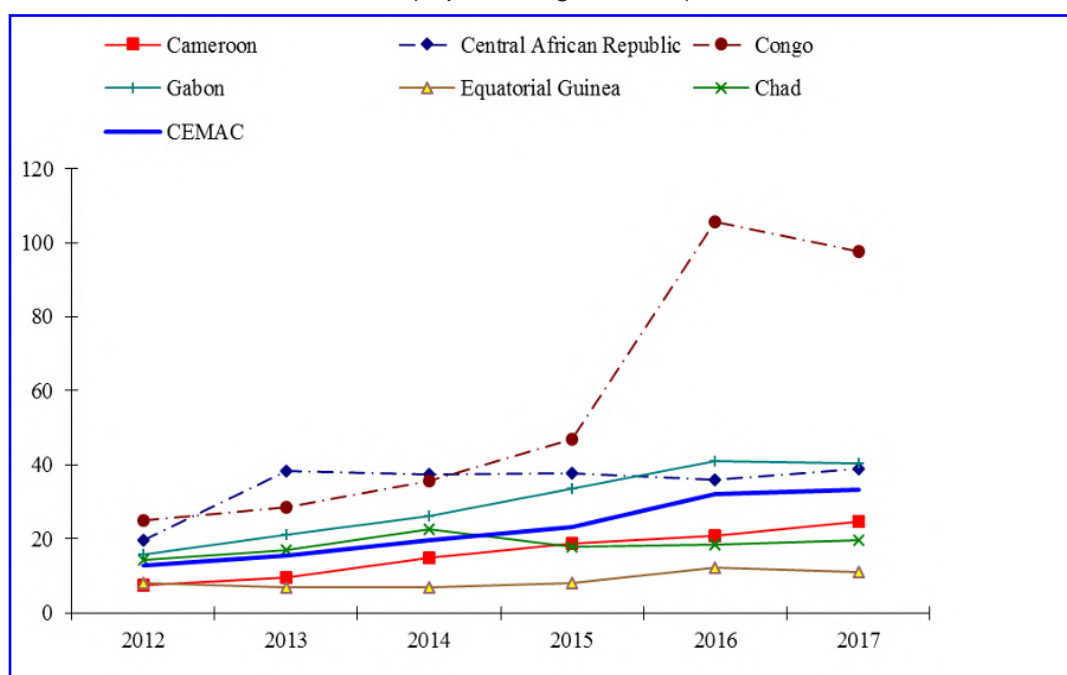
In **Equatorial Guinea**, the stock of external public debt dropped from 733.4 billion (12.4% of GDP) in 2016 to 725.9

billion (11.2% of GDP) in 2017. At the same time, debt servicing reduced from 103 billion to 90 billion, that is, 3.1% of exports of goods and services and 7.3% of government revenue.

(18.6% of GDP), to 1 358.0 billion in 2017 (19.7% of GDP). In 2017, debt servicing was 12.3% of exports of goods and services and 30.0% of government revenue.

In **Chad**, the stock of external public debt rose from 1 1,306.9 billion in 2016

Figure 12: Rate of public sector external debt
(in percentage of GDP)



Sources: National Administrations and BEAC

2.4. External sector

In 2017, the balance of payment of CEMAC member states witnessed a reduction in the current account deficit (including public transfers), which fell from 5 304.6 billion in 2016 to 1 941.2 billion in 2017. This balance was -4.0% of GDP in 2017, from -11.6% of GDP in 2016. This recovery is linked to the marked improvement in trade surplus, which rose from 1 073.3 billion in 2016, to 4,166.0 billion in 2017, due to increased exports (in value) of oil, gas, sawn timber and logs.

The structural deficit in the balance of services narrowed significantly, in connection with the drop in the level of imports, which was affected by budgetary adjustments made by the CEMAC countries. Thus, it dropped from 4 346.0 billion in 2016 to 3 795.1 billion in 2017. On the other hand, the deficit in the income account diminished to 2 342.0 billion in 2017, compared to 1 965.7 billion in 2016.

The capital and financial accounts surpluses increased by 28.4% to 2 512.2 billion in 2017. This trend can be explained essentially by the increase in capital inflows for direct investments.

Ultimately, the overall deficit in the balance of payment narrowed considerably, falling to 149.0 billion in 2017, compared to 3 705.7 billion in 2016. This deficit was financed by a drain on foreign reserves to the tune of 23.8 billion and exceptional funding of 125.1 billion coming mainly from the restructuring of the external debt of the various States, which partially made it possible to repay arrears.

The analysis by country shows that the current account improved everywhere, except in the Central African Republic, where the current account plummeted from -5.4% of GDP in 2016, to -8.6% one year after. In fact, the current account deficit, including official transfers, improved as follows: **Cameroon** (-2.5% of GDP in 2017, against -3.1% of GDP in 2016), **Congo** (-2.8% of GDP in 2017, compared to -44.3% of GDP in 2016), **Gabon** (-4.5% of GDP 2017, compared to 5.2% of GDP in 2016), **Equatorial Guinea** (-8.3% of GDP in 2017, compared to -14.6% of GDP in 2016) and **Chad** (-4.7% of GDP in 2017, compared to -16.7% of GDP in 2016).

Table 6: CEMAC Balance of Payment from 2015 to 2017
(In billions of CFAF)

	Cameroon		Central African Republic		Congo		Gabon		Equatorial Guinea		Chad		CEMAC	
	2015	2016	2017(a)	2015	2016	2017(a)	2015	2016	2017(a)	2015	2016	2017(a)	2015	2016
SBALANCE OF CURRENT ACCOUNT	- 693,9	- 595,2	- 503,1	- 80,6	- 56,0	- 48,1	- 2740,6	- 2131,0	- 151,1	103,2	- 410,7	- 381,1	- 1266,0	- 864,2
Balance of external trade	- 220,0	- 136,8	- 117,0	- 188,2	- 171,3	- 132,6	- 655,9	- 424,2	1357,9	1148,2	1017,8	1384,8	1285,8	1086,2
Exports	3085,6	2724,7	2674,9	50,7	68,1	81,7	2767,0	2583,0	3537,9	3023,9	2585,9	3058,6	3370,7	2463,7
Imports	- 3305,6	- 2861,5	- 2791,9	- 238,9	- 239,4	- 214,3	- 3422,9	- 3007,2	- 2180,0	- 1875,7	- 1568,0	- 1673,8	- 2084,9	- 1377,4
Balance of services	- 403,0	- 350,9	- 285,7	- 2,4	- 4,3	- 50,3	- 1961,8	- 1170,8	- 922,2	- 946,7	- 995,1	- 1108,7	- 1202,2	- 866,8
Of which:														
Freight and insurance	- 208,4	- 132,8	- 98,3	- 51,5	- 67,0	- 58,5	- 343,5	- 807,6	- 390,8	- 319,6	- 327,2	- 345,9	- 361,1	- 247,3
Official services	5,8	3,5	97,9	93,8	98,3	53,8	- 2,5	0,3	0,2	- 7,8	- 8,0	- 13,2	41,2	42,0
Travel and accommodation	- 70,0	- 65,7	- 65,0	- 26,7	- 22,4	- 33,7	- 164,6	- 124,1	- 109,7	- 122,5	- 128,9	- 139,7	- 62,3	- 52,6
Other private services	- 35,6	- 37,0	- 135,1	- 11,3	- 6,4	- 9,5	- 1310,9	- 147,5	- 340,5	- 421,9	- 453,4	- 529,6	- 788,1	- 597,6
Other modes of transportation and insurance	- 94,8	- 118,9	- 85,2	- 6,7	- 6,8	- 2,3	- 140,2	- 91,9	- 81,4	- 74,7	- 77,6	- 80,1	- 31,9	- 11,3
Balance des revenus	- 258,3	- 330,6	- 384,5	- 7,8	- 3,2	8,1	- 38,9	- 231,6	- 291,0	- 43,9	- 379,4	- 601,7	- 1075,8	- 827,6
Rémunération des salariés	26,5	26,8	28,5	- 2,8	- 2,3	8,3	1,3	- 31,3	- 45,0	- 11,7	- 12,4	- 13,2	- 49,9	- 46,3
Revenus des investissements	- 284,8	- 357,4	- 413,0	- 4,9	- 0,9	- 0,2	- 40,2	- 200,3	- 246,0	- 32,2	- 367,0	- 588,5	- 1025,9	- 781,4
Dont intérêt dette extérieure publique	- 53,0	- 131,0	- 136,0	- 3,3	- 3,6	- 1,6	- 34,0	- 110,0	- 82,8	- 128,1	- 114,1	- 139,2	- 15,9	- 18,4
Dont intérêt dette extérieure privée	- 293,2	- 30,1	- 46,0	- 0,6	- 0,3	- 0,4	- 26,4	- 97,5	- 170,6	- 453,6	- 310,3	- 507,0	- 1011,3	- 764,5
Income balance	187,4	223,0	284,1	117,8	122,9	126,7	- 84,0	- 304,4	- 295,8	- 54,5	- 54,1	- 55,6	- 273,8	- 256,0
Private	144,8	158,2	195,6	60,9	68,5	69,9	- 94,6	- 313,5	- 305,1	- 54,8	- 56,9	- 59,0	- 171,0	- 158,2
Public	42,6	64,8	88,5	56,9	54,4	56,9	10,6	9,0	9,3	0,4	2,8	3,4	- 102,8	- 97,8
CAPITAL AND OPERATIONS ACCOUNT	1179,3	- 226,1	1044,1	45,5	42,5	45,9	1135,4	1213,2	184,2	- 206,9	79,1	425,9	142,2	167,6
FINANCIAL														
CAPITAL ACCOUNT	12,9	36,0	34,6	40,2	23,8	32,1	- 6,4	34,4	23,7	2,3	0,0	0,0	0,0	0,0
Public (net)	11,1	36,0	32,8	38,2	23,8	32,1	0,0	40,4	29,6	2,3	0,0	0,0	0,0	0,0
Private (net)	1,8	0,0	1,8	2,0	0,0	0,0	- 6,4	- 6,0	- 5,9	0,0	0,0	0,0	0,0	0,0
FINANCIAL OPERATIONS ACCOUNTS	1166,4	- 262,1	1009,5	5,3	18,7	13,8	1141,8	1178,8	160,5	- 209,1	79,1	425,9	142,2	167,6
Direct investments (net)	377,5	360,6	388,4	0,2	9,9	2,9	2239,9	366,9	119,5	14,9	736,0	784,0	701,7	189,4
Portfolio investments (net)	416,5	- 38,5	- 40,5	0,2	0,2	0,0	- 0,8	- 20,4	- 0,8	106,5	117,0	131,0	- 1,4	0,0
Other net investments	372,4	- 584,1	661,6	4,9	8,6	10,9	- 1097,3	832,4	41,8	- 330,6	- 774,0	- 489,1	- 558,1	- 21,8
ERRORS AND OMISSIONS	- 84,2	78,8	- 324,9	- 15,2	16,5	...	272,5	- 20,3	- 320,1	- 169,2	- 480,2	- 41,6	277,7	- 15,1
OVERALL BALANCE	401,1	- 742,4	216,1	- 50,3	3,0	- 2,1	- 1332,7	- 938,1	- 287,1	- 272,9	- 811,9	3,2	- 846,1	- 711,7
FUNDING	- 401,1	742,4	- 216,1	50,3	- 3,0	2,1	1332,7	938,1	287,1	272,9	811,9	- 3,2	846,1	711,7
Variations of official reserves (drop+)	- 401,1	742,4	- 216,1	20,6	- 11,6	4,6	1327,6	880,1	213,2	220,5	629,9	64,0	846,1	711,7
Exceptional funding	0,0	0,0	0,0	29,7	8,5	- 2,5	5,0	58,0	73,8	52,4	182,0	- 67,2	0,0	0,0
Variation of external arrears (drop -)	0,0	0,0	0,0	7,9	4,6	- 2,5	5,0	58,0	17,0	9,1	164,0	- 179,2	0,0	0,0
Debt relief and cancellations	0,0	0,0	0,0	20,7	4,0	0,0	0,0	0,0	0,0	43,3	18,0	112,0	0,0	0,0
Others	1,1	...	...	...	...	...	...	...	...	...	...	...	...	...

(a): estimate; nd= unavailable

Source: National administrations and BEAC

2.5. Monetary sector

In 2017, the evolution of CEMAC monetary aggregates was influenced by several factors, including (i) a slight improvement in economic growth, (ii) consolidation of public finance in relation to the economic and financial programmes signed by some CEMAC member States with the IMF, (iii) the suppression of statutory advances to CEMAC member States and the consolidation of their stock in 2017 for a period of 14 years, including 4 years of deferment, at an interest rate of 2.0%, (iv) improvement in external accounts, in connection with the rebound in the trade balance, and (v) drawings by some States from the IMF.

In such a context, the monetary situation in the Sub-region at the end of December 2017, compared with December 2016, registered a drop in money supply of 0.4%, in connection with the decrease in net foreign assets, which were higher than the increase in domestic credit.

The Net foreign assets in the monetary system decreased by 3.9% in 2017, to 2 322.3 billion at the end of December 2017. BEAC's official foreign reserves increased by 122.8 billion, to 3 216.1 billion by the end of December 2017. This resulted in an external currency coverage rate of 57.46%, compared to

59.10% in December 2016. Gross foreign reserves, in months, of imports of goods and services increased from 2.3 months in 2016 to 2.7 months in 2017. The Central Bank's foreign liabilities also increased by 29.4%, to 1 086.3 billion in 2017.

Outstanding domestic credit increased by +1.5% at the end of December 2016, to 10 541.6 billion at the end of December 2017. This development is related to the increase in net claims on CEMAC States (+12.6%), since bank loans to the economy had dropped by 1.9%.

The Net Government borrowing on the monetary system stood at 3,000.6 billion as of 31st December 2017, having increased by 256.3 billion from its level at the end of December 2016. This development is mainly due to the increase in the debt of the various States at the level of the IMF, with regard to the financial support received by some CEMAC member States within the framework of the economic and financial programmes signed with the IMF.

In line with the evolution of other factors, money supply (M2) recorded a slight decrease (-0.4% in 2017, from - 5.4% in 2016). This decrease is attributed to the drop in bank deposits (-0.6%), despite an increase in fiduciary issue of 0.1% over the period.

Table 7: Summary of monetary situation in CEMAC
December 2015 - December 2017

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2015- 2016	2016- 2017
Net foreign assets	5 668 098	2 416 401	2 322 317	- 57,4	- 3,9
Domestic credit	7 350 128	10 383 094	10 541 581	41,3	1,5
<i>Net claims on states</i>	- 175 389	2 441 933	2 748 475	1 492,3	12,6
<i>Of which: ONP:</i>	406 580	2 744 336	3 000 634	575,0	9,3
Credit flows to the economy	7 525 517	7 941 161	7 793 107	5,5	- 1,9
Money supply	11 250 235	10 645 497	10 602 954	- 5,4	- 0,4
Other net items	1 767 991	2 153 998	2 260 945	21,8	5,0
Equity capital	2 572 640	3 120 187	3 330 429	21,3	6,7
Sundry	- 804 649	- 966 189	- 1 069 484	- 20,1	- 10,7

Sources: National Administrations and BEAC

Specifically, in 2017, the following trends were observed for monetary aggregates in CEMAC countries:

trends between countries. While money supply declined in Congo, Gabon and Chad, it increased in Cameroon, Central African Republic and Equatorial Guinea.

2.5.1. Money supply

The decrease in money supply in the Sub-region in 2017 conceals contrasting

Table 8: Increase in money supply
December 2015 - December 2017

	Amounts (in millions of CFAF)			Variations (in%)	
	2 015	2 016	2 017	2015- 2016	2016- 2017
Cameroon	3 957 918	4 163 054	4 398 831	5,2	5,7
Central African Republic	257 082	273 686	307 415	6,5	12,3
Congo	2 330 125	1 971 832	1 766 140	- 15,4	- 10,4
Gabon	2 259 931	2 084 523	2 004 845	- 7,8	- 3,8
Equatorial Guinea	1 407 204	1 181 613	1 193 396	- 16,0	1,0
Chad	1 002 376	923 826	895 789	- 7,8	- 3,0
Adjustments within the Community	35 599	46 963	36 538	31,9	- 22,2
CEMAC	11 250 235	10 645 497	10 602 954	- 5,4	- 0,4

Sources: National Administrations and BEAC

In terms of contribution, the increase in money supply (M2) within CEMAC was negatively influenced by the drop in money supply of Congo (- 1.9 points), Gabon (- 0.7 point) and Chad (- 0.3 point). However, Cameroon, the Central African Republic and Equatorial Guinea recorded positive contributions of 2.2 points, 0.3 poin and 0.1 point respectively.

Analysing the structure of money supply between December 2016 and December 2017 shows a drop of 0.2 point in the relative share of paper-based money to 49.0%, for the contribution of fiat money, which increased by 0.2 point.

Table 9: Increase in the components of money supply trends
(December 2015 – December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
A – Money in circulation	8 299 402	7 669 400	7 629 913	72,0	72,0
Of which: Fiat money	2 583 761	2 432 062	2 435 600	22,8	23,0
Paper-based money	5 715 641	5 237 338	5 194 313	49,2	49,0
B - Quasi money	2 950 833	2 976 097	2 973 041	28,0	28,0
Masse monétaire	11 250 235	10 645 497	10 602 954	100,0	100,0

Fiduciary issue by country

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	801 860	904 724	969 478	12,8	7,2
Central African Republic	134 630	143 559	161 985	6,6	12,8
Congo	622 121	511 404	470 266	- 17,8	- 8,0
Gabon	379 031	361 820	329 032	- 4,5	- 9,1
Equatorial Guinea	222 433	174 846	164 747	- 21,4	- 5,8
Chad	423 686	335 709	340 092	- 20,8	1,3
CEMAC	2 583 761	2 432 062	2 435 600	- 5,9	0,15

Paper based-money by country

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	1 734 241	1 773 180	1 895 346	2,2	6,9
Central African Republic	70 787	75 048	85 274	6,0	13,6
Congo	1 370 244	1 108 673	986 821	- 19,1	- 11,0
Gabon	1 086 340	1 003 404	979 038	- 7,6	- 2,4
Equatorial Guinea	935 827	760 420	762 046	- 18,7	0,2
Chad	488 481	478 577	458 528	- 2,0	- 4,2
Adjustment within the Community	29 721	38 036	27 260	28,0	- 28,3
CEMAC	5 715 641	5 237 338	5 194 313	- 8,4	- 0,8

Quasi money per country

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	1 421 817	1 485 150	1 534 007	4,5	3,3
Central African Republic	51 665	55 079	60 156	6,6	9,2
Congo	337 760	351 755	309 053	4,1	- 12,1
Gabon	794 560	719 299	696 775	- 9,5	- 3,1
Equatorial Guinea	248 944	246 347	266 603	- 1,0	8,2
Chad	90 209	109 540	97 169	21,4	- 11,3
Adjustment within the Community	5 878	8 927	9 278	51,9	3,9
CEMAC	2 950 833	2 976 097	2 973 041	0,9	- 0,1

Source: BEAC

2.5.2. Net foreign assets of the monetary system

Net foreign assets of CEMAC's monetary system diminished in 2017. Thus, the net external position of CEMAC's monetary system dropped from 2 416.4 billion to 2 322.3 billion between 2016 and 2017.

More specifically, the net foreign assets of CEMAC's monetary system evolved as shown in Table 10.

Table 10: Increase in the net foreign assets of the monetary system
(December 2015- December 2017⁽¹⁾)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	2 110 304	1 706 377	1 970 136	- 19,1	15,5
Central African Republic	42 225	53 624	103 679	27,0	93,3
Congo	1 545 728	461 445	213 274	- 70,1	- 53,8
Gabon	1 119 060	459 581	549 883	- 58,9	19,6
Equatorial Guinea	854 095	162 716	74 647	- 80,9	- 54,1
Chad	88 599	- 303 741	- 299 355	- 442,8	1,4
Headquarters	505 615	725 843	619 556	43,6	- 14,6
Adjustment within the Community	- 597 528	- 849 444	- 909 503	- 42,2	- 7,1
CEMAC	5 668 098	2 416 401	2 322 317	- 57,4	- 3,9

(1) () Foreign assets

(-) External liabilities

Source: BEAC

BEAC's net foreign assets dropped in 2017, going down by 5.5%, from -58.8 in 2016 to 2 129.7 billion in December 2017. This low performance of BEAC's net foreign assets results from the decrease of this indicator as recorded in Equatorial Guinea (-368.7%), Congo

(-54.2%) and Gabon (-17.2%). Moreover, Chad's net external debt situation improved (+15.0%) in 2017. Finally, BEAC's net foreign assets increased in Cameroon (+19.5%) and in the Central African Republic (+92.0%).

Table 11: Evolution of net foreign assets of BEAC
(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	1 848 221	1 105 779	1 321 854	- 40,2	19,5
Central African Republic	26 975	38 549	74 031	42,9	92,0
Congo	1 273 517	393 419	180 207	- 69,1	- 54,2
Gabon	1 001 112	371 243	307 236	- 62,9	- 17,2
Equatorial Guinea	699 888	- 11 777	- 55 195	- 101,7	- 368,7
Chad	145 400	- 302 284	- 257 046	- 307,9	15,0
Headquarters	505 615	725 843	619 556	43,6	- 14,6
CEMAC	5 465 905	2 253 756	2 129 742	- 58,8	- 5,5

Source: BEAC

The observed decrease in BEAC's net foreign assets resulted from an increase in its external liabilities, which offset the increase in its foreign assets.

The gross foreign assets of the Central Bank increased by 4.0% between 2016 and 2017, from -50.4% between 2015 and 2016. This increase can easily be explained by (i) the sharp increase in assets in the French

Treasury (+120.8%) following the sale of part of the investment portfolio, and (ii) increase of IMF reserve (+62.8%). However, the importance of this development was mitigated by the decline in foreign currency assets managed by the Trading Room (- 79.5%), SDR (-14.6%), and, to a lesser extent, by the drop in Gold holdings (-1.2%).

Table 12: Evolution of gross foreign assets of BEAC

(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Gold holdings	129 210	143 865	142 196	11,3	- 1,2
Operating account	3 288 317	1 155 952	2 551 843	- 64,8	120,8
SDR	200 057	189 567	161 859	- 5,2	- 14,6
IMF reserve position	9 095	22 140	36 045	143,4	62,8
Other foreign currency	2 611 600	1 581 722	324 139	- 39,4	- 79,5
CEMAC	6 238 279	3 093 246	3 216 082	- 50,4	4,0

Source: BEAC

As for external liabilities, they increased by 29.4%, from +8.7% in 2016 to 1 086.3 billion in 2017. This is a result of the increase in the way State use

IMF assistance (+144.5%), with BEAC's external commitments having rather declined over the same period (- 6.8%).

Table 13: Evolution of official external liabilities

(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
External liabilities of BEAC (1)	598 581	638 793	595 604	6,7	- 6,8
Use of IMF credits	173 793	200 697	490 736	15,5	144,5
TOTAL	772 374	839 490	1 086 340	8,7	29,4

(1) Including undivided commitments of Headquarters

Source: BEAC

The net international investment position of banks improved between 2016 and 2017. The net foreign assets of the

banking system increased by 18.4% to 192.6 billion in 2017, against - 19.6% in 2016. The evolution is mainly as a

result of the growth observed in Gabon (+174.7%), the Central African Republic (+96.7%), and, to a lesser extent, Cameroon (+7.9%). The international

investment position of banks dwindled to varying degrees in the other CEMAC countries.

Table 14: Evolution of the net foreign position of banks

(December 2015 - December 2017)¹

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Gross foreign assets	735 487	754 794	803 646	2,6	6,5
External liabilities (2)	533 294	592 149	611 071	11,0	3,2
CEMAC (net balance)	202 193	162 645	192 575	- 19,6	18,4
Cameroon	262 083	600 598	648 282	129,2	7,9
Central African Republic	15 250	15 075	29 648	- 1,1	96,7
Congo	272 211	68 026	33 067	- 75,0	- 51,4
Gabon	117 948	88 338	242 647	- 25,1	174,7
Equatorial Guinea	154 207	174 493	129 842	13,2	- 25,6
Chad	- 56 801	- 1 457	- 42 309	97,4	- 2 803,8
Adjustment within the Community	- 562 705	- 782 428	- 848 602	- 39,0	- 8,5

(1) () Foreign assets

(-) External liabilities

(2) Including postal debt

Source: BEAC

2.5.3. Domestic credit

In CEMAC, the stock of domestic credit increased from 10 383.1 billion at the end of December 2016 to 10 541.6 billion at the end of December 2017.

This increase stems from the increase in net claims on CEMAC States (+12.6%), despite the decrease in bank loans to the economy (-1.9%).

Table 15: Expansion of domestic credit

(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Net claims on States	- 175 389	2 441 933	2 748 475	-	12,6
Credit flows to the economy	7 525 517	7 941 161	7 793 107	5,5	- 1,9
CEMAC	7 350 128	10 383 094	10 541 582	41,3	1,5
Cameroon	2 231 549	3 087 958	3 185 250	38,4	3,2
Central African Republic	267 743	268 832	267 887	0,4	- 0,4
Congo	997 880	1 744 317	1 805 752	74,8	3,5
Gabon	1 359 808	1 780 102	1 712 887	30,9	- 3,8
Equatorial Guinea	933 152	1 374 555	1 504 803	47,3	9,5
Chad	926 983	1 168 951	1 138 866	26,1	- 2,6
Adjustment within the Community	633 013	958 379	926 137	51,4	- 3,4

Source: BEAC

The evolution of net claims on CEMAC Member States in 2017 resulted from IMF drawings.

Table 16: Evolution of net foreign assets on States per component
(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Treasury debts and debts on Items	3 868 907	2 343 630	2 627 584	- 39,4	12,1
Cash and Issuing Bank	2 443 974	996 241	1 312 536	- 59,2	31,7
Deposits in Banks	1 424 933	1 347 389	1 315 048	- 5,4	- 2,4
Treasury liabilities and liabilities	3 693 518	4 785 563	5 376 059	29,6	12,3
Towards BEAC	2 214 087	2 446 104	2 772 995	10,5	13,4
Advances on current accounts	2 130 220	2 360 435	463 826	10,8	- 80,3
Consolidated claims on the State (1)	83 867	85 669	2 309 169	2,1	2 595,5
Towards FMI (2)	173 793	200 697	490 736	15,5	144,5
Towards Banks	1 300 694	2 133 818	2 107 384	64,1	- 1,2
Government paper	586 661	1 200 273	1 037 679	104,6	- 13,5
Sundry	714 033	933 545	1 069 705	30,7	14,6
Exchange value for PCA external debt (Postal Debt)	4 944	4 944	4 944	0,0	0,0
Net position	- 175 389	2 441 933	2 748 475	1 492,3	12,6

(1) Claims on banks in the process of liquidation consolidated on the State.

(2) Consideration of drawings on the IMF (Standby, Structural Adjustment Facility, Reinforced Structural Adjustment Facility, Compensatory Financing, Trust Fund and Extended Agreements)

Source: BEAC

In 2017, the net debt position of CEMAC States vis-à-vis the monetary system increased, except in Chad and Gabon, where it dropped by 2.9% and 2.5%, respectively. The net claims of the monetary

system on each State increased in Equatorial Guinea (50.9%), Congo (17.8%), Cameroon (15.3%) and the Central African Republic (0.9%).

Table 17: Evolution of net foreign assets on Public Treasuries (1)
(December 2015 - December 2017)

	Amounts (in millions of CFAF)			Variations (in %)	
	2 015	2 016	2 017	2 016	2 017
Cameroon	- 610 940	118 602	136 771	119,4	15,3
Central African Republic	148 078	132 933	134 195	- 10,2	0,9
Congo	- 142 196	505 566	595 369	455,5	17,8
Gabon	55 765	607 614	592 336	989,6	- 2,5
Equatorial Guinea	- 176 022	224 263	338 399	227,4	50,9
Chad	323 971	534 807	519 563	65,1	- 2,9
Adjustment within the Community	225 955	318 148	431 842	40,8	35,7
CEMAC	- 175 389	2 441 933	2 748 475	1 492,3	12,6

(1) (+) Claims on various States

(-) Liabilities towards various States

Source: BEAC

Bank loans to the CEMAC economy dropped by 1.9%, from +5.5% in 2016, to 7 793.1 billion in 2017. This reduction was as a result of the drop in short-term (-1.0%) and medium-term credits (- 4.2%). On the other hand, long-term bank loans increased by 13.1% over the same period. More than half of the bank loans granted are short-term (60.5%).

Funding from banks to the *economy* was mainly directed toward “whole-

sale and retail business – catering and hotels”, which absorbed 16.8% of the credits, and other areas such as “*transportation, auxiliary activities and telecommunications*” (16.7%), “*construction and public works*” (14.7%), “*production of services for the community, social and personal services*” (11.2%) and “*credits to individuals*” (10.5%).

Table 18: Changes in credits to the economy by maturity
(December 2015 - December 2017)

		Amounts (in millions of CFAF)			Variations (in %)	
		2 015	2 016	2 017	2 016	2 017
Short-term credits		4 691 115	4 761 737	4 715 990	1,5	- 1,0
Medium-term credits		2 651 309	2 999 287	2 873 428	13,1	- 4,2
Long-term credits		183 093	180 137	203 689	- 1,6	13,1
CEMAC		7 525 517	7 941 161	7 793 107	5,5	- 1,9
Cameroon		2 842 489	2 969 356	3 048 479	4,5	2,7
Central African Republic		119 665	135 899	133 692	13,6	- 1,6
Congo		1 140 076	1 238 751	1 210 383	8,7	- 2,3
Gabon		1 304 043	1 172 488	1 120 551	- 10,1	- 4,4
Equatorial Guinea		1 109 174	1 150 292	1 166 404	3,7	1,4
Chad		603 012	634 144	619 303	5,2	- 2,3
Adjustment within the Community		407 058	640 231	494 295	57,3	- 22,8

Short-term credits	Amounts (in millions of CFAF)			Variations (in %)		
	2 015	2 016	2 017	2 016	2 017	
	Cameroon	1 769 322	1 794 012	1 847 974	1,4	3,0
	Central African Republic	82 028	79 625	72 025	- 2,9	- 9,5
	Congo	529 229	554 518	588 525	4,8	6,1
	Gabon	703 999	668 854	638 444	- 5,0	- 4,5
	Equatorial Guinea	956 994	987 393	983 428	3,2	- 0,4
	Chad	454 321	494 931	472 493	8,9	- 4,5
	Adjustment within the Community	195 222	182 404	113 101	- 6,6	- 38,0
	CEMAC	4 691 115	4 761 737	4 715 990	1,5	- 1,0

Medium-term credits	Amounts (in millions of CFAF)			Variations (in %)		
	2 015	2 016	2 017	2 016	2 017	
	Cameroon	998 806	1 085 241	1 103 338	8,7	1,7
	Central African Republic	26 304	53 819	50 260	104,6	- 6,6
	Congo	586 853	662 113	597 811	12,8	- 9,7
	Gabon	567 933	473 969	456 783	- 16,5	- 3,6
	Equatorial Guinea	137 954	147 745	157 631	7,1	6,7
	Chad	123 784	120 541	128 103	- 2,6	6,3
	Adjustment within the Community	209 675	455 859	379 502	117,4	- 16,8
	CEMAC	2 651 309	2 999 287	2 873 428	13,1	- 4,2

Long-term credits	Amounts (in millions of CFAF)			Variations (in %)		
	2 015	2 016	2 017	2 016	2 017	
	Cameroon	74 361	90 103	97 167	21,2	7,8
	Central African Republic	11 333	2 455	11 407	- 78,3	364,6
	Congo	23 994	22 120	24 047	- 7,8	8,7
	Gabon	32 111	29 665	25 324	- 7,6	- 14,6
	Equatorial Guinea	14 226	15 154	25 345	6,5	67,2
	Chad	24 907	18 672	18 707	- 25,0	0,2
	Adjustment within the Community	2 161	1 968	1 692	- 8,9	- 14,0
	CEMAC	183 093	180 137	203 689	- 1,6	13,1

Source: BEAC

3. Regional Integration

3.1. Multilateral surveillance

Multilateral surveillance within CEMAC is based on convergence criteria and a set of macroeconomic indicators⁵. This system was reviewed in January 2016 with the aim of getting the Member States to implement counter-cyclical budgetary policies.

The new system, after having been introduced on 1 January 2017, was used at the time to assess the level of compliance with the convergence criteria.

3.1.1. Convergence criteria

A new criterion on fiscal sustainability (baseline budget balance) was instituted. It incorporates a rule of financial savings on oil resources, and introduces a counter-cyclic component into budget management. From another perspective, it can be seen as the difference between the Global Budget Balance excluding Oil revenues and 80% of the average oil revenue quotient relative to GDP for the last three years. This criterion is fulfilled when the baseline budgetary balance is greater than or equal to -1.5% of GDP.

In 2017, the baseline budgetary balance for the entire Community was down by 1.3% of GDP, which was slightly above the norm of 1.5% of GDP.

This criterion was observed by the Central African Republic (- 1.1% of GDP), Equatorial Guinea (- 0.7% of GDP) and Chad (- 0.1% of GDP). In the other three countries, statistics were as follows: Cameroon (- 2.2% of GDP), Congo (- 2.6% of GDP) and Gabon (- 2.8% of GDP).

The average annual inflation rate within CEMAC was 1.0% in 2017 and 1.1% in 2016, which was below the Community's standard rate. With the exception of the Central African Republic, where an inflation rate of 4.1% was recorded, every other CEMAC country met this criterion with levels varying between - 0.9% for Chad and 2.7% for Gabon.

The stock of internal and external public debt relative to the nominal GDP remained below 70%, both at Community level and in all the Member States except Congo. It stood at 45.4% of GDP in 2017, up from 44.6% of GDP in 2016 for CEMAC. As for the Member States, it varied between 33.2% of GDP for Chad and 110.8% of GDP for Congo. The risk of over-indebtedness increased for some countries, which, nevertheless, had benefited from the Heavily Indebted Poor Countries Initiative (HIPC) less than 10 years ago.

⁴ The data on multilateral surveillance are those of the CEMAC Commission.

With regard to the criterion relating to **the non-payment of arrears consisting** in the non-accumulation of payment of arrears on current management and the payment of existing accumulated arrears, in accordance with the approved and published plan, its evaluation for the 2017 financial year only focused on its first component. Thus, none of the member States observed this criterion of non-accumulation of arrears in 2017.

Ultimately, in 2017, the Community fulfilled three out of four criteria, namely those relating to the baseline budgetary balance, inflation and debt. Equatorial Guinea and Chad met three out of four criteria, with the exception of the criterion relating to the absence of payment arrears. Cameroon and Gabon, on their part, met the inflation and debt rate criteria. The Central African Republic also met two criteria, those relating to the budgetary reference balance and debt. As for Congo, it met only one criterion, which was that of the inflation rate.

3.1.2. Multilateral surveillance indicators

The **primary non-oil budget deficit** of 11.9% of GDP in 2016, recorded at the level of the Community, was reduced to 9.3% of GDP in 2017. At the level of member State, all of them experienced a primary budget deficit excluding oil in 2017. The situation was as follows: Cameroon (-4.2%), Central African Republic (-6.3%), Congo (-23.1%), Gabon (-9.3%), Equatorial Guinea (-27.2%), and Chad (-5.3%).

The **external currency coverage rate** within the Community dropped to 57.5% at the end of December 2017, down from 59.1% at the end of December 2016. It remained in accordance with the Community's standard, which required that this rate be greater than or equal to 20%. By country, it looked as follows: Cameroon (71.0%, compared to 73.6% in 2016), Central African Republic (83.2%, compared to 80.2% in 2016), Congo (27.6%, down from 43.9% in 2016), Gabon (58.8%, compared to 55.7% in 2016), Equatorial Guinea (7.1%, down from 8.4% in 2016) and Chad (5.2%, same as in 2016).

The **rate of fiscal pressure** (tax revenue excluding oil / non-oil GDP), which varied between 3.5% of GDP in Equatorial Guinea and 26.6% of GDP in Congo, remained low compared to that of other sub-regional communities (especially in WAEMU).

The **ratio of wage bill to tax revenue other than oil** remained well above the threshold of 35% within the Community as a whole (56.2%, against 55.2% in 2016), as well as at the level of CEMAC member States taken individually: Cameroon (40.6%, against 42.1% in 2016), Central African Republic (67.1.6%, against 74.1% in 2016), Congo (53.8%, compared to 46.8% in 2016), Gabon (88.0%, against 80.3% in 2016), Equatorial Guinea (91.3%, against 75.4% in 2016) and Chad (84.4%, against 81.9% in 2016).

Table 19: Results of multilateral surveillance within CEMAC

CONVERGENCE CRITERIA		INTERIM RESULTS FOR MULTILATERAL SURVEILLANCE WITHIN CEMAC AS OF 31 DECEMBER 2017							Number of countries that meet the criterion	
		Cameroon	Central African Republic	Congo	Gabon	Equatorial Guinea	Chad	CEMAC	2017	
1	Baseline budget balance in% of GDP (Norm ≥ -1.5)	-2,2	-1,1	-2,6	-2,8	-0,7	-0,1	-1,3	3	
2	Average annual inflation rate (Norm $\leq 3\%$)	0,6	4,1	1,6	2,7	1,1	-0,9	1,0	5	
3	Stock of total public debt compared to nominal GDP (Norm $\leq 70\%$)	32,8	54,5	110,8	45,4	41,1	33,2	45,4	5	
4	Non-accumulation of internal and external payment of arrears during current management period (in billions)								0	
	Payment of existing arrears in accordance with the approved and published plan (in billions)									
fulfilled criteria by country	2017	2	2	1	2	3	3	3		

Sources: CEMAC Commission.

3.2. Topical issues

3.2.1 Empirical evolution of the explanatory factors for the stabilization of CEMAC foreign reserves in 2017

Two (02) years after the sharp drop in oil prices from the second half of 2014, CEMAC was plunged into a severe economic crisis. Growth rate plummeted from 2.4% in 2013 to -0.2% in 2016. These economic challenges led to a sharp decrease, by more than half, in foreign exchange reserves (-64.8%), dropping from 8 777.5 billion at the end of 2013 to 3 093.2 billion by the end of 2016, equated to less than 3 months of imports of goods and services. This situation amplified rumours of devaluation of the CEMAC CFAF. Indeed, going by the rate at which CEMAC foreign reserves were depleting, it was expected that they would be completely exhausted by 2018.

However, 2017 was characterised by some actual stabilization of foreign reserves, thus dispelling major concerns about the external stability of the CEMAC CFAF. For this to happen, BEAC first proceeded to identifying the stabilization factors for foreign reserves in 2017, before moving on to quantifying respective contributions.

3.2.1.1 Determinants of the dynamics of foreign reserves

Five (05) major objectives triggered the accumulation of foreign reserves (IMF, 20016):

- building and maintaining confidence in monetary and exchange rate

policies by ensuring the ability to intervene in the foreign exchange market;

- limiting external currency vulnerability by ensuring the availability of liquidity in foreign currencies in order to avert challenges in times of crisis or when access to external funding is restricted;
- giving markets the assurance that the country is able to meet its external obligations;
- demonstrating the ability of financial authorities to support the national currency with reserve assets, and help the government meet its need for foreign currency financing and meet its external debts;
- having sufficient reserves to cope with disasters or national emergencies.

On these grounds, foreign reserves allow financial authorities holding them to have sufficient time to adjust transient and unexpected imbalances in external payments. In addition, the accumulation of foreign reserves helps, as a security stock, to counter possible future and unforeseen changes in balance of payments.

Within CEMAC, where a large number of countries are net producers and exporters of oil, the growth of foreign reserves is intricately linked to that of oil prices. Three (03) factors likely to increase or lessen the need to accumulate international reserves are considered. These factors are linked to:

- the fixed exchange rate regime, which involves holding a comfortable level of reserves, on the one

⁵ Directives pour la gestion des réserves de change, approuvé par le Conseil d'administration du 20 Septembre 2001.

hand, to meet the commitments arising from external transactions, and, on the other hand, in the event of difficulty, to absorb imbalances, without needing to resort to drastic adjustment policies with high cost in the areas of growth and social well-being;

- all of the vulnerability factors, especially with regard to the current account (high concentration of

exports and significant volatility in the prices of exported products);

- the provisions inherent in the institutional framework, notably monetary cooperation agreements between CEMAC countries and, between them and France (pooling of foreign reserves and guarantee of the currency granted by the French Treasury).

Figure 13: Monthly progress of foreign exchange reserves in CEMAC

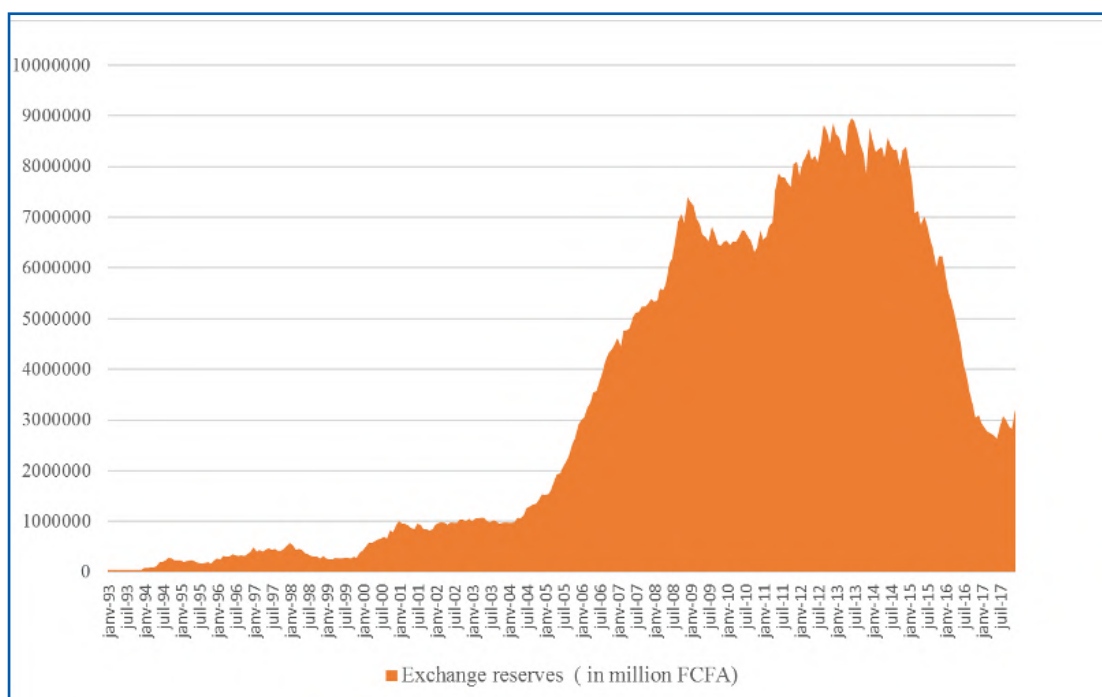
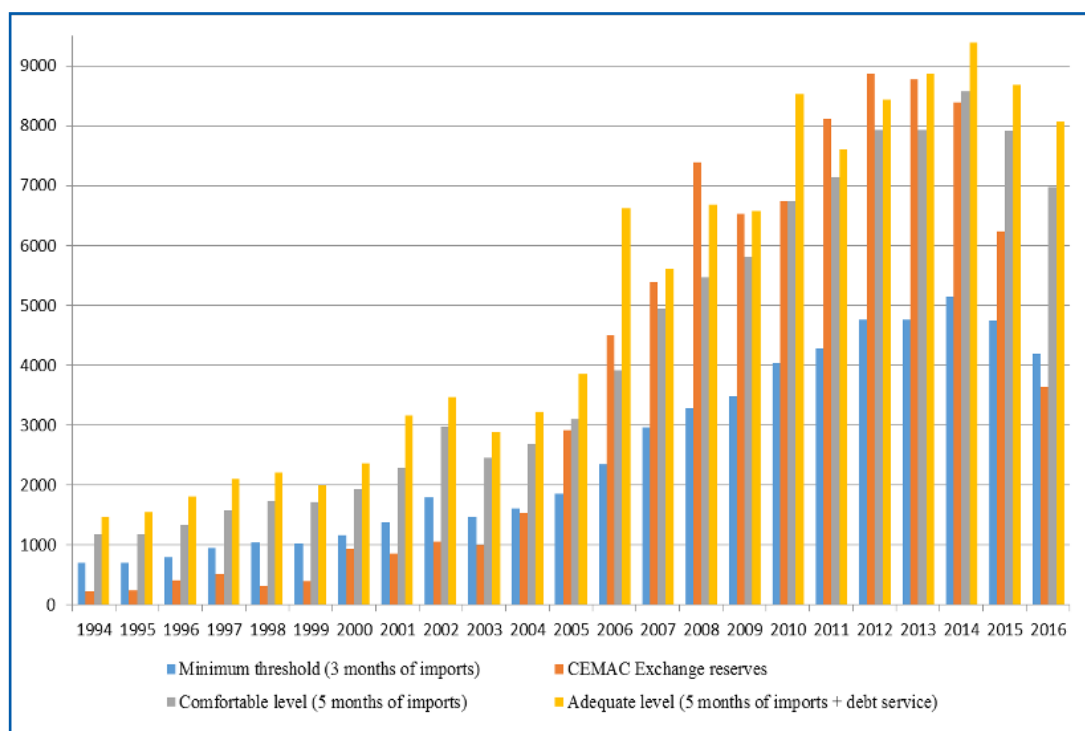


Figure 14: Réserves de change et critères de performance en termes de capacité de financement de la balance de paiements (in billionss CFAF)



3.2.1.2 Increase in CEMAC foreign reserves (1994-2016))

The increase in foreign reserves over the period from 1994 to 2016 had three (03) main phases. The first runs from the early 1990s to the mid-2000s. It was characterised by a level of foreign reserves that stood below the minimum threshold required in economic theory, which was three months of imports of goods and services. The second phase (2005 – 2013) witnessed a sharp increase in foreign exchange reserves, mainly due to the good performance of oil prices. Hence, they increased from 1 535.6 billion at the end of 2004 to 8 777.5 billion at the end of 2013. As a result, foreign reserves were above the 3-month coverage threshold for imports of goods and services, which was a more than acceptable level in 2008, 2011 and 2012. Finally, the third phase started in

July 2014, with drop in foreign reserves, which returned, in three years, from a more than acceptable level to find itself below the minimum three-month threshold of importation of goods and services.

3.2.1.3 Explanatory factors for the stabilization of CEMAC foreign reserves in 2017

The economic crisis, in general, and the weakening external stability of the currency (Central African CFAF) triggered the reaction of CEMAC authorities. In that light, an extraordinary summit of CEMAC Heads of State held on 23rd December 2016 in Yaoundé. This summit focused on a global vision to end the crisis, through the adoption of 21 measures. At the financial level, the Heads of State: (i) decided, in matters of monetary policy, to freeze the maximum

BEAC statutory advances at a level set on the basis of budgetary revenue for the 2014 financial year, (ii) urged BEAC to propose, within the shortest possible period, in favour of the States, measures aimed at promoting gradual migration towards financing by capital markets, as a substitute to direct funding from the Central Bank, and (iii) prescribed measures to consolidate financial stability in CEMAC through increased surveillance of the banking system and optimal use of monetary policy instruments.

The practical implementation of these measures by both BEAC and CEMAC member States made it possible in 2017 to mitigate the drop in foreign reserves, thus stabilising them. Analysing the dynamics of CEMAC foreign reserves in 2017 reveals six (06) main explanatory factors for such stabilization: (i) *freezing of BEAC assistance to the States*, (ii) *consolidating transfer controls*, (iii) *external funding*, (iv) *the rise in the prices of exported products*, (v) *repatriation efforts*, and (vi) *the budgetary effort of the States*.

- a) *In 2017, BEAC toughened its monetary policy by raising its main reference rate by 50 basis points to 2.95%, and by freezing direct upfront payments to States which had greatly improved in 2015 and 2016.*
- b) *More rigorous control on the conformity of transfer request files leaving the zone and external investment commercial banks foreign*

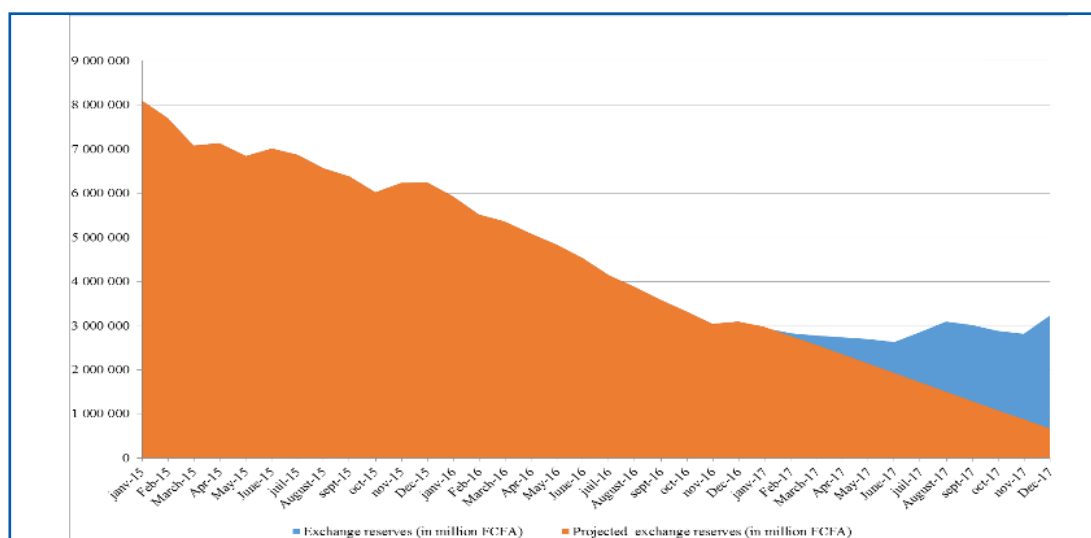
reserves, in 2017, led to a rejection rate of 30.5% of total requests, compared to 8.2% in 2016.

- c) *Bilateral negotiations between CEMAC States and the IMF resulted in the signature of economic and financial programmes. The implementation of programmes signed between the IMF and four (04) CEMAC States (Cameroon, Central African Republic, Gabon and Chad) generated drawings of 936 billion.*
- d) *Commitments taken by Authorities in the Sub-region within the framework of adjustment programmes signed with the IMF resulted in budgetary consolidation in all the countries.*
- e) *The year 2017 saw a slight increase in the price of the barrel of oil, which went on average from USD 42.8 in 2016 to USD 52.7 in 2017.*

3.2.1.4 Contribution of various factors

In order to quantify the contributions of the various factors, an estimate was made of the trajectory that foreign reserves would have taken, by 2017, if their downward trend from 2016 persisted.

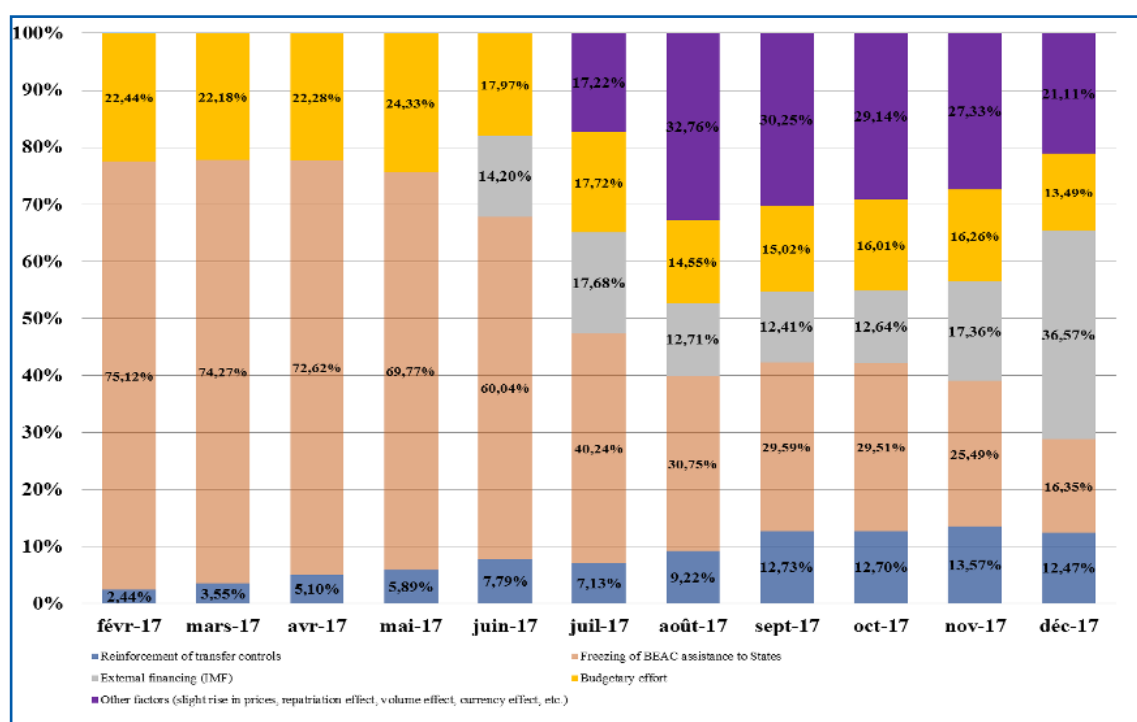
Figure 15: Initial projection for foreign reserves in 2017 and the level observed



It was revealed that foreign reserves could have stood at 659.1 billion at the end of December 2017, thus representing less than a month of importation of goods and services.

Hence, the contribution of each identified factor was evaluated as its weight in the difference between the projected level of foreign reserves and the actual level observed. The main results are summarized in Figure 16.

Figure 16: Evolution of the explanatory factors for the stabilization of CEMAC foreign reserves in 2017 (in%)



Analysing the weight of each factor which contributed in slowing down the depletion of foreign reserves in 2017 revealed that:

- **In the first half of 2017** the slowdown in the drop of foreign reserves was more than 75% due to the reaction of the Central Bank, through the freezing of assistance to State treasuries and close controls of outgoing transfers. Budgetary consolidation undertaken by the various countries in connection with the conclusions of the extraordinary summit of Heads of State on the 23rd of December 2016.
- **In the second half of 2017**, several factors reinforced the action of the Central Bank. As such, the significant contribution of drawings from the IMF was noted, with the first taking place in June 2017. This provision confirmed the merits of CEMAC's overall strategy, which gives precedence to economic programmes with the IMF. In addition, the better economic conditions on the international scene also helped to decrease the erosion of foreign reserves in 2017, thus also contributing to this strengthening.

Ultimately, the tightening of BEAC's monetary policy, the better monitoring of exchange rate regulation, the budgetary efforts of the CEMAC countries and the external funding induced by the programmes signed with the IMF made it possible to slow down the collapse of foreign reserves in 2017. Although the combined effects of these factors on foreign reserves have countered the threat which weighed on the external sta-

bility of the currency, the macroeconomic situation of the CEMAC sub-region still remains somewhat fragile and should be consolidated by increased vigilance through concerted action of economic and monetary authorities in the Sub-region.

3.2.2 Central Banks in the face of external challenges: Crisis recovery strategies

On the 25th of January 2017, BEAC organized a high-level conference with the Scientific Community and international monetary and financial institutions, in Yaoundé, to discuss exit strategies a central bank should adopt to end the crisis, when faced with external shocks. The meeting was very timely given the context of the ongoing economic crisis in which developing oil-exporting countries, including CEMAC member States, found themselves following the sharp downturn in crude oil prices on the world market. Most certainly, this drop in prices benefited developing economies which import crude oil, due to the incidental decrease in their energy expenses. Such an asymmetric situation, which rather turns out to be negative for net exporters and positive for net importers, was reason enough for such a think tank bringing together various central banks.

The drop in oil prices is just one of the many challenges affecting developing economies. Extensive, sudden and recurrent variations in the prices of other raw materials, natural disasters, the bursting in financial and/or real estate bubbles, brutal depreciation of currencies, political crisis, etc. are many

more external challenges which, by their diversity and persistence, have undermined standard economic policies from sustainably restoring financial growth and stability. Consequently, the difficulty that economic policy makers face is seeking strategies to adopt where standard solutions and remedies have proven their ineffectiveness.

This high-level conference was thus the place for all the institutions represented to share their experiences on the management of the impact of external challenges on their economies, and discuss the responses and other provisions likely to contain their effects, by making the said economies more resilient.

It was with this in mind that, at the end of the discussions, which enabled participants to determine the types of external challenges that could increase uncertainties and further complicate the strategies for crisis relief, recommendations were formulated around major concerns such as (i) crisis prevention, (ii) prompt responses, (iii) flexibility and coordination of economic policies, and (iv) transparency in the actions of government officials.

3.2.2.1. Crisis prevention

The prevention of economic and financial crises has been identified as one of the weakest links in decision-making systems of developing economies, whereas it is essential in defining any credible strategy aimed at limiting systematic risk, strengthening the resilience of financial sector, to contain the ripple effects, especially within monetary

unions, and increasing the resilience of economies more generally. It was thus recalled that central banks must, on the one hand, improve on their macroeconomic analysis and forecasting frameworks to better pre-empt future crises, and, on the other hand, define in each case, the most appropriate set of fiscal, monetary and macroprudential policies to be implemented. In this latter area, the generalization of stress tests is encouraged.

In addition to crisis prevention strategies, the need was also felt for developing economies, which are so dependent on the exploitation of non-renewable natural resources, for which they are also price takers on the international commodity markets, to build prospective, coherent and flexible economic policy frameworks, with concrete programmes aimed at diversification, productivity and competitiveness.

3.2.2.2. Prompt reaction from officials

Highlighting the usual slowness in the reaction of economic policy makers in the developing world, central banks recognized that, in many respects, officials in these areas have not always considered the fact that resolving a crisis as soon as its first signs appear and the effective implementation of appropriate policies and reforms are indisputable guarantees for an effective structural adjustment policy, especially within the financial sector and the labour market. In that light, it was clarified that reforming national institutions and modernizing economic decision-making processes,

which have been introduced in several countries, must be pursued with courage and determination.

3.2.2.3. Flexibility and coordination of economic policies

As the underpinning for this crisis relief strategy in the event of an external challenge, the central banks have noted the need for states within monetary unions to implement counter-cyclical fiscal policies, in order to better counter asymmetric challenges. It was in that light that the recent experience of CEMAC States was exposed, whose flexible budget management has rapidly decreased with the decrease in oil prices. As a matter of fact, it reveals the possible absence of an appropriate strategy for managing budget surpluses during an expansion period in order to allow public spending to be smoothed when the economic cycle turns around. In this situation, the strategy identified for central banks, especially in heterogeneous monetary areas, requires adapting their monetary and macroprudential policies to respond more effectively to symmetrical cyclical shocks and contain the risks of ripple effects.

In the same chapter, the increased coordination of cyclical and structural policies aimed at containing the negative effects of structural shocks, especially in heterogeneous monetary areas, has appeared as one of the paths to follow in responding to asymmetric shocks and reducing their effects on economies. Improving this coordination is so important that some central banks have

recently had their mandates extended beyond their standard missions of monetary stability with sometimes heavy pressure on their independence.

3.2.2.4. Transparency of the actions of public officials

As national and regional financial markets develop and provide non-inflationary alternative financing to governments, the transparency of the actions of public officials appeared to be of great interest to central banks. In this regard, defining an appropriate communication strategy and transparency in monetary policy and financial stability are essential, especially for countries with unstable political, institutional and legal environments.

Finally, it was recalled that, faced with constant external challenges, the backing of the International Community was necessary to support the actions undertaken by the States and the central banks. In this respect, and in view of their role as economic and financial advisor to the States, as well as the central position they occupy in the financial system, on the other hand, central banks play a decisive role in seeing this support come to fruition. In this context, central banks are expected to find innovative solutions to the challenges of financing, the development of capital markets and the modernization of financial systems. They must support the States in the implementation of budgetary policies and adequate structural reforms, in coordination with their monetary policy.

II. Missions and Governance



1. Missions

1.1. Monetary policy

1.1.1. Defining a monetary policy

1.1.1.1. Monetary policy stance

In 2017, BEAC's monetary policy was conducted taking into account the development of global economy, the monetary policies of the main central banks and the economic situation in the sub-region.

With regard to global economic activity, the improvements initiated from 2016 continued in 2017. Thus, the standardization of Fed's monetary policy continued due to favourable conditions on the labour market and sustained increase in activity. Five rate increments have been recorded since 2015, and a reduction of the Fed balance sheet, inflated under the Quantitative Easing programme. On the other hand, the European Central Bank (ECB) continued to buy back assets at a monthly rate of 60 billion euros and raised its interest rate in December 2017.

In the United Kingdom, after its meeting of 1st November 2017, the Monetary

Policy Committee of the Bank of England (BoE) raised its reference rate to 0.5%. In addition, the BoE maintained its government bond purchase programme at 435 billion pounds, and continued its monthly purchase programme for 10 billion pounds of corporate bonds. Finally, in Japan, at its meeting on 30th October 2017, the Monetary Policy Committee of the Bank of Japan (BoJ) decided to leave its short-term deposit rate unchanged at -0.1%.

Within the sub-regional context, the common monetary policy system was conducted in an environment marked by (i) the continuous decline in economic activity, (ii) the slowdown in inflationary pressure, (iii) the simultaneous decrease in fiscal and current account deficits, and (iv) the persistent excess liquidity in the banking system. Overall, despite the decline in foreign assets, the risks to monetary stability were generally controlled. Consequently, BEAC adopted a restrictive monetary policy.

Box 1: Progress on Monetary Policy Reforms

In March 2012, BEAC decided to reform its monetary policy, drawing inspiration from best practices on the subject, while adapting it to changes in its own economic environment.

I. OBJECTIVES OF THE REFORM

BEAC's monetary policy reform touches the institutional, strategic and operational frameworks.

Institutional framework

At this level, the reform targets three main objectives:

1. complete the legal framework by explicitly setting the objective of the monetary policy;
2. guarantee the separation of responsibilities for the conduct of monetary policy and those relating to the day-to-day management of the Central Bank;
3. set at the beginning of the year, and make public the calendar for meetings of the decision-making, strategic and operational bodies for monetary policy.

Strategic framework

On this aspect, the reform should lead to:

1. the establishment of an integrated and coherent decision-making information system;
2. the drafting of a list of indicators to assess the risks to monetary stability in CEMAC.

Operational framework

In line with this, the reform aims at:

1. ensuring the consistency and complementarity of the monetary policy instruments used;
2. setting up a mechanism to prevent and manage banking and financial crises.

II. ACTIONS TAKEN OR IN PROGRESS

	Actions
1- Institutional framework	<ul style="list-style-type: none"> - Setting up the Technical Unit for Monetary Policy (CTPM) - Setting up a Money Market Committee (CMM)
2- Strategic framework	<ul style="list-style-type: none"> - Clarifying the theoretical basis of BEAC's monetary policy
3- Analytical framework	<ul style="list-style-type: none"> - Introducing regular inquiries on costs and credit conditions - Developing models for forecasting activity and prices, and simulating the effects of monetary policy on the financial and real levels
4- Operational framework	<ul style="list-style-type: none"> - Expanding the range of assets accepted as guarantees for refinancing operations in the banking system - Introducing the sub-regional legal framework for repurchase transactions - Adopting sub-regional legal framework establishing the market for negotiable debt securities in CEMAC - Developing a method and computer programme enabling the construction of the yield curves of public bonds issued in the Sub-region - Putting in place a complete system for collecting and analysing statistics, and managing the activities of the money market by BEAC - Reviewing BEAC's monetary policy instruments and intervention procedures - Reviewing the reserves requirement system to incorporate the principle of building reserves on an average basis - Harmonizing and rationalizing BEAC's statistical system relating to the financial system

1.1.1.2. Monetary policy measures

a) Setting monetary and credit targets

In accordance with the restrictive stance of monetary policy, the total volume of CEMAC country refinancing objectives was capped after the outcome

of the Monetary Policy Committee (MPC) meetings at 1 050 billion until May 2017, then reduced to 942 billion, and 912 billion in July 2017, for the last quarter of the year.

Monetary and credit targets are presented by country in Table 20.

Table 20: Monetary and credit targets as of 31 December 2017

AGREGATS	Cameroon	Central African Republic	Congo	Gabon	Equatorial Guinea	Chad
Money supply (Annual Variations)	10,8 %	14,9 %	13,0 %	-2,4 %	-13,6 %	25,0 %
Credit to the economy (Annual Variations)	12,3 %	6,5 %	27,6 %	-5,9 %	17,3 %	19,0 %
Effective monetary coverage rate	93,1 %	78,7 %	88,9 %	89,1 %	80,6 %	73,2 %
Refinancing target (in millions of CFAF)	200 000	20 000	30 000 ⁶	80 000	192 000	240 000
Peak usage for the period⁸ (in millions of CFAF)	132 649	693	30 000	73 076	127 000	189 694
Usage rates	66,3 %	3,5 %	100 %	91,3 %	66,1 %	79,0 %

Source: BEAC

b) Money Policy rates

BEAC's interest were changed thrice during the year, to look as follows as of

31st December 2017:

Interest Rate on Tenders (TIAO)	2,95 %
Repurchase Agreement Interest Rate (TIPP)	4,70 %
Minimum Lending Rate (TCM)	2,45 %
Rate of advanced payments to Public Treasuries within statutory limits	2,95 %
Rate of advanced payments to Public Treasuries beyond statutory limits	7 %
Penalty Rate (PR) for credit institutions	7 %

In addition, throughout 2017, the CPM maintained the grid for remunerations of

public investments as indicated in Table 21.

⁷ In Congo, this amount excludes the line for refinancing targets granted BDEAC, that is, 150 000 million, with a peak usage of 65 675 million for the 3rd quarter of 2017.

⁸ Peak usage in the 3rd quarter of 2017.

Table 21: Public bonds remuneration scale at BEAC

Rate Type	Value
Interest rate on public investments under the Reserve Fund for Future Generations (TISPP0)	0,40%
Interest rate on public investments under the Fiscal Revenue Stabilization Mechanism (TISPP1)	0,05%
Interest rate on public investments for Special Deposits (TISPP2)	0,00%

Source: BEAC

c) Obligatory Reserves

During its ordinary Session held on 22nd March 2017, the Monetary Policy Committee, by Decision No. 03 / CPM / 2017, set the coefficients and minimum thresholds for items of the basis for calculating obligatory reserves. This Decision now differentiates by volume of deposits collected and no longer by group of countries. Thus, banks in the Central African Republic, which were exempted from keeping required reserves since 22nd May 2003, as well as some banks in Chad, which were also exempted by Decision No.002 / CPM / 2016 of 23rd November 2016, are once again required to constitute obligatory reserves.

In order to allow more flexibility for credit institutions to manage their treasuries and make the compulsory reserves sys-

tem match the desire to stimulate the interbank market, the MPC, by Decision No. 11 / CPM / 2017 of 02nd November 2017, changed the mode for establishing these reserves in CEMAC, by adopting the monthly average method. Consequently, subjected credit institutions are no longer required to confine their obligatory reserves in blocked accounts at BEAC. They can now have access to these resources while ensuring that the average daily balance in the current account during the maintenance period correspond, at least, to the amount of reserves required at the end of the period under consideration.

Box 2: Illustrated calculation of obligatory reserve bases

The reserve requirement base is the basis for determining the required level of reserves to be established by a taxed credit institution. It is defined on the basis of sight and term liabilities transmitted at a ten-year frequency by those taxed by BEAC.

The taxable person "i", which must have obligatory reserves at BEAC.

Their demand liabilities (in millions of CFAF) for the period from 1 to 31 July 2015 are made up of the following ten-year outstanding bills:

$$TEC_{10}^i = 34\,000 ; TEC_{31}^i = 29\,000 \text{ et } TEC_{31}^i = 42\,000$$

The base of compulsory reserves for sight liabilities is obtained using the following formula:

$$\begin{aligned} AREC_i &= \frac{TEC_{10}^i + TEC_{20}^i + TEC_{31}^i}{3} \\ &= \frac{34\,000 + 29\,000 + 42\,000}{3} = \frac{105\,000}{3} = 35\,000 \end{aligned}$$

$$AREC_i = 35\,000 \text{ millions CFAF}$$

The reserve base for forward liabilities is made up of the following ten-year outstanding bills:

$$TEM_{31}^i = 61\,000 ; TEM_{31}^i = 92\,000 \text{ et } TEM_{31}^i = 24\,000$$

The base of compulsory reserves for forward liabilities is therefore obtained using the following formula:

$$\begin{aligned} AREC_i &= \frac{TEM_{10}^i + TEM_{20}^i + TEM_{31}^i}{3} \\ &= \frac{61\,000 + 92\,000 + 24\,000}{3} = \frac{177\,000}{3} = 59\,000 \end{aligned}$$

$$ARET_i = \text{CFAF } 59\,000 \text{ million}$$

Since June 2017, the coefficients and minimum thresholds of the items of the

calculation base for required reserves have been fixed as presented in Table 22.

Table 22: Thresholds and reserve requirements ratio for BEAC

Calculation base for reserve requirements	Base portion (In billions of CFAF)	Applicable ratio
Sight liabilities	below 16.5	0
	Between 16.5 and 41	3,00 %
	above 41	7,25 %
Term liabilities	Between 12 and 23	2,00 %
	above 23	5,25 %

Sources: BEAC

Throughout 2017, the remuneration rate on required reserves remained unchanged at 0.05%.

With regard to various exemptions for the establishment of reserve requirements, it should be noted that banks with weak liquidity situations may be exempted. In addition to this provision, the CPM provides, in its Decision No. 02/CPM/2016 of 15th June 2016 relating to the reserve requirement mechanism, an exemption, on the proposal of the Governor of BEAC, for credit institutions under provisional administration, special restructuring or undergoing collective proceedings for the settlement of liabilities.

d) BEAC loans to Public Treasuries

The advances granted by the Issuing Bank to the States amounted to 2 773 billion as of 31st December 2017. These advances are made up of outstanding and unpaid amounts on statutory advances (2 531 billion), outstanding and unpaid amounts on old consolidated credits (87.6 billion) and, outstanding and unpaid amounts on extraordinary advances (154.6 billion).

Table 23: Distribution of BEAC loans to Public Treasuries

States	Outstanding and unpaid amounts on statutory advances	Outstanding and unpaid amount on old consolidated credits	Outstanding and unpaid amounts on extraordinary (1)	Total
Cameroon	576 898	0	452	577 350
Central African Republic	23 472	53 002	4 653	81 126
Congo	572 000	0	452	572 452
Gabon	452 500	0	452	452 952
Equatorial Guinea	608 704	0	452	609 156
Chad	297 063	34 658	148 161	479 882
Total	2 530 637	87 660	154 622	2 772 918

(1) Including exceptional advances to GABAC

Source: BEAC

It should be noted that with the exception of the extraordinary advances granted to the States for the financing of GABAC (2.9 billion), these assistance schemes were implemented in accordance with the resolutions of the Ministerial Committee of UMAC and BEAC's Board of Directors.

The Board of Directors, meeting in extraordinary session on 05th August 2017, actually authorized the consolidation of all commitments of the various States vis-à-vis BEAC as of 31st December 2017, in the following ways:

Repayment period	fourteen (14) year
Grace period for capital	four (04) year
Frequency of repayment	quarterly
Interest rate	2%
Taux d'intérêt appliqué	

During the same session, the Board of Directors decided to permanently sup-

press direct funding to CEMAC States from BEAC.

1.1.2. Implementation of monetary policy

In 2017, CEMAC money market activity was marked by (i) a significant drop in the average outstanding amount of liquidity injected by the Central Bank, (ii) the continuous freezing of liquidity draw-off (draining), and (iii) strengthening of the interbank money market.

a) Liquidity injections

The average outstanding amount of Central Bank loans to credit institutions decreased by 13.4%, falling to 569.8 billion as of 31st December 2017. This drop is mainly due to the improvement in the cash situation of some banks, in connection with the clearance of arrears of domestic debt, notably in Cameroon and Gabon, following the budgetary support received within the framework of IMF programmes.

Outstanding advances made by the Central Bank to credit institutions on the first compartment of the money market plummeted, falling to 496.6 billion as of 31st December 2017, down from 600 billion in 2016. The average outstanding amount of upfront payments made at this compartment, which happened essentially through the positive tendering mechanism, dropped sharply to 336.5 billion as of 31st December 2017, compared to 577 billion a year earlier. Compared to the average outstanding drawings at the start of the reference period, the distribution by country was as follows as of 31st December 2017: Cameroon (112.7 billion from 171.6 billion), Central African Republic (0.1 billion from 0.2 billion), Congo (24.1 billion from 14 billion), Gabon (50 billion from 67.8 billion), Equatorial Guinea (117 billion from 139.5 billion) and Chad (32.6 billion from 183.8 billion).

In the same period, the average stock of reverse repurchase agreements increased to 5.8 billion from 0.7 billion as of 31st December 2016, following withdrawals by banks in Congo.

Concerning on-the-spot actions, some assistance was granted to the Congo banking system for an average outstanding amount of 500 million in 2017, compared to an average volume of 13.8 billion as of 31st December 2016. These loans were allocated after the country reached its refinancing target of USD 30 billion in 2017.

In addition, advances to Chadian banks, which transformed into advances at penalty rate, reached 154.3 billion as of 31st December 2017, up from 8.5 billion as of 31st one year earlier, due to the absence of provisions at the time of reimbursement and insufficient funds for payments, in most cases.

The average outstanding amount of loans granted by the Central Bank on the second compartment (reserved for the refinancing of productive investment credits) of the money market increased, reaching 62.2 billion as of 31st December 2017, up from 46 billion as of 31st December 2016. Almost all of these loans (61.7 billion) were granted to BDEAC.

In addition, in applying Decision No. 03 / CPM / 2017 of 22nd May 2017, advances of an average amount of USD 11 billion as of 31st December 2017 were granted to the banking system of Chad as part of contribution to emergency liquidity (ALU). This type of assistance is generally granted to creditworthy institutions which face temporary liquidity difficulties.

Box 3: Emergency liquidity provision from BEAC

The provision of emergency liquidity consists, for a central bank, in voluntarily providing, in a discretionary and exceptional manner, liquidity to a bank deemed creditworthy by the supervisor, in order to face serious temporary liquidity pressure which could affect financial stability.

This instrument is only triggered when the financial institution in difficulty has exhausted all its funding possibilities and no longer has financial assets eligible for conventional refinancing from the Central Bank. In addition, the provision of emergency liquidity should, in principle, enable the benefiting financial institution to return to a normal liquidity situation.

The legal framework for the provision of emergency liquidity by BEAC to the envisaged credit institutions is made up of a draft Decision of the CPM on general arrangements and a draft model framework agreement to be adopted, respectively, by the Monetary Policy Committee and the Board of Directors. Overall, BEAC's emergency liquidity provision system for credit institutions includes:

- a legal framework setting the principles and defining the rules and procedures relating to the provision of emergency liquidity;
- a streamlined procedure for evaluating the refinancing guarantees of credit institutions in liquidity crisis;
- an adequate reporting system.

No liquidity draw-off operation was carried out by the Central Bank in 2017.

amount hitting 309 billion, up from 30.4 billion in 2016.

b) Interbank market

In 2017, the interbank compartment of the money market registered an upsurge in its activities, with total transaction

These national and sub-regional operations were carried out with interest rates between 2.45% and 8.5%, for durations running from one day to one year.

Table 24: Interbank rates in CEMAC, WAEMU and the Euro Zone

	(in annual average)				
Rate (in %)	2013	2014	2015	2016	2017
TIMP CEMAC	4,42	5,00	4,12	5,00	
TIMP CEMAC (in 1 week)	-	-	-	-	3,30
TIMP CEMAC (in 2 weeks)	-	-	-	-	3,06
TIMP CEMAC (in 1 months)	-	-	-	-	4,29
TIMP UEMOA (everyday)	3,83	3,23	3,65	5,16	4,63
TIMP UEMOA (in 3 months)	5,27	5,04	4,33	4,14	5,36
EONIA ⁸ (everyday)	0,091	0,094	-0,108	-0,329	-0,355
EURIBOR (in 3 month) ⁹	0,221	0,209	-0,020	-0,079	-0,329

⁸ EONIA: Euro Overnight Index Average (or day-to-day ratings) for foreign exchange carried out on the interbank market in the Euro Zone.

⁹ EURIBOR: Euro Interbank Offered Rate: arithmetic average of the rates at which banks are willing to lend money on the interbank market for maturities of one to twelve months.

1.2. Currency issuance

1.2.1. Cash and money in circulation

The average level of cash (issued and not issued currency) held by the Central Bank in 2017 amounted to 6 821.4 billion, compared to 7 510.4 billion in 2016.

As of 31st December 2017, the amount of banknotes and coins in circulation outside the Central Bank, for all countries, amounted to 2 863.3 billion, against 882.3 billion as of 31st December 2016.

An analysis by country has shown an increase in banknotes and coins in circulation in the Central African Republic (+14.5%) and Cameroon (+5.3%), and a drop in Congo (-11.2%), in Gabon (-6.0%), in Equatorial Guinea (-1.8%) and Chad (-0.7%).

In 2017, the cash circulation coverage rate dropped to 253.1%, compared to 271.8% a year earlier.

Banknotes and coins payments amounted to 5,965 billion in 2017, up from 5,268 billion in 2016. The following developments were recorded in the member States: Equatorial Guinea (+80.9%), Central African Republic (+57.1%), Cameroon (+24.4%), Gabon (+3.4%), Congo (-1.4%) and Chad (-3.7%).

Banknotes and coins withdrawals amounted to 5,820 billion in 2017, against 5,164 billion in 2016. The following statistics were noted by country: Equatorial Guinea (+46.6%), Central African Republic (+43.7%), Cameroon (+22.4%), Congo (+6.7%), Gabon (+2.3%) and Chad (-14.4%).

1.2.2. Sorting room activities

All denominations combined, the total number of banknotes sorted by State and quality amounted to 1 077 billion, recording an increase in sorting by 6.1% compared to 2016.

State sorting operations generated 59.18 million banknotes moved in 2017, compared to 51.4 million notes in 2016.

The volume of banknotes sorted by quality stood at 1 018 million denominations in 2017, compared to 964 million in 2016. After sorting by quality, 525 million valid notes were produced, against 493 million worn out notes, i.e. an average recovery rate of return into circulation of notes of 51.6% in 2017, against 49.0% in 2016.

Over the same period, the value of banknotes sorted by quality stood at 6.33 billion in 2017, compared to 5.94 billion in 2016. After sorting by quality, 4.36 billion valid notes were produced, compared to 1.97 billion worn out notes, thus an average recovery rate of return into circulation of notes of 64.7% in 2017, against 60.9% in 2016.

As of 31st December 2017, the stock of exported notes outside their original territory amounted to 300 billion in face value, compared to 509 billion at the end of 2016, distributed as follows: Equatorial Guinea (29.3%), Gabon (28.4%), Central African Republic (15.2%), Congo (14.3%), Cameroon (6.8%) and Chad (5.9%).

The flow of banknotes exported outside their territory of origin has evolved as follows: Cameroon (81.0%), Chad (8.9%), Congo (4.6%), Equatorial Guinea (3.2%), Gabon (1.8%) and Central African Republic (0.4%).

1.3. Management of foreign exchange reserves

BEAC's foreign reserves are placed in the Operations Account with the French Treasury Agency and outside the Operations Account with correspondents, counterparties and depositories.

1.3.1. Foreign exchange position

As of 31st December 2017, BEAC's foreign reserves increased by 4.5%, to 3 253.06 billion (EUR 4.96 billion). Short-term foreign assets (foreign banknotes, correspondents outside the Issuing area and assets in the French Treasury) amounted to 2 709.48 billion at the end of December 2017, against 1 278.88 billion a year earlier. Other foreign assets managed by BEAC's Trading Room dropped by 86.2%, to 203.48 billion at the end of December 2017. These variations were the result of partial disposal of the securities portfolio, the cash generated having been allocated to short-term foreign assets. The gold stock remained unchanged with 201 865 777 ounces. SDR assets decreased by 14.6% to 161.86 billion by the end of December 2017. As for the foreign exchange position, it increased by 61.2%, to 36.05 billion.

1.3.2. Trading Room Results

In 2017, the financial and accounting returns generated by the Trading Room activities both stood at 31.3%, compared to 15.0% a year earlier.

Net profits on securities were 97.3% of the financial margin on investment transactions. They recorded a decrease of 36.8% and stood at 117.53 billion. The 2017 financial year was marked by the sale of part of the investment portfolio. The average monthly nominal amount for securities thus stood at 401.21 billion

in 2017, compared to 1 879.45 billion in 2016.

Total interest received on short-term savings accounts and on the main account at the Bank of France amounted to 27.36 million, against -19.7 million in 2016. This increase mainly resulted from remuneration on demand accounts in US dollars.

The profits on foreign exchange transactions fell sharply to 944 550, against 404 819 a year earlier, following the decrease in positions taken for own account.

The balance of other income and expenses amounted to 3.24 billion in 2017, compared to 1.09 billion in 2016. The other income, with a total value of 3.45 billion, are made up of commissions received on incoming transfers. The other charges, with a total value of 211.61 million, consist of various fees (SWIFT, transactions, account management, etc.) and agios paid by the Trading Room.

The accounting profit and financial margin were 120.75 billion and 120.80 billion, respectively, for the 2017 financial year, compared to 272.18 billion and 272.22 billion in 2016. Unrealized losses amounted to about 41.82 million, practically the same level as in 2016. In all, financial results fell to 120.75 billion, against 272.18 billion a year earlier.

1.3.3. Risk management

A new framework for the management of foreign exchange reserves and related risks was adopted in 2017 by BEAC's supervisory bodies. This revolves around the definition and management of counterparty/credit, market, liquidity and operational risks.

Box 4: Risk management system handled by the Trading Room

A – Credit / counterparty risk

As part of the new investment policy, the Board of Directors is responsible for defining the rating thresholds required for counterparties and issuers of securities. The choice of issuers outside the Euro Zone is vested in the Board of Directors and that of issuers in the Euro Zone is the responsibility of the Bank's Administration. The latter also established new individual credit limits for all counterparties, all issuers and all depositories.

The minimum rating for the supervision of credit risk for market operations and eligible short-term securities, up to one year of maturity, must be equivalent to a lower average quality rating assigned by at least one of the three main rating agencies, namely: a minimum rating of P- 3 for Moody's, A- 3 for Standard & Poor's and F3 for Fitch Ratings.

With regard to long-term credit risk management, the minimum rating required for market operations and eligible long-term securities is equivalent to a higher average quality rating from at least one of the three main rating agencies, namely a minimum rating of A3 for Moody's and A- for Standard & Poor's and for Fitch Ratings.

B - Market risk

The assessment of market risk is based on the combination of three indicators which give rise to a framework by limits:

- the currency benchmark for the strategic allocation of foreign exchange reserves in the different authorized currencies: EUR, USD, GBP and CHF;
- the target duration to limit the sensitivity of the securities portfolio to interest rate risk;
- the investment benchmark to fix the liquidity of the portfolios managed by the SDM between monetary deposits, gold holdings, bonds and cash.

C – Operational risk

Operational risk management is based on validated standards and code of ethics. These documents provide a framework for the main risks, which are: the risk of internal fraud, legal risk, risk linked to procedures and organization and risk linked to the information system. In 2017, these various risks were identified and managed in accordance with the procedures in force.

1.4. Management of payment systems and methods

As of 31st December 2017, the CEMAC financial hub had 70 participants in the Automated Large Value Payment Systems (SYGMA) and 68 in the Central African Clearing System Platform (SYSTAC), including the six National Branches of BEAC and five Public Treasuries

(Cameroon, Gabon, Congo, Equatorial Guinea and Chad). Exchanges took place successfully throughout the Zone.

The total number of operations in 2017, in volume and value, on SYGMA and SYSTAC are summarized in Table 25.

Table 25: Progress of transactions on payment systems and methods

	SYGMA		SYSTAC		Total	
	Volume	Value (in billions)	Volume	Value (in billions)	Volume	Value (in billions)
2016	192 918	98 671,55	7 581 451	11 780,32	7 774 369	110 451,87
2017	203 476	105 541,06	8 136 938	11 824 ,61	8 340 414	117 366,06
Variation (in%)	5,47	6,96	7,33	0,38	7,28	6,26

Sources : BEAC

Concerning transactions carried out via the SWIFT system in 2017, BEAC's national branches issued 8 013 orders, for a total amount of 2 852.9 billion, and received 3 144 transfers, for a value of 3 105.1 billion. At BEAC's central services, the overall value of transactions processed in 2017 came up to 26.9 billion for transfers issued and 6.7 billion for transfers received.

In the electronic money sector, the main instruments used in CEMAC were Mobile Money and prepaid cards.

As of 31st December 2017, 19 banks were authorized to carry out electronic money issuing activities, making 39 731

service distributors across CEMAC, compared to 32 551 by the end of 2016.

The number of subscribers to electronic money products (holders) has grown considerably. It went from 12.6 million subscribers by the end of 2016 to 16 million by 31st December 2017.

Over the same period, electronic money activity recorded 303 266 265 transactions, against 97 836 317 for the whole of 2016, while the overall value of these transactions, which amounted to 1 631 billion in 2016, already exceeded 4 700 billion as of 31st December 2017. Mobile Money accounts for 96% of this amount.

Regarding the monitoring of the payment systems operated at the level of BEAC (SYGMA, SYSTAC, SWIFT), this activity consisted in:

- documentary checks, based on monthly operation reports sent by the institutions under it;
- spot checks carried out in the form of investigations, by the Technical

Committee right within the premises of the participants.

The situation in 2017 on the monthly reporting of taxable entities by country is presented in Table 26. The observed analysis of results highlights higher annual response rates in Cameroon and Chad than in the other countries of the Sub-region.

Table 26: Situation in 2017 on monthly reporting of taxpayers

Country	Participation rate in 2017		
	Expected	Received	In%
Cameroon	216	85	39,4
Central African Republic	60	14	23,3
Congo	192	19	9,9
Gabon	144	26	18,1
Equatorial Guinea	84	18	21,4
Chad	120	48	40,0
CEMAC	816	210	25,7

Sources : BEAC

Of the incidents reported, 80% were related to SYSTAC, 5% to SYGMA, 5% to SWIFT and 10% to all other NETWORKS.

Moreover:

- 40% of reported SYSTAC malfunctions were resolved and 60% remain unsolved and, in the process of being resolved (including 40% of the responsibility of the participants and 10% of that of BEAC);
- 80% of reported SYGMA malfunctions were resolved and 20% remain unsolved and, in the process of being resolved (including 15% of the responsibility of the participants and 5% of that of BEAC);
- 100% of reported SWIFT malfunctions were resolved;
- 40% of NETWORK malfunctions were resolved and 60% remain unsolved and, in the process of being resolved (including 55% for the responsibility of participants and APECs, and 5% of that of BEAC).

The first on-site inspections were carried out from October to December 2017 with all participants from Cameroon, including the Central Services and BEAC national branches in Yaoundé. The essential thing was to go through, in the presence of the participant, all control points contained in the monitoring reference system of each active system (SYSTAC, SYGMA, SWIFT and RESEAU).

These checks revealed that operational risk was most frequent in the operation of payment systems and the sensitive level of criticality prevailed. Particular attention was paid to critical and major risks in view of their impact

on the confidence of users in payment systems, the image of participants and financial stability.

In addition, plausibility check missions on transfer operations ordered by banks in Cameroon, Congo and Equatorial Guinea were carried out.

1.5. Financial stability

In 2017, the stability of the financial system in the Sub-region continued to suffer from the challenging macroeconomic context and the business climate which was not very attractive for investment.

1.5.1. Banking system and micro-finance

1.5.1.1. Situation of the banking system

The banking system in CEMAC had 52 banks in operation at the end of 2017, distributed as follows: Cameroon (15), Central African Republic (4), Congo (11), Gabon (8), Equatorial Guinea (5) and Chad (9).

1.5.1.1.1. Balance sheet situation

a) Evolution of the main aggregates

The aggregate total bank balance sheets stood at 12 685 billion, down by 3% from 2016 levels. This development can be seen in all of the CEMAC countries, except Cameroon and the Central African Republic, where increases of 5.1% and 9.5% have been noted, respectively. Banking activity thus declined in Gabon (-12.9%), Congo (-9.9%), Chad (-3.2%) and Equatorial Guinea (-2.9%).

Table 27: Progress on the situation of balance sheets
(in millions de CFAF)

	31/12/2015	31/12/2016	30/06/2017	30/09/2017	31/12/2017
CUSTOMER DEPOSITS	9 857 283	9 426 115	9 201 157	9 253 384	9 339 476
GROSS CREDITS	8 106 788	8 503 793	8 487 323	8 407 892	8 465 529
OUTSTANDING RECEIVABLES	1 016 165	1 267 407	1 451 470	1 476 570	1 446 874
PROVISION FOR THE DEPRECIATION OF CUSTOMER ACCOUNTS	593 486	716 844	778 066	785 987	843 170
NET CREDITS	7 513 302	7 786 949	7 709 257	7 621 905	7 622 359
PERMANENT CAPITAL	1 416 752	1 478 180	1 482 447	1 561 208	1 534 303
CAPITAL ASSETS	832 822	1 027 706	1 230 369	1 187 255	1 110 788
OTHER NET ITEMS	163 582	110 399	147 893	144 826	174 368
CASH SURPLUS /DEFICIT	3 092 064	2 200 017	1 891 813	2 149 728	2 312 568
TOTAL BILAN	1 853 538	13 074 116	12 713 066	12 676 974	12 685 060

Sources: COBAC

b) Trend of transactions with customers

• Resources collected

Deposits collected stood at 9 339 billion (73.6% of the balance sheet total), down from 86 billion compared to 2016. This downward trend was observed in Congo (-9.9%), Gabon (-10.4%), Equatorial Guinea (-2.3%) and Chad (- 8.5%). On the other hand, in Cameroon and the Central African Republic, increases of 9.6% and 9.3% were recorded, respectively.

Short-term Resources (including savings accounts) decreased by 2.0% in December 2016 to 6 851 billion. They accounted for 73.4% of the deposits collected, against 74.1% twelve months earlier.

Term resources collected from customers (consisting of term accounts and special deposit accounts, notably cash vouchers) amounted to 2 013 billion, or 21.6% of total deposits, as of the end of December 2016.

Table 28: Progress of customer deposits by type of depositor
(In millions of CFAF)

	31/12/2015	31/12/2016	30/06/2017	30/09/2017	30/11/2017	31/12/2017
Public deposits	7 411 820	1 273 01 7	1 320 119	1 284 914	1 266 870	1 228 561
Public company deposits	1 761 472	538 734	519 210	559 430	501 742	456 169
Private deposits	279 1 09	6 947 541	6 927 867	6 684 653	6 800 153	6 960 312
Non-resident deposits	380 1 94	268 01 2	259 275	233 007	246 035	219 213
Unallocated deposits	25 11 6	398 81 2	403 369	446 613	452 988	475 222
TOTAL	9 857 71	9 426 11 5	9 429 839	9 208 622	9 267 786	9 339 476

Sources: COBAC

Table 29: Trend in customer deposits per type of account
(In millions of CFAF)

	31/12/2015	31/12/2016	30/06/2017	30/09/2017	30/11/2017	31/12/2017
Demand accounts	7 411 820	6 989 438	7 016 257	6 751 201	6 860 471	6 851 119
Term deposit account	1 761 472	1 729 11 0	1 699 227	1 686 463	1 630 556	1 680 697
Special savings accounts	279 109	308 755	310 986	324 345	323 771	332 438
Other accounts	380 194	370 045	378 599	410 087	405 583	441 126
Related debts	23 116	28 767	24 770	36 526	47 405	34 096
TOTAL	9 857 711	9 426 11 5	9 429 839	9 208 622	9 267 786	9 339 476

Sources: COBAC

• *Distributed credits*

Gross customer loans stood at 8 465 billion, down by 38 billion, compared to their level in December 2016. This trend was observed in almost all

CEMAC countries, except in Cameroon and Equatorial Guinea, where credits were up by 4.9% and 2.8%, respectively.

Credits to the private sector amounted to 6 568 billion, representing 77.6% of

total gross credits, against 78.4% twelve months earlier. They fell by 103 billion, compared to their level in December 2016.

Credits to public administrations stood at 831 billion, that is, 9.8% of total gross loans, against 8.3% in December 2016. They increased by 127 billion, compared to their level in December 2016.

Credits to public companies dropped to 354 billion, which is 4.2% of total loans distributed, against 4.7% twelve months earlier, down by 49 billion, compared to the situation in December 2016.

Credits to non-residents totalled 510 billion, corresponding to 6.0% of total gross loans, compared to 6.7% as of 31st December 2016, and decreased by 10.8% from one year to the next.

Table 30: Trend of gross credits per type of beneficiary as of 31 December 2017
(In millions of CFAF)

	31/12/2015	31/12/2016	30/06/2017	30/09/2017	30/11/2017	31/12/2017
Loans to the State	510 842	703 532	734 167	788 800	794 564	831 496
Credits to public deposits	372 868	402 268	380 560	374 349	355 875	354 445
Credits to the private sector	6 425 677	6 670 879	6 659 283	6 531 352	6 589 440	6 567 815
Credits to non-residents	597 626	572 349	538 057	533 653	510 165	510 052
Current outstanding balances for leasing operations	92 694	71 931	69 415	70 239	70 648	78 405
Other debts (unallocated stocks)	107 071	82 834	105 837	109 501	130 158	123 319
TOTAL GROSS CREDITS	8 106 788	8 503 793	8 487 323	8 407 892	8 450 851	8 465 529

Sources : COBAC

Outstanding receivables (unpaid receivables, long-term receivables and doubtful receivables) reached 1 421 billion, compared to 1 267 billion at the end of December 2016. They accounted for 17.1% of gross loans, against 14.9% twelve months earlier. As a result, the apparent quality of the portfolio deteriorated, compared with

the situation that prevailed in December 2016.

Doubtful receivables accounted for the largest share of outstanding receivable, that is, 64.5% in 2017, against 65.5% a year earlier. They stood at 933 billion, against 830 billion the previous year, and accounted for 11% of gross

credits, against 9.8% twelve months earlier.

Provisions for depreciation of customer accounts decreased by 17.6% to 843 billion. As a result, net cre-

aits amounted to 7 622 billion (60.1% of the balance sheet total), with a variation of -2.1%. The rate of collection of doubtful receivables following the provisions was 90.3%, compared to 86.4% twelve months earlier.

Credit recovery through deposits stood at 110.3% (compared to 110.8% in December 2016). Transactions with customers thus generated a surplus of resources amounting to 1 717 billion, against 1,639 billion a year earlier.

CEMAC banks recorded a surplus of permanent capital of 423 billion over fixed assets, down from 451 billion at the end of December 2016.

Cash surplus amounted to 2 313 billion (13.8% of balance sheet total),

up by 28.5%, compared to the situation observed a year earlier.

c) Evolution of treasury operations

Cash resources amounted to 1,318 billion in 2017, down from 1 722 billion in 2016. They are made up of 70.5% of the term deposits and 29.2% of sight resources. Their respective shares were 75.5% and 24.2% in December 2016.

Cash investments stood at 3 631 billion of which 14.2% was term deposits and 59.2% was demand deposits (including cash in hand). In December 2016, cash investments amounted to 3 922 billion, 25.8% of which were term investments and 44.3% were current investments.

Transactions with BEAC witnessed a net placement of primary bank shares of 914 billion. The balance of these transactions increased by 219.9% compared to its level the previous year.

Table 31: Trend of transactions with BEAC
(In millions of CFAF)

	31/12/2015	31/12/2016	30/06/2017	30/09/2017	30/11/2017	31/12/2017
+BEAC current account-debit	1 415 073	994 184	696 579	1 009 504	1 174 787	1 360 274
+Investments at BEAC	90 364	32 650	34 804	38 496	37 755	39
- BEAC current account credit	10 490	15 699	20 163	13 185	10 734	6 284
- BEAC Refinancing	259 217	725 401	620 671	443 459	530 845	439 857
BALANCE OF TRANSACTIONS WITH BEAC	1 235 730	285 734	90 549	591 356	670 963	914 172

Sources: COBAC

Table 32: Trend of transactions with associated correspondents
(In millions of CFAF)

	31/12/2015	31/12/2016	31/01/2017	31/07/2017	31/10/2017	31/12/2017
+Demand accounts credit	242 681	21 4 71 6	196 100	210 907	203 451	286 081
+Loans and deposit accounts	250 001	41 0 998	372 023	332 556	350 009	349 847
+Current accounts credit	188 550	1 62 098	151 394	189 845	210 403	186 698
- Debts and Deposit accounts	141 500	339 771	301 086	277 657	280 010	264 815
ACCOCIATED CORRESPONDING BALANCE	162 632	1 23 845	115 643	75 961	63 047	184 415

Source: COBAC

Table 33: Trend of transactions with non-associated correspondents
(In millions of CFAF)

	31/12/2015	31/01/2016	31/01/2017	31/07/2017	31/10/2017	31/12/2017
+Current accounts debit	231 679	1 79 632	138 663	182 953	177 974	188 159
+Loans and deposit accounts	63 025	84 454	78 623	125 524	90 947	95 620
+Current accounts credit	273 716	239 076	202 322	180 239	196 838	190 994
- Debts and deposit accounts	213 311	207 306	212 662	252 670	227 105	208 908
NON-ACCOCIATED CORRESPONDING BALANCE	- 192 323	- 182 296	- 197 698	- 124 432	- 155 022	- 116 123

Sources: COBAC

1.5.1.1.2. The macro prudential situation

At the prudential level, based on the account statements of the 51 banks which declared their situation on 31st December 2017, the following was noted:

- **45 banks** had complied with the provisions relating to the representation of minimum capital (compared to 36 banks the previous year);
- **45 banks** recorded a risk coverage

ratio weighted by net equity greater than or equal to a minimum of 8% (compared to 44 the previous year);

- **45 banks** complied with the overall limit of eightfold net equity for the sum of weighted risks greater than 15% of the said net equity (as in the previous year) and 30 banks complied with the individual limit of weighted risks incurred on the same beneficiary for a maximum amount of 45% of their net equity (compared to 37 banks in the previous year);

- **40 banks** presented a fixed asset coverage ratio with permanent resources greater than or equal to the minimum of 100% (compared to 39 the previous year);
- **40 banks** recorded a liquidity ratio greater than or equal to the regulatory minimum of 100% (as in 2016);
- **41 banks** were able to fund up to at least 50% (regulatory threshold) of their investments for over five years of residual duration using permanent resources (compared to 41 the previous year);
- **42 banks** were able to maintain the amount of commitments on their shareholders, Directors and Officers, as well as their staff placed below the regulatory limit of 15% of net equity (compared to 41 the previous year).

Table 34: Number of banks in compliance with prudential requirements
(In millions of CFAF)

Prudential standard	31/12/2015	31/12/2016	31/12/2017
Representation of Minimum Capital	34	36	45
Risk coverage	44	44	45
Global risk limit	44	45	45
Individual risk limit	38	37	30
Fixed asset coverage	37	39	40
Liquidity ratio	42	40	40
Transformation coefficient	40	41	41
Commitments of related parties	35	41	42
Capital adequacy	23	25	28
Total number of banks that have declared their situation	52	52	51
Sources : COBAC			

A total of 28 banks had sufficient net capital to comply with all of the prudential standards based on this aggregate (compared to 25 the previous year). The prudential norms most respected by the greatest number of institutions were those that concerned the limitation

of extensive exposure, risk coverage by net equity and the representation of minimum capital. The norm limiting the risk incurred on the same beneficiary was that which the greatest number of banks violated.

1.5.1.2. Situation of the microfinance sector

As of 31st December 2017, the CEMAC microfinance sector had 85,710 institutions that had been approved by COBAC, partitioned as follow: Cameroon

(547 MFI), the Central African Republic (24 MFI), Congo (68 MFI), Gabon (16 MFI), Equatorial Guinea (04 MFI) and Chad (198 MFI). Table 35 shows the distribution per country of the number of institutions that received COBAC's approval as of 30th September 2017.

Table 35: Evolution of the number of approvals granted between December 2013 and December 2017
(In millions of CFAF)

Country/year	2013	2014	2015	2016	September 2017
Cameroon	510	512	516	412	547
Central African Republic	24	24	24	19	24
Congo	64	64	67	71	68
Gabon	10	10	12	13	16
Equatorial Guinea	1	2	3	3	4
Chad	176	196	197	139	198
Total	785	808	819	657	857

Source : COBAC.

The distribution of the number of approved institutions per country and by

category COBAC compliant at the end of September 2017 is presented in Table 36.

Table 36: Situation of the number of compliant approvals by category and by country as of 31st December 2017
(In millions of CFAF)

Catégories	Pays						Total CEMAC
	Cameroon	Republic of Central Africa	Congo	Gabon	Equatorial Guinea	Chad	
1st catégorie	492	21	55	5	1	193	767
-Independents	199	5	21	5	1	13	244
-Networks	293	16	34	-	-	180	523
2nd catégorie	51	3	11	10	3	5	83
3rd catégorie	4	-	2	1	-	-	7
Total	547	24	68	16	4	198	857

Source: COBAC.

¹¹ It should be noted that out of the 857 approval notices, less than 700 institutions were actually in operation as at 30 September 2017, following numerous liquidations or various business discontinuances recorded.

The main aggregates of the activity of CEMAC MFIs were presented as follows at the end of September 2017:

- a balance sheet total of 894 billion;
- gross credits of 450.5 billion, mainly consisting of short-term credits;
- customer deposits of 675.8 billion, mainly composed of demand deposits;
- a quality of the loan portfolio characterized by overdue receivables valued at 64.4 billion, representing 14.2% of gross credits;
- a cash surplus of 317.2 billion.

1.5.1.2.1. Evolution of interest rates

i) Financial products and services offered

The financial products offered mainly had to do with the collection of savings and the granting of loans. As for financial services, they are mainly composed of money transfer operations and, even though marginal, physical foreign currency exchange.

In addition, most MFIs are increasingly attracted by the many opportunities offered by electronic money products and services.

Table 37: Evolution of the balance sheet situation of MFIs
(In millions of CFAF)

	31/12/2016	30/09/2017
CUSTOMER DEPOSITS	901 384	675 792
GROSS CREDITS	567 920	450 488
OVERDUE RECEIVABLES	80 303	64 379
PROVISIONS FOR THE DEPRECIATION OF CUSTOMER ACCOUNTS	71 353	54 876
NET CREDITS	496 567	395 612
CAPITALS	123 401	107 989
CAPITAL ASSETS	116 954	91 387
CASH SURPLUS / DEFICIT	429 975	317 249
BALANCE SHEET TOTAL	1 142 051	894 010

Source: COBAC.

Box 5: Consultation on the new CEMAC money market facilitation system

BEAC organized a consultation with the stakeholders of the market on the new CEMAC money market facilitation system from 19th to 22nd June 2017, in Douala. This new system aims at responding to the problem of information asymmetry on the money market, which constitutes one of the major obstacles to its development. This asymmetry boils down to (i) identifying opportunities on the market and eventual counterparts, (ii) general market trends, as well as (iii) the ability and willingness of potential counterparts to honour their commitments.

This consultation was structured around 5 points:

1. a new system for forecasting bank liquidity and determining the volume of BEAC intervention on the money market;
2. the evaluation of a practical case of forecasting bank liquidity and determining the volume of BEAC intervention on the money market;
3. the presentation of the media used for the collection of data on public treasury;
4. the conditions for the establishment of permanent frameworks for exchanges with national treasuries;
5. the examination of the draft framework protocol for national treasury data exchange.

At the end of the consultation, the following recommendations were made:

1. accelerate the implementation of the money market monitoring and animation platform;
2. strengthen BEAC's role by making it more active in settling and successfully completing blank interbank operations;
3. adapt the collection media used by BEAC to the information system of credit institutions in order to facilitate their inclusion by them;
4. accelerate the implementation of these data exchange frameworks;
5. disseminate the financial statements and the SYSCO rating to reduce information asymmetry;
6. contribute to market transparency by collecting and publishing the financial statements and the SYSCO COBAC rating of CEMAC credit institutions. The implementation of this recommendation could be the subject of a Governor's Decision;
7. reduce the processing time for requests to pledge market securities.

Deposits collected amounted to 675.8 billion, or 76% of the balance sheet total, 95% of which is made up of demand resources (645 billion).

Short-term resources collected from customers, consisting of short-term deposit accounts and special deposit accounts, amounted to 31 billion, or 4% of total deposits.

Gross credits amounted to 450.5 billion, dropping from 567.9 billion on 31st December 2016.

Gross overdue receivables decreased by about 20% to 64.4 billion and represented close to 14% of gross credits. However, it is necessary to note that the

declared amounts of overdue receivables did not reflect their actual values at the level of CEMAC due to the almost general non-compliance with accounting rules and the downgrading of overdue debts in several institutions.

The provisions for the depreciation of accounts amounted to 54.9 billion, making it possible to cover up to 85% of overdue receivables. It should be noted that the poor application of regulatory provisions, in terms of downgrading of overdue debts, has skewed these figures considerably. Consequently, the net credits amounted to 395.6 billion, which is 44% of the balance sheet total.

Table 38: Evolution of some indicators of the microfinance sector as of 30th September 2017
(In millions of CFAF)

Activity indicators	31/12/2016	30/09/2017	Variation
Number of customers and members	2 680 144	2 146 703	-19,9%
Number of branches and counters	1 907	1 655	-13,3%
Number of deposit accounts	3 131 372	2 670 802	-14,7%
Source: COBAC.			

ii) Interest rates applied in the sector

Interest rates on financial intermediation operations remained fairly high, despite the stiffening competition between MFIs. Thus, the lending rate dropped

by an average of 0.4 points, to -3.0% at the CEMAC level, and the borrowing rate increased on average by 0.2 points to 10.1%.

Table 39: Evolution of the average borrowing rate
(In millions of CFAF)

Country	31/12/2016	30/09/2017	Annual variation
Cameroon	11,5	12,2	6,1%
Central African Republic	6,0	5,4	-10,0%
Congo	14,3	14,6	2,1%
Gabon	14,0	15,5	10,7%
Equatorial Guinea	-	12	100%
Chad	7,5	4,0	-46,7%
CEMAC average	10,7	10,6	-3,0%

Source: COBAC.

Table 40: Évolution du taux créditeur moyen
(In millions of CFAF)

Country	31/12/2016	30/09/2017	Annual variation
Cameroon	2,6	2,7	3,8%
Central African Republic	1,2	1,0	- 16,7%
Congo	0,4	1,1	175,0%
Gabon	3,1	3,5	12,9%
Equatorial Guinea	-	-	-
Chad	2,6	2,6	0,0%
CEMAC average	2,0	2,2	10,1%

Source: COBAC.

The rates charged by MFIs, particularly on debtors, have largely exceeded those applied by credit institutions in the Zone.

iii) Contribution to financial inclusion

The activity of MFIs is still quite marginal compared to that of commercial banking, and its contribution to the growth of the financial sector has remained weak.

Table 41: Comparison of MFI-Bank activity in September 2017
(In billions of CFAF)

	Deposits			Gross credits		
	2015	2016	2017	2015	2016	2017
MFI	862	901	676	481	568	450
Banks	9 857	9 426	9 253	8 107	8 504	8 408
MFI+ Banks	10 719	10 327	9 929	8 588	9 072	8 858
MFI share/Total	8%	9%	7%	6%	6%	5%

Source: COBAC.

1.5.1.2.2 Situation with regards to the prudential norms

From a prudential point of view, the situation of MFIs remained fragile. The prudential norms respected by the greatest number of institutions are those relating to the limitation of large exposures, the coverage of risks by net equity and the representation of minimum capital. On the other hand, the prudential norms least respected by the majority of CEMAC microfinance institutions were those limiting the risks incurred by the same beneficiary.

1.5.2. CEMAC Financial Market

1.5.2.1. Market for public securities

Throughout 2017, despite the start of security issuances by the Congolese Treasury on 22nd February 2017, the market for public securities organized by BEAC recorded a drop in amounts raised, and an increase in interest rates. The secondary market experienced a

slight upturn, with an increase in the purchase and sale of securities and operations to place securities as guaranties with the Central Bank.

a) Primary market

A total of 133 tenders for Treasury Bills and Treasury Bonds (BTA / OTA) were launched in 2017, compared with 105 the previous year. Of these calls to tender, 118 raised a total amount of 880.7 billion, while the other 15 were declared unsuccessful by the issuers.

The overall value of treasury bonds issues stood at 845.9 billion, compared to 796.8 billion in 2016. The Gabonese public treasury was the most active, mobilizing 45.7% of the total volume issued, which amounted to 387.2 billion, compared with 173.4 billion for Cameroon, 23.7 billion for Congo, 23 billion for the Central African Republic, 78 billion for Equatorial Guinea and 160.7 billion for Chad.

In 2017, the average cost of resources went up, to be above the interest rate for tenders revalued to 2.95%. For the most part, the weighted average interest rate (TIMP) stood at 4.8%, compared to 3.6% the previous year. For the different maturities of BTA, the TIMP is as follows as of 31st December:

- BTA at 13 weeks: 3.10% for the Cameroon Treasury, 4.99% in Congo and 4.95% in Gabon;
- BTA at 26 weeks: 3.48% in Cameroon, 5.19% in the Central African Republic, 5.30% in Gabon and 4.91% in Chad;
- BTA at 52 weeks: 3.76% in Cameroon, 5.44% in Gabon, 6.83% in Equatorial Guinea and 5.59% in Chad.

Mainly driven by the Treasuries of Gabon and Chad, the OTA compartment was in very little demand with only 34.8 billion of resources raised, indicating a decrease of 82.1% compared to 2016.

The weighted average price of OTAs was 99.7%, compared to 98.8% the previous year. For Gabon, the weighted average price of 2-year OTAs was 99.38%. On their part, the 2-year OTAs from Chad were purchased at par.

The overall stock of public securities kept at the CRCT amounted to 907.6 billion at the end of December 2017, against 916.1 billion at the end of December 2016, of which 60.8% were made up of BTA, for a value of 551.9 billion. 53.3% is held by the Chadian Treasury, amounting to 483.6 billion, against 237.5 billion for Gabon, 85 billion for Cameroon, 78 billion for Equatorial Guinea, 13.3 billion for the Central African Republic, and 10 billion for Congo. As of 31st December 2017, four SVT account keeping institutions held more than half (59.6%) of the outstanding amount of

these securities, namely Afriland First Bank (16.9%), Commercial Bank Chad (16.6%), Ecobank Chad (14.3%) and Ecobank Cameroon (11.8%).

b) Secondary market

The secondary market for public securities picked up slightly, with an increase in the purchase and sale of securities and the number of securities deposited as collateral at the Central Bank. In effect, 84 purchase-sale transactions were recorded, with 80 on BTA and 4 on OTA. BTA transactions were realised on a total of 33,555 securities, worth 33.6 billion traded at 33.3 billion. As for OTAs, the transactions represented a total of 400,000 securities worth 4 billion and traded at 4.1 billion.

The total worth of securities guaranteed by BEAC increased, against the backdrop of significant cash needs of banks. It increased from 777.6 billion, at the end of 2016, to 101.1 billion at the end of 2017. As of 31st December 2017, this outstanding amount was broken down as follows per custodian: CRCT (50.5%), BVMAC (28.3%) and CAA-Cameroon (21.2%).

1.5.2.2. Stock market

The main highlight of 2017 for the CEMAC financial market was the decision taken by the Conference of Heads of State, at its extraordinary session of 31st October 2017, to merge the two Central African stock markets, by placing the headquarters of the regional financial market regulator in Libreville (Gabon) and that of the regional stock exchange in Douala (Cameroon), and by designating BEAC as the central depository.

The decision to suppress the two coexisting stock markets was a major stride towards strengthening financial

integration and promoting the development of the regional financial system.

a) Activities of the Central African Stock Exchange (BVMAC)

As of 31st December 2017, the capitalization value of BVMAC amounted to 648.4 billion, representing approximately 1.5% of the GDP of the Sub-region.

On the bond market, the regional financial market was marked by: (i) the issue of a new Gabonese government bond, released in November 2017, for an amount of 131.4 billion, with a maturity period of 5 years and a rate of 6.5%, and (ii) the cancellation of the bond loan from ECAIR “ECAIR 6% gross loan 2016-2021”, due to the shortcomings identified in the course of this transaction. This decision was accompanied by the full reimbursement of the amount of subscriptions actually collected by the issuer and the payment of accrued interest to subscribers on the date of the cancellation decision.

The number of issued bonds reserved at BVMAC as of 31st December 2017 rose to 10, which signified an increase if compared to the values recorded at the end of 2016 (8 values reserved). On the same date, the capitalization value of this compartment amounted to approximately 642.6 billion, indicating an increase of 104% compared to the value recorded at the end of 2016. However, the liquidity of BVMAC debt securities market deteriorated sharply in 2017, with a transaction volume of around 4.5 billion, compared to 15 billion a year earlier. The overall liquidity ratio¹² over the bond compartment stood at 0.7%, compared to 4.8% at the end of 2016.

On the equity compartment, the official listing of BVMAC always registers a single value, that of SIAT Gabon, which on 31 December 2017, capitalized 5.7 billion; quite stable compared to the level reached at the end of 2016. The average price of this security remained at the same level as the previous year (CFAF 28 500).

¹² The overall liquidity ratio is the ratio between the volume of transactions on the market capitalization or the outstanding bond market. This indicator assesses the dynamism of the secondary market and the overall liquidity of the market.

Table 42: Bonds listed on the BVMAC as of 31st December 2017

Title	Issuer	Year of issue	Amount issued (in billions of CFAF)	Rate (in%)	Maturity
Petro Gabon 6% 2010-2017	Petro Gabon	2010	7	6.00	7 years
BDEAC 5.5% net 2010-2017	BDEAC	2010	18,17	5.50	7 years
State of Chad II 6% net 2013-2018	State of Chad	2013	31,95	6.00	5 years
BGFI Holding 5% gross 2013-2018	BGFI Holding Corporation	2013	69	5.00	7years
FAGACE 5.25% net 2014- 2019	FAGACE	2014	10	5.25	5years
Alios Finance 6.25% 2014-2019	Alios Finance Gabon	2014	40	6.25	7 years
State of Gabon 6% 2015-2020	State of Gabon	2015	84,62	6.00	5 years
State of Gabon 6,5% 2016-2021	State of Gabon	2016	134,94	6.50	5 years
State of Congo 6,5% 2016-2021	State ofCongo	2016	192,3	6.50	5 years
State of Gabon 6,5% 2017-2022	State of Gabon	2017	131,4	6.50	5 years

Source : BVMAC

b) Activities of the Douala Stock Exchange (DSX)

As of 31st December 2017, the capitalization value of the DSX stood at 432 billion, approximately 2.45% of the country's GDP, an increase of 30.5% compared to the previous year.

In the bond compartment, the number of listed loan securities increased by a new line of securities, standing at

6, with the admission of the Cameroon government bond at a net rate of 5.5% from 2016-2021. As at 31st December 2017, the bond capitalization amounted to 286.3 billion, against 182 billion a year earlier. The liquidity of the DSX bond compartment remains low, with an overall liquidity ratio of 0.76%, a drop from the value recorded at the end of 2016 (1.6%). Transactions in this compartment reached a cumulative value of 2.2 billion in 2017, compared to 2.9 billion in 2016.

Table 43: Listed bonds with DSX as of 31 December 2017

Title	Issuer	Year of issue	Amount issued (in billions of CFAF)	Rate (in%)	Maturity
BDEAC 5,5% net 2010- 2017	BDEAC	2010	11,82	5.50	7 years
State of Cameroon 5,90% net 2013- 2018	State of Cameroon	2013	80	5.90	5 years
State of Chad II 6% net 2013- 2018	State of Chad	2013	53,05	6.00	5 years
FAGACE 5,25% net 2014- 2019	FAGACE	2014	3,5	5.25	5 years
State of Cameroon 5,5% net 2014- 2019	State of Cameroon	2014	150	5.5	5 years
State of Cameroon 5,5% net 2016- 2021	State of Cameroon	2016	165	5.50	5 years

Source : DSX

The DSX stock market still has three listed values, SEMC, SAFACAM and SOCAPALM. As of 31st December 2017, the capitalization of these values dropped to 145.6 billion, as against 148.5 billion at the end of 2016.

As concerns the market structure, the overall amount of trade, estimated at 187.2 million, dropped to 38.3% compared to 2016. The equity market liquidity ratio therefore fell to 0.12%, compared to 0.21% a year earlier.

In 2017, SOCAPALM was the most traded stock on the Douala stock market, with more than 64% of the total number of transactions for a total value of 120.1 million. Transactions on the SAFACAM shares stood at 56.0 million, witnessing a drop from the level recorded in 2016, when they stood at 59.8 million. Transactions on the SEMC shares reached 11.1 million, a significant drop from 2016, when they reached 73.4 million.

Table 44: Global transactions per share at DSX in 2017

Designation	Date of listing	Proportion of share capital listed (in%)	Initial price at listing	Reference price as at 31/12/2016	Reference price as at 29/12/2017
SEMC	30/06/2006	20	54 000	65 000	63 999
SAFACAM	09/08/2008	20	39 254	33 998	28 999
SOCAPALM	07/04/2009	20,3	39 891	20 500	21 249

Source : DSX

1.6. Implementation of the Community's exchange rate policy

Transactions of CEMAC countries with the outside world have been regulated since 2000 by Regulation No. 02/00 / CEMAC / UMAC / CM on the harmonization of exchange regulations. Within this framework, BEAC ensures compliance with this system, in collaboration with the competent administrations of the Ministry in charge of Currency and Credits in accordance with the convention governing the Monetary Union of Central Africa (UMAC). However, the inadequacy of certain provisions of this text, coupled with socio-economic development and its low level of implementation have, since

2012, led to a revision process which resulted in the development of new draft regulations.

Thus, 2017 was marked by three main activities: (i) the continuation of work on the finalization of the Exchange Regulation Reform Project, (ii) awareness-raising actions on the content of the provisions of the regulations in force, and (iii) the collection of contracts and conventions signed between CEMAC States and companies operating in the petroleum and mining fields, with a view to monitoring compliance with the provisions of the regulations in force on the repatriation of export revenue.

2. Governance

2.1. Decision-making bodies

2.1.1 Ministerial Committee

The Ministerial Committee, which is comprised of two Ministers for each member state, including the Minister of Finance, examines the broad guidelines for the economic policies of the states and ensures their coherence with the common monetary policy.

During the 2017 financial year, the Ministerial Committee met at the following places and dates:

- 16th February 2017 at Djibloho, Equatorial Guinea (extraordinary meeting);
- 31st March 2017 in Yaoundé, Cameroon (regular meeting);
- 10th April 2017 in Yaoundé, Cameroon (extraordinary meeting);
- 04th August 2017 in Yaoundé, Cameroon (extraordinary meeting);
- 27th September 2017 in Douala, Cameroon (regular meeting);
- 30th October 2017 in N'Djamena, Chad (extraordinary meeting);
- 22nd December 2017 in Yaoundé, Cameroon (regular meeting).

During these meetings, the Ministers regularly examined issues on the international economic environment and the

economic, monetary and financial situation of CEMAC member States.

With regard to the economic, monetary and financial situation of the member States of the Sub-region, the Committee recommended the simultaneous implementation of actions for sustainable economic recovery in view of a strong and inclusive growth on the basis of a more diversified economy, driven mainly by the private sector.

The Ministerial Committee:

- ratified the annual accounts of the Central Bank closed on 31st December 2016, which generated a profit of CFAF 164 176 849 178;
- welcomed the effective membership of some States into the IMF programme and the efforts made by the Community for a satisfactory development of the said programmes launched with the support of the IMF in a common regional approach to end the crisis;
- gave its approval with regard to the draft revision of the legal and statutory framework of the Bank;
- adopted the COBAC Regulation on the conditions for the control and conduct of microfinance activities in the CEMAC zone, which repeals and replaces Regulation No. 01 / CEMAC / UMAC / COBAC / of 13th April 2002;

- unanimously adopted the draft “GABAC Directive on the fight against money laundering and financing of terrorism and its proliferation through non-profit organizations in CEMAC States”;
- authorized BEAC’s Government to request the audit of BDEAC, the sine qua non for the release of resources to be provided to this institution as financial support from BEAC;
- authorized ORABank Gabon to operate as a Treasury Securities Specialist for all of CEMAC’s public treasuries;
- authorized BGFI-Bank Congo and BSCA-Bank Congo to operate as the Treasury Securities Specialists for the Treasury of the Republic of Congo;
- ruled on the consolidation of BEAC statutory advances following a principle of the equiTable treatment of all member States, and decided to definitely abolish the said advances;
- noted the stabilization and recovery of foreign reserves, as well as the recovery of the import coverage rate;
- approved the signing of individual and related contracts of members of the Bank’s Government, as well as the conditions for the appointment of the Secretary General and the Deputy Secretary General of COBAC;
- appoint members of COBAC to represent the Republic of Congo and Equatorial Guinea;
- appointed the sitting members of BEAC’s Monetary Policy Committee, a full member of COSUMAF to repre-

sent the Central African Republic, the Secretary General of COSUMAF and the members of COSUMAF;

- confirmed the appointments of the Secretary General and the Director General in charge of Studies, Finance and International Relations (DGEFRI) of BEAC;
- approved the Bank’s budget for the 2018 financial year, in revenue and expenditure, amounting to **CFAF 239 462 million**.

2.1.2. Board of Directors

The Board of Directors has fourteen members, two for each member State and two for France. The Board is chaired by the current Chairman of the Ministerial Committee of UMAC. The Governor reports on the items on the agenda.

The Board of Directors manages the Bank and oversees its proper functioning.

During the period under review, it held four ordinary sessions and three extraordinary meetings on the following dates and at the following places:

- 29th March 2017 in Yaoundé, Cameroon (regular meeting);
- 30th March 2017 in Yaoundé, Cameroon (extraordinary meeting);
- 03rd August 2017 in Yaoundé, Cameroon (regular meeting);
- 05th August 2017 in Yaoundé, Cameroon (extraordinary meeting);
- 26th September 2017 in Douala, Cameroon (regular meeting);
- 21st December 2017 in Yaoundé,

Cameroon (extraordinary meeting);

The main decisions taken by the Board of Directors in 2017 were as follows:

- approve the reports of the Audit Committee and the Board of Censors;
- approve the Bank's annual accounts certified by the Statutory Auditors as at 31st December 2016, with a profit of CFAF 164 176 849 178;
- issue a compliant opinion on the COBAC Regulation relating to conditions for the control and conduct of the activities of microfinances in the CEMAC region, repealing and replacing Regulation No. 01 / CEMAC / UMAC / COBAC / of 13th April 2002;
- approve the "GABAC Directive to fight against money laundering and financing of terrorism and its proliferation through non-profit organizations in CEMAC States";
- review and adopt the new BEAC legal and statutory framework;
- adopt the model framework agreement providing emergency liquidity to solvent credit institutions having specific liquidity needs;
- abolish the direct funding of CEMAC States by the Central Bank;
- validate a new framework for managing foreign currency assets;
- develop methods to consolidate all the commitments of member States to BEAC;
- adopt the 2017-2020 Central Bank Strategic Plan;

- validate the accounting reference system reform with IFRS standards;
- approve individual and related contracts of members of the Bank's Government, as well as that of the Secretary General and the Deputy Secretary General of COBAC;
- appoint an independent alternate member of BEAC's Audit Committee;
- endorse the proposal to appoint the Director General of Studies, Finance and International Relations of BEAC;
- approve the Central Bank's budget for the 2018 financial year fixed at CFAF 239 462 million.

2.1.3. Monetary Policy Committee

In 2017, and in accordance with Article 6 of its internal regulations, the Monetary Policy Committee (MPC) held four ordinary sessions and one extraordinary session¹³. In a context marked, at the international level, by continued recovery efforts of global economic activity, a slight increase in commodity prices and, at the sub-regional level, by a decline in economic activity and a low stock of foreign exchange reserves, the MPC adopted a restrictive policy in a bid to preserve the external stability of the currency.

Thus, the MPC increased the TIAO by 50 basis points to 2.95% during its session of 22nd March 2017. In addition, during this session, the Repo Interest Rate (TIPP) was also revised upwards to 4.70%, as was the rate of advances to treasuries within the statutory limits, which went from 2.45% to 2.95%.

The MPC also adopted the monetary and credit objectives for 2017 for

¹³ 22nd March 2017 in Yaoundé; 22nd May 2017 in Yaoundé; 11th July 2017 in Yaoundé; 02nd November 2017 in N'Djamena and 19th December 2017 in Yaoundé.

CEMAC States, proposed by the National Monetary and Financial Committees, compatible with the different macroeconomic frameworks of the countries.

The MPC also took cognizance at each of its sessions, of the situation of the foreign reserves of the Community, and approved the strategy for their management as implemented by the Central Bank. At its ordinary session of 11th July 2017, it adopted the definition

of the target threshold in the context of the structuring of foreign reserves as being “the level of reserve securities required to cover three (3) months of imports of goods and services, as well as three (3) months of public external debt servicing”. It also adopted the target structure of BEAC’s foreign exchange reserves, dividing them between the Operating Account (CO), the Liquidity Portfolio (PL) and the Investment Portfolio (PI), as follows:

	Operating Account	Liquidity Portfolio	Investment Portfolio
Foreign exchange reserves \leq target threshold	CO = 50% of the centralisation base ¹⁴	PL = the rest (excluding SDRs and Gold)	PI = 0
Exchange reserves $>$ target threshold	CO = 50% of the centralisation base	PL = 50% of the target threshold	PI = the rest (excluding SDR and Gold)

Moreover, during its extraordinary session of 22nd May 2017, after analysing the liquidity situation of the CEMAC banking system, the MPC took note of the components of the general system for providing emergency liquidity. Similarly, after analysing the liquidity situation of Chad’s banking system, the MPC authorised BEAC’s Government to provide emergency liquidity to troubled banks operating in this country, pending the establishment of the dedicated global system.

Finally, during its session of 19 December 2017, the CPM adopted the

general framework for providing emergency liquidity to credit institutions in the CEMAC zone. It then approved the other components of the emergency liquidity provision system, which are (i) the streamlined procedure for evaluating the refinancing guarantees of CEMAC credit institutions suffering from a liquidity crisis, (ii) the model framework agreement for providing emergency liquidity to CEMAC credit institutions, and (iii) the reporting system of the said system. It asked BEAC’s government to forward the draft framework agreement for providing emergency liquidity to the Board of Directors for adoption.

¹⁴ The centralisation base includes the net foreign assets of the Central Bank, excluding the foreign assets of deposits from States to BEAC over a period of one year and the position of reserve tranches of UMAC member States at the IMF and the SDR (See Decision No. 1 of BEAC’s Strategy Committee of 07 May 2015).

2.1.4. National Monetary and Financial Committees

The National Monetary and Financial Committees (CMFN) are empowered by the Board of Directors and the Monetary Policy Committee. To this end, they handle all monetary and credit problems in the member States. It assesses the needs of each country by examining the general financing needs of the economy and determining the means necessary to meet them. In addition to the Minister of Finance, who chairs it, the CMFNs in each member State are composed of Ministers representing the country on the Ministerial Committee or their Alternate, Bank Administrators representing the State concerned on the Administrative Council, nationals of the member State on the Monetary Policy Committee, an external person appointed by the Government of that State by virtue of their qualification and competence in economic, monetary and financial matters, the Governor of BEAC or the Vice-Governor, and two counsellors including a French representative. The National Directors are the rapporteurs.

During the 2017 financial year, the National Monetary and Financial Committees held their meetings on the following dates and at the following places:

Cameroon

- 27th February 2017 in Yaoundé;
- 06th July 2017 in Yaoundé;
- 27th November 2017 in Yaoundé;

Central African Republic

- 01st March 2017 in Bangui;
- 10th July 2017 in Bangui;
- 29th November 2017 in Bangui;

Congo

- 15th March 2017 in Brazzaville;
- 06th December 2017 in Brazzaville;

Gabon

- 17th March 2017 in Libreville;
- 05th July 2017 in Libreville;
- 04th December 2017 in Libreville;

Equatorial Guinea

- 13th March 2017 in Malabo;
- 07th July 2017 in Malabo;
- 05th December 2017 in Malabo;

Chad

- 02nd March 2017 in N'Djamena;
- 21st July 2017 in N'Djamena;
- 30th November 2017 in N'Djamena;

During their meetings, the National Monetary and Financial Committees examined the international economic environment and its repercussions on the economic, monetary and financial situation of member States.

2.2. Supervisory bodies

2.2.1. Board of Censors

Throughout the 2017 financial year, the Board of Censors held four meetings to examine the files relating to its missions enshrined in Article 63 of the Bank's Statutes. As such, this body examined:

- compliance with the provisions of the Operating Account agreement;
- monitoring the execution of the 2016 budget;
- the 2017 budget review project;
- the draft budget for the 2018 financial year.

2.2.2. Audit Committee

In 2017, the Audit Committee met four times in ordinary sessions and five times in extraordinary sessions.

The main subjects examined focused on:

- the closing of accounts for the fiscal year ending on 31st December 2016;
- the annual internal audit report for 2016;
- monitoring the execution of the programme of activities of the Directorate General for General Control and the implementation of the various recommendations of the internal and external control bodies in 2017;
- the evolution of the repository of accounting principles and statements;
- accounting suspenses;
- reform of the Bank's Statutes;
- the Central Bank Strategic Plan project (PSB 2017-2020);
- the anti-money laundering system.

Moreover, the members of the Audit Committee received training in Paris on the theme "risk management and control".

2.2.3. Statutory Auditors

In 2017, the Statutory Auditors certified the Bank's financial statements for the year that ended on 31st December 2016.

In accordance with the statutory provisions and their mission statement, the Auditors reported on their work to the Audit Committee and to the Government of the Bank, which proceeded with the closure of accounts. They then presented their report to the Board of Directors of the Bank and to the Ministerial Committee of UMAC, which were respectively charged with approving and ratifying the accounts of the Central Bank.

In addition to their opinion, the Statutory Auditors carried out specific verifications which resulted in the preparation of reports on the Operating Account and the Trading Room, in accordance with the provisions of Article 35 of the Statutes.

In the last quarter of 2017, the Statutory Auditors carried out an interim review as part of due diligence to certify the accounts of the Central Bank for the 2016 financial year.

The recommendations made by the Statutory Auditors following their audit were strictly implemented by the Directorate General for General Control, in collaboration with the Accounting Department.

2.3. Other Bodies

2.3.1. National Credit Councils

The National Credit Councils (CNC) are consulted on the guidelines for monetary policy, credit and banking regulations. From their meetings held in 2017, the CNC came up with the following general observations:

In **Cameroon**, during the four meetings organised on 30th and 31st January 2017 and on 22nd and 23rd November 2017, the CNC's work mainly focused on:

- establishing a mediation framework for financial services in Cameroon. In the absence of a regional mechanism in this area, the CNC embarked on developing a national legal framework on financial mediation;
- developing Islamic finance. In view of the major challenges and the development potential of this financing method in Cameroon, the CNC took the commitment, in collaboration with the Monetary Authority and COBAC, to establish of a regulatory framework that would be conducive for its development;
- assessing support programmes and mechanisms for small and medium-sized enterprises, with a view to promoting their access to finance. After adopting the terms of reference for this evaluation, the General Secretariat will have to recruit service providers to carry out this study;
- establishing a regulatory framework to impose penalties for the non-repayment of loans. After examining the preliminary draft law relating thereto, the CNC recommended further work, through broad consultations with stakeholders, the Central Bank and COBAC;
- evaluating the progress report on the work to set up the integrated computerized financial information centralization platform (CIP-FI- BANE-CASEMF)¹⁵. The Council recommended that the General Secretariat speeds up the deployment of this platform with first class MFI in order to ensure optimal coverage of the microfinance sector.

In the **Central African Republic**, during its three ordinary sessions, on 1st March, 10th July and 29th November, 2017, the Council examined and amended the decree to organise and lay down the terms of operation of the CNC, approving the creation of a working group responsible for making proposals aimed at facilitating the mobilization of guarantees required by credit institutions, and decided to extend, for a one-year period, the mandate of the Recommendations Monitoring Committee on the problem of financing the economy of the Central African Republic.

Moreover, the Council instructed the General Secretariat to monitor the establishment of the guarantee fund and set up an Approved Management Centre and a National Investment Promotion Agency. The Council also mandated the General Secretariat to join the International Organization of La Francophonie to organise the «Business – Financial System – justice» Symposium.

During its three ordinary sessions in **Congo**, on 15th March, 04th July and 06th December, the National Credit Council revised and adopted the draft decree on the attributions, organization and functioning of the CNC and the draft decree to establish the Minimum Guaranteed Service in Congo.

In **Gabon**, during its sessions of 17th March, 05th July and 4th December, the CNC examined the requests for the approval of (i) the directors of credit institutions, (ii) a microfinance institution, and (iii) Statutory Auditors.

In **Equatorial Guinea**, during its extraordinary session of 23rd January, 2017 and the four ordinary sessions of 13th March, 18th May, 07th July and 05th December, in addition to examining the evolution of activities in the Equatorial Guinean banking system in 2017, the

¹⁵ Payment Incidents Centre (CIP) -National Banking File for Companies (FIBANE) -Framework for the Monitoring and Analysis of Microfinance Institutions (CASEMF).

CNC equally addressed several points, including:

- a review of the regulatory framework for activities of currency exchange and money transfer institutions. After reviewing the draft decrees prepared for this purpose, the CNC made observations and recommendations to the technical teams, with a view to finalizing the draft texts;
- follow-up to the recommendations of the study on bank financing for small and medium-sized enterprises (SMEs) in Equatorial Guinea. In fact, in view of improving the financing of SMEs, the CNC commissioned a study in 2016 to identify innovative mechanisms that could enable banks to finance SMEs. After examining the conclusions of this study, the CNC adopted a roadmap including the various measures to be carried out by the actors concerned (Administrative authorities, Central Bank, Credit institutions, etc.) to achieve the objectives of improving the financing of SMEs, which are essential to diversifying the national economy;
- validation and publication of the overall effective rates applied by the banks and the usury thresholds applicable in Equatorial Guinea.

Meeting twice in ordinary session in Chad, the Council mainly focused on:

- monitoring the situation of the national cotton company (CotonChad), particularly the steps taken by the Ministry of Finance and

Budget with to sign an agreement with the banking pool in order to re-establish financial relations between the company and credit institutions;

- adopting the harmonized system for calculating and reporting overall effective rates and usury thresholds in Chad. Within the framework of implementing Regulations Nos. 01 and 02 / CEMAC / UMAC / CM relating to TEG and usury repression, the CNC worked, in collaboration with BEAC and COBAC, to support credit institutions install the TEG calculation and reporting system in Chad;
- adopting a study programme on the Chadian financial system, to be carried out in collaboration with the University of N'Djamena and the Ministry of Finance and Budget.

2.3.2. Balance of Payments Committee

In 2017, the National Balance of Payments Committees sat to adopt balance of payments reports (BoP) from the following States:

- Cameroon for the year 2015;
- Congo for the years 2013, 2014 and 2015;
- Central African Republic for the years 2014 and 2015.

Furthermore, within the framework of assistance granted to CEMAC States by the IMF in compiling BoP statistics, the balance of payments departments of the six CEMAC member have benefited from a first phase of assistance by Fund experts in compiling statistics in accordance with methodology and IMF's 6th Balance of Payments and International investment position manual.

2.3.3. Financial Stability Committee in Central Africa

Throughout 2017 and in accordance with article 4 of Regulation No. 04 / CEMAC / UMAC / CM of 02nd October 2012, the Financial Stability Committee in Central Africa (CSF-AC) held its two ordinary meetings on 09th May 2017 and 21st November 2017, under the chairmanship of the Governor of BEAC, its statutory President. Each of these meetings was preceded by a meeting of the Group of Experts of the said Committee.

In accordance with its main mission, the Committee carried out an assessment of the risks on the financial system before making recommendations to its members. Thus, examining the development of the sub-regional macroeconomic and financial framework, the Committee noted that the risks to financial stability have increased, particularly due to the low prices of raw materials and deterioration of public finances.

However, it praised the resilience of the sub-regional financial system, des-

pite a weak macroeconomic context, thanks to coordinated actions by the Central Bank, the Ministries of Finance, the CEMAC Commission, as well as different regulators. The Committee particularly welcomed the decision to merge the two financial markets in the CEMAC zone, following the CEMAC Heads of State Conference on 31st October 2017 in N'Djamena.

As recommendations, it insisted on the need to restore fiscal margins, control the evolution of public debt and improve the business climate. Furthermore, the Committee reiterated the importance of improving statistical systems, with a view to better assessing the risks to financial stability and ensuring a better monitoring of new means of payment.

Finally, the Committee produced its 2016 annual report and submitted it to the UMAC Ministerial Committee for adoption. It equally published the second edition of its Financial Stability Review for 2016.

III. Management and Cooperation



1. BEAC's activities and projects

1.1. Research

In 2017, the Research Department carried out two major activities, mainly on: (i) improving the effectiveness of the monetary policy and (ii) reinforcing the study and research function. Besides these activities, support work was realized for certain operational entities of the Central Bank.

1.1.1 Reinforcing the effectiveness of the monetary policy

The Research Department conducted work aimed at clarifying and improving the effectiveness of the monetary policy. As such, it worked to strengthen the analytical framework by finalising some projects geared towards providing additional tools to implement the monetary policy.

a) Survey on credit costs and conditions

A survey mechanism on bank credit costs and conditions was instituted in CEMAC, and data was collected in the Central African Republic, Gabon, Equatorial Guinea, and Chad. For better public information on bank credit conditions and costs in CEMAC, the Bulletin of statistics on credit costs and conditions for CEMAC was instituted.

b) A model for simulating the effects of monetary policy

The development of a structural analysis model (like DSGE-Dynamic Stochastic General Equilibrium Models) continued throughout 2017 with time, this scheme

should help to analyse and simulate the impact of monetary policy impulses, and the reaction of the latter to exogenous shocks.

c) Monitoring of economic forecasting methods

The Research Department has been working on the development of econometric short-term forecasting models (VAR). These models help to forecast economic activity, inflation and foreign exchange reserves over a period of 4 to 8 quarters.

A Quaterly Projection Model (QPM) is also being developed to provide medium-term forecasts for monetary policy needs.

1.1.2 Reinforcing the study and research function

Activities carried out within this framework included studies related to monetary and fiscal policies, and their environment. The statistical system was reinforced in order to ensure the availability, consistency, and reliability of Bank statistics. Moreover, efforts were made to improve communication and scientific production via the introduction of various publications.

a) Production and propagation of research work

Three workshops were organised in view of validating the research work to be published under the "BEAC Working Papers" section.

These workshops mainly focused on understanding the mechanisms of BEAC monetary policy. Thus, a total of ten research papers were produced.

“BEAC Occasional Papers” was also produced and with the intention to review a theme of interest to the Central Bank and the economies of the Sub-region. Moreover, the first two issues of the “Lettre de la Recherche de la BEAC” were equally produced.

b) Creation of the economic, monetary and financial database

In order to ensure that the BDEM goes operational, the following actions were taken: (i) acquisition of the security certificate for the connection of external users to the loading portal, cleaning of test data, updating of the directory, (iv) loading of collected data and (v) editing of the online view of data retrieval portal.

c) Cooperation between BEAC, Universities and Research Institutes

After the French based economic research laboratory of Orléans, BEAC also signed a cooperation agreement with the University of N'Djamena (Chad), on 27th December 2017.

1.2. Human Resource Management

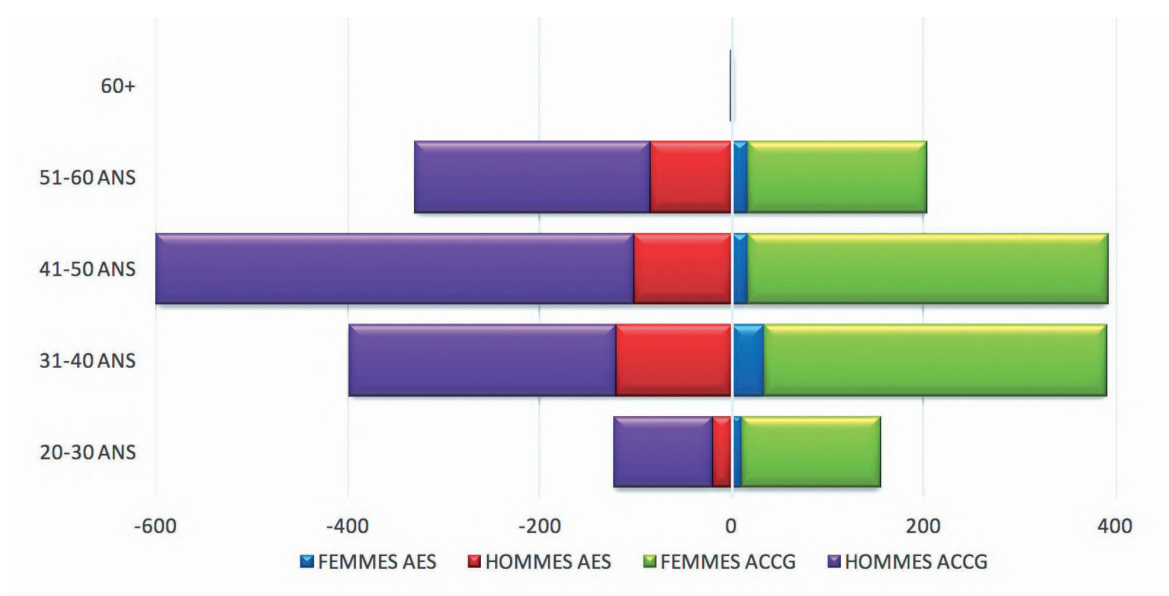
1.2.1 Evolution and structure of the staff

As at 31st December 2017, BEAC had 2590 personnel, including those working at COBAC, compared to 2533 a year earlier, indicating an increase of 57, that is 5.3% of the total number of staff with open-ended contracts.

Table 45: Evolution of BEAC's staffing in 2017

Country or Centre	Number of Staff		Increase		Staffing distribution as at 31/12/2017		
	31/12/2015	31/12/2016	En Num- ber	En %	En %	Including senior executives	
						In Num- ber	In %
Headquarters	556	636	80	14,4	24,6	190	7,3
Paris' external Office	5	5	0	0	0,2	2	0,1
COBAC	72	75	3	0,1	2,9	48	1,8
Cameroon	624	612	- 12	3,5	25,0	40	1,5
Central African Republic	159	187	28	1,1	7,2	18	0,7
Congo	347	323	- 24	- 0,9	12,5	30	1,2
Gabon	297	296	- 1	0,0	11,4	26	1,0
Equatorial Guinea	197	196	- 1	- 0,5	7,6	27	1,0
Chad	276	260	- 16	1,4	12,0	23	0,9
Total	2 533	2 590	57		100,0	404	15,6

Source: BEAC/HRD

Chart 17: Age pyramid of BEAC staff as at 31st December 2017

1.2.2 Projects

The following activities were carried out under the projects included in the PSB:

- finalisation of the "Human Resource Master Plan (PDRH)";
- the Human Resource Information System (SIRH).

a) Human Resource Master Plan (PDRH)

Regarding the finalisation of the HRMP, the following actions were taken:

- setting up of a competency-based framework;
- development of a grid to describe competency profiles for each staff member;
- description of mobility areas in order to determine the different possible career-paths for each position.

b) Human Resources Information System

Concerning the SIRH, the work focused on the following actions:

- updating of personnel data;
- updating the formulas for calculating tax levies on salaries;
- training the end users of the software.

1.3. Capacity building

In accordance with its missions, the Training Department continued to build the capacity and develop the skills of the Central Bank's staff, CEMAC's economic and financial administrative executives, as well as students, through internal and external training programmes.

More specifically, in building the skills of the Bank's staff, the Training Department organized:

- i. two (02) sessions of a seminar on team and change management, in Yaoundé, for 20 managers including Central Directors and Heads of Department;
- ii. three (03) sessions of a seminar on operational management, change management, practices, work organization and communication, in Yaoundé and Douala, for 61 heads of service, including 43 in the Central Services and 18 in the various Centres;
- iii. forty-nine (49) trainings, including one (01) information session for the Secretary General, one (01) internship for the positions of Central Director, two (02) internships for the positions of Branch Director, seventeen (17) for the Senior staff and twenty-eight (28) for mid-level staff members;
- iv. in partnership with the Centre de Formation à la Profession Bancaire (Banking Training Institute) in Paris, the very first ITB seminar, with focus on "Central Banks", was organised for middle management staff.

Within the framework of cooperation with other institutions, Training Department equally:

- organized the entrance examination into the African Centre for Advanced Studies in Management (CESAG), in the six (06) National Branches of BEAC, for CEMAC candidates and took part in the meetings of the decision-making bodies for the Master's degree programme in Banking and Finance;
- awarded seven (07) partial scholarships to CEMAC nationals

enrolled in the Master's degree programme in Banking and Finance (PMBF) at CESAG;

- organized a seminar in Douala on the "development of debt strategies", as part of the BCEAO/BEAC/BCC Capacity Building Programme for thirty-six (36) executives from the member countries involved in the Programme (Cameroon, Union of the Comoros, Congo, Côte d'Ivoire, Gabon, Guinea Bissau, Equatorial Guinea, Mali, Niger, Central African Republic, Senegal, Chad and Togo) and the three central banks;
- took part in the annual meeting of exchanges between the Training Directors of the French-speaking Central Banks, organised by the International Banking and Finance Institute (IBFI) and in the Executive Committee of the Microfinance Training Project, led by the Centre de *Formation de la Profession Bancaire* (CFPB) in Paris;
- enrolled five (05) AES of different BEAC Centres in various training courses organized by the (IMF);
- enrolled three (03) senior staff, two (02) of whom were from the Centres, in the courses of the International Banking and Financial Institute (IBFI) and two (02) Senior Staff from the Central Services in a training course on the fight against money laundering and the financing of terrorism, organized by the Central Bank of Madagascar;
- organized 235 academic internships and two (02) study visits for students of major universities.

1.4. Auditing and control

In 2017, nineteen (19) missions were included in the annual audit plan: seven (07) scheduled for the Central Services Audit and Inspection Department, nine (09) for the Centres Audit and Inspection Department, two (02) for the Risk Prevention and IT Audit Department and one (01) joint mission of the Central Services Audit and Inspection Department and the Centres Audit and Inspection Department.

Altogether, eighteen (18) missions were carried out, six (06) of which at the Head Office, seven (07) in the Centres and five (05) IT audit missions, both at the Head Office and in the Centres. At the same time, unplanned missions were undertaken, especially an audit at the Bata Branch and two (02) IT audits on the GroupWise messaging system and its functionalities at the Head Office.

The DGCG also conducted seventeen (17) special investigations, against two the previous year.

With regard to risk prevention, 2017 was the year in which the Bank's operational risk management system was developed. The activities carried out focused on building the capacities of the DEMARIS network and launching the incident collection campaign.

Other activities carried out by the DGCG focused mainly on overseeing handing over procedures, capacity building for DGCG staff and revising the permanent control mechanism included in the Bank's Strategic Plan (2017-2020 BSP).

1.5. IT and Telecommunications

Under its project component, the Department of Information and Telecommunications (DIT) suspended the VSAT contract with its first partner SIMSTREAM in favour of another with CIS.

In collaboration with other departments, a number of business projects were pursued in 2017, including the following:

- the banknote counterfeiting laboratory;
- the migration of the Large Value System;
- the test phase launch of the CRCT's DEPO/X;
- SWIFT's Customer Security Program (CSP).

throughout the year, the DIT partook in negotiations to reduce costs associated with the various contracts, which resulted in substantial savings for the Bank.

1.6. Legal affairs and contracts

a) Referrals

In 2017, the Legal Affairs and Contracts Department (DAJC) recorded 1519 referrals of various kinds by mail from the entities of the Headquarters, the various National Branches and the Centres of BEAC, as well as some international bodies and various partners, compared to 1206 in 2016. These referrals are composed of contracts, agreements, opinions on various issues, personnel records, disputes and lawyers' fees, the situation of account balances on bank accounts suspensions and miscellaneous.

Contracts and Agreements: the DAJC was requested to give its opinion on 184 draft contracts and 50 draft agreements. 49 contracts and 47 agreements were retained at the DAJC for registration, in accordance with the procedures in force.

In addition, in view of updating the contracts and formalizing BEAC's relations with service providers, a circular letter was issued to provide a framework for common consumer contracts. Moreover, the inventory of contracts was completed and a preparation phase of appropriate draft guidance letters launched.

Personnel records: in 2017, 37 new personnel records were reviewed, compared to 40 in 2016. The records mainly concerned disciplinary proceedings, payment of full and final settlement, disputes relating to the application of the statutory provisions of staff and labour codes in force in the member States.

Disputes and lawyers' fees: in the area of litigation, the activity consisted essentially of monitoring, both in the member States and in France, the various pending proceedings against BEAC or those initiated by the latter before various courts in prosecutions following the fraudulent practices by the external Office in Paris.

In addition, the DAJC continued its follow up of 39 outstanding litigation cases.

Seizure and acquisition of account balances: activity has clearly decreased since the adoption of Regulation N°005/CEMAC/UMAC/CM of 22nd November 2012 on the unseizability of the accounts and financial assets of the accounts and financial assets of the Credit Institutions domiciled at BEAC. However, the 149 still-active cases of seizure attribu-

tion prior to the entry into force of the above-mentioned Regulation continued to be followed-up. The outstanding amounts relating to these cases stood at CFAF 4 551 288 001 in 2017.

b) Legal monitoring

A correspondence was sent in June 2017 to the National Branches for the purpose of collecting information on the various local legal publications dealing with subjects of interest to the activities of the Central Bank.

c) Other activities

Several other actions were carried out, the main ones being:

- the fight against money laundering and the financing of terrorism;
- updating of the Internal Rules and Regulations following the final adoption of BEAC's revised Statutes within the framework of the implementation of the IMF's recommendations on backups;
- provision of emergency liquidity as part of formalizing this new BEAC intervention mechanism to maintain financial stability;
- reform of the monetary policy;
- reform of BEAC's accounting standards;
- preparation of its draft manual of procedures and its submission to the DGCG;
- presentation of its draft annual budget for the 2018 financial year to the Budget Committee;
- participation in training courses

on the practice of Anglo-Saxon contract law, organised by ELEGIA, res-

pectively, from 4th to 9th June, and from 19th to 24th November 2017 in Paris;

- participation in the Symposium on Islamic Finance organised by CADEV in Yaoundé.
- preparatory meetings for the Conference of CEMAC Heads of States in N'Djamena;
- workshop of the Working Group on the ANIF-BEAC collaboration from 09th to 10th November 2017 in Douala;
- workshop on financial crimes for law enforcement officers from West and Central Africa, in Abidjan, Côte d'Ivoire, from 20th to 24th November 2017, where DAJC made a presentation on "The role of central banks and financial institutions in the fight against financial crimes";
- Working Group on manual foreign exchange and money transfer - GABAC from 03rd to 07th July 2017;
- the 7th meeting of the GABAC technical commission held in Libreville from 13th to 17th March 2017;
- the 45th meeting of the OHADA Council of Ministers in Guinea Conakry from 14th to 25th November 2017.

1.7. Investment and wealth management

The year 2017 was marked by the inauguration and commencement of the operations of the Central Bank's Branch in Abeche, Chad.

It also saw the continuation of the construction work for future Branches in Ebebiyin (Equatorial Guinea), Oyo (Congo) and the new National Branch building in Bangui (Central African Republic).

1.8. Strategic planning and budgeting

In 2017, the activities of the Department for Strategic Planning, Budget and Management Control (DPSBCG) focused on the daily management of the Bank's budget and the continuation of the implementation of BEAC's Budget Management System Reform Project (SYGESBEAC).

As part of standard activities, a budget review was prepared and adopted by the Board of Directors at its meeting of 03rd August 2017. The due diligences relating to the preparation of the budget for the 2018 financial year were carried out following the instructions defined in the Circular Letter on the Budget Framework No.08/SG/2017 of 15th September 2017.

In addition, the DPSBCG contributed in preparing the Bank's Strategic Plan (BSP 2017-2020), by providing the Project Preparation and Implementation Monitoring Unit (PPIMU created by Governor's Decision No.019/GR/2017 of 6th March 2017) with the necessary training, internal resource persons and deliverables relating to the Bank's Strategic Plan design methodology.

As concerns conventional budget management, the 2017 financial year ended with a budget surplus of 165.135 billion, which is the difference between total income of 373.369 billion and total expenditure of 208.234 billion. This is a decrease of 18.1% compared to the performance achieved in 2016.

In terms of achievements, income and expenditure represented 102.8% and 72.8% of the revised budget, respectively. In terms of income, this good performance stems from the exceptional results achieved on the partial disposal of the investment portfolio held by the Trading Room. As regards expenditure,

the level of consumption of appropriations recorded is essentially attributable to the control of overheads and the low absorption of investment and equipment credits, which showed an implementation rate of 25,1%.

From year to year, budget implementation results decreased by 37.3% for resources and 47.2% for expenditure. Income from the Bank's daily management continued to decline in 2017 due to the contraction, albeit at a more moderate pace, of foreign assets. Thus, income from the investment of foreign assets, excluding capital gains on trading, is no longer the Bank's main source of income. Revenue from the money market stood at 74.045 billion in 2017, compared to 49.566 billion in 2016. They are now the Bank's main source of income. Two main reasons underlie this trend, namely the increase in the TIAO which rose from 2.5% to 2.95% in March 2017 and the increase in the refinancing needs of primary banks, following the deterioration of the economic and financial situation of CEMAC States.

Concerning the management of the SYGESBEAC project, the workshop on strategic planning and key performance indicators (KPIs), held from 29th May to 1st June 2017, has helped raise awareness among the Bank's Members of Government on the challenges and progress of the SYGESBEAC project, exchange with the team of consultants from the PwC firm on the practical means of developing a strategic plan and the relevance of the proposed KPIs for monitoring the implementation of the projects included in the 2017-2020 PBS.

Another workshop on the transcription of the 2017 budget review into the intermediate IT solution, SYGESBEAC was held in Douala from 16th August to 1st September 2017. This workshop also aimed at training new actors and upgra-

ding former correspondents in charge of budgetary operations.

In addition, on 13th July 2017, the Bank's Government examined and adopted the five deliverables related to the SYGESBEAC project validated by the project management bodies since March 2015. These deliverables include:

- the strategic planning framework document;
- the procedures manual of the budget management system;
- the organization manual of the budget management system;
- the budget terminological reference;
- the reference framework of methods for evaluating income and expenditure.

Finally, the missions carried out in the Centres as part of due diligence inherent in budget tour also provided opportunities to popularise these new strategic and budgetary management rules enacted as part of the ongoing budget reform.

1.9. Communication

The year 2017 saw a number of events organized by either the Communication unit or some other departments, during which several actions were taken.

Internally, the Communication unit disseminated press releases following the various meetings of the Bank's statutory organs (Ministerial Committee, Board of

Directors, Monetary Policy Committee, Central African Financial Stability Committee). It compiled the event newsletter BEAC Inside (07 issues) to communicate on events such as the inauguration of the Abeche Branch, the handover of services between Governors ABBAS MAHAMAT TOLLI and Lucas ABAGA NCHAMA, the ceremony during which the new Governor met with BEAC staff, and the 17th meeting of Heads of Centres with the Bank's Management. It also produced issues 79, 80 and 81 of the quarterly BEAC-Contacts.

In terms of external communication, the Communication unit organized press conferences after the meetings of certain decision-making bodies, after which press releases were published.

Furthermore, within the framework of the partnership signed with the SIFI-JA (Jeune Afrique) Group, the Communication unit supervised the publication of an article on BEAC in the last issue of December 2017.

The Communication unit was also involved in other activities organized by the Bank, especially:

- the high-level conference on the theme "Central Banks facing exogenous shocks: strategies to overcome the crisis" held on 24th January 2017 in Yaoundé;
- the ceremony for the installation of the Governor and Management of BEAC on Friday, 31st March 2017;
- the forum "Justice and Banking in Central Africa" on 19th July 2017 in N'Djamena.

2. Regional and international cooperation

2.1. Regional cooperation

2.1.1. Conference of Heads of State

In 2017, CEMAC Heads of State met twice. A first ordinary session was held in Djibloho, Equatorial Guinea, and an extraordinary session in N'Djamena, Chad.

During its 13th ordinary session held on 17th February 2017, the Conference of Heads of State welcomed the progress made in the implementation of the CEMAC Economic and Financial Reform Programme (PREF-CEMAC) and the measures prescribed by the December 2016 Summit in Yaoundé. While insisting on the need to implement the measures recommended within the framework of the PREF-CEMAC, the Heads of State reaffirmed their commitment and determination to repatriate export earnings, strengthen budgetary discipline and economic diversification.

During the 31st October 2017 extraordinary summit in N'Djamena, remarkable progress was made on certain issues, especially in the areas of (i) free circulation with the decision to open borders completely and abolish visas for all CEMAC nationals moving within the community space, and (ii) the reconciliation of regional and national stock exchanges, with the decision to establish the head office of the regional financial market regulator in Libreville and that of the regional stock exchange in Douala, with BEAC being the central depository.

2.1.2. The Franc zone

BEAC took part in the spring and autumn meetings of the Franc zone, which were held on 14th April 2017 in Abidjan and 5th October 2017 in Paris, respectively. During these meetings, the Ministers, Governors and Presidents of the Franc zone institutions examined (i) the state of nominal and real convergence in the Franc zone, (ii) the issues and challenges of tax revenue mobilisation in the Franc zone, and (iii) lessons learned from the experience of African countries in international financial markets.

Regarding the state of nominal convergence, it was found that the generalization of budget deficits, the increase in debt and the deterioration of the monetary situation have made it difficult to comply with established criteria. In response to this situation, States were encouraged to implement rigorous and sustainable economic policies in order to restore macroeconomic balances and accelerate integration within the Zone.

Discussions on the issues and challenges of mobilizing tax revenues highlighted not only their essential nature for the sustainable financing of growth and development, but also the need to combat capital flight and improve tax revenue collection.

2.1.3. BEAC/BCEAO meetings

Within the framework of regular meetings between the two institutions, the meetings that held on 31st July and 1st August 2017 in Yaoundé, provided an opportunity to examine the progress and prospects of the interconnection project of the payment and settlement systems of the WAEMU and CEMAC zones.

At the end of the meetings, it was recommended that the draft Interconnection Convention and Memorandum of Understanding be examined by the Decision-Making Bodies of the two Central Banks for adoption.

Moreover, in a bid to consolidate the cooperation projects between the two Central Banks, it was agreed to pursue the actions of experience sharing in areas of common interest.

2.1.4. Association of African Central Banks

BEAC took part in the deliberations of the 40th ABCA annual meeting that held from 12th to 16th August 2017 in Pretoria. These meetings were especially enriched by the organisation of a symposium under the theme “Monetary integration prospects in Africa: lessons drawn from European monetary and financial integration experience”. Experiences of monetary integration in Africa, Europe, Asia and Latin America have shown the benefits of monetary integration, especially resilience to shocks and economic development.

Despite the progress made in the existing monetary blocs in Africa (UMOA, UMAC, SADC), many challenges still lie ahead in order to achieve full and complete monetary unions.

Moreover, African central banks also reaffirmed their commitment to work together towards achieving African monetary integration

2.1.5. AFRITAC-Centre

BEAC took part in the 19th meeting of the steering Committee of the IMF Regional Technical Assistance Centre for Central Africa (AFRITAC Centre) which held on 28th March 2017 in Kinshasa, Democratic Republic of Congo. This meeting was an opportunity, among other things, to assess the implementation of the Centre’s work programme for the 2016-2017 period and to review the work programme for the 2017-2018 period.

2.1.5. United Nations Economic Commission for Africa

BEAC partook in the 8th meeting of the Sub-Regional Support Coordination Mechanism of the UN System to the AU/NEPAD Programme in Central Africa (MSRC-AC) which held from 21st to 22nd November 2017 in Yaoundé.

The main objective of this meeting was to approve the key actions to be included in the 3rd Joint Indicative Programme (JIP) which should cover the 2017-2023 period.

2.2. International cooperation

2.2.1. International Monetary Fund

• *State of relations between member States and the International Monetary Fund*

In 2017, the evolution of relations between CEMAC member countries and the IMF was part of the dynamics for implementing the CEMAC Economic and Financial Reform Programme (PREF-CEMAC). Indeed, one of the main measures adopted by the Community's Heads of State at their Extraordinary Summit on 23rd December 2016 in Yaoundé, included the decision to open and conclude bilateral negotiations with the IMF in the short-term, in order to better structure the adjustment efforts of States, support them to emerge from the crisis and help them put in place the conditions for a good and sustainable recovery of their economies.

In line with this approach, the growth of relations between CEMAC member countries and the IMF experienced a certain dynamism in 2017. In particular, these relations were marked by the signing and monitoring of the implementation of IMF-supported programme agreements in some countries, especially Cameroon, the Central African Republic, Gabon and Chad, while significant progress was observed in negotiations between the Congolese and Equato-Guinean authorities and the Fund.

As concerns **Cameroon**, the implementation of the authorities' economic and financial programme benefited from IMF resources under the Extended Credit Facility (ECF) since the Board of Directors of the IMF signed the agreement on 16th June 2017. The financial support

expected from the IMF for the implementation of the said programme was estimated at 415 billion for the period from 2017 to 2019, to be disbursed in seven instalments. Based on the conclusive results of the assessment of IMF services, the Fund's Board of Directors also validated the first review of the programme on 20th December 2017.

As concerns the **Central African Republic**, an economic and financial programme supported by the IMF under the Extended Credit Facility (ECF) was concluded on 21st July 2016. The implementation of that programme, with total funding of about 69.4 billion for the 2016-2019 period, increased throughout 2017. To this end, the IMF's Board of Directors' meetings held on 17th July 2017 and 15th December 2017 contributed to the successful conclusion of the second and third review cycles of the programme.

For **Gabon**, the programme implemented since 19th June 2017 was also supported by IMF resources under the Extended Credit Facility (ECF). The funding, granted within this framework, was set at 383 billion over the period from 2017 to 2019. The first review of the programme conducted on 5th December 2017 was conclusive.

As regards **Chad**, the implementation of the programme benefited from the financial support of the IMF under the Extended Credit Facility (ECF), following the agreement reached by the Fund's Board of Directors on 30th June 2017, accompanied by funding worth 188 billion over the 2017-2019 period. During the second half of the year, discussions with IMF staff were intense, with a view to finding appropriate solutions to restore the sustainability of external public debt.

In **Congo**, discussions with the IMF on the implementation of an economic and financial reform programme with financial support from the Fund continued in the second half of 2017. From 25th September to 4th October 2017, an IMF team visited Brazzaville to hold discussions on public debt, cash management, and the definition of the framework for an analytical study on the country's economic governance. Discussions continued from 5th to 20th December 2017, with the aim of concluding a financing agreement.

In **Equatorial Guinea**, exchanges with the IMF were dynamic over the last two quarters. In December 2017, an IMF team visited Malabo to define the implementation of a reference programme during the period from January to June 2018. The national authorities and the IMF agreed on the status of implementation of the prior measures, as well as the scope of the main objectives recommended at the end of June 2018, in terms of the country's fiscal and external adjustments.

• ***State of BEAC's relations with the International Monetary Fund***

At the end of the consultations between IMF staff and CEMAC institutions that took place from 20th February to 3rd March 2017, BEAC formally agreed with IMF to support the economic adjustment and reform efforts

undertaken by the member States in order to restore the conditions of macroeconomic stability that serve as basis for sustainable growth.

Therefore, the priority measures identified include: (i) replenishment of foreign reserves, (ii) abolishing statutory advances to States, (iii) revitalising financial markets in order to improve the financing of CEMAC economies, (iv)

modernising the operational framework and monetary policy instruments in order to improve their effectiveness, and (v) improving the banking supervision framework in order to strengthen the resilience of the financial system.

As part of the assessment of backups, carried out from 30th May to 7th June 2017 by IMF staff, progress was noted with regard to external audit, reform of the legal and statutory framework, and migration to IFRS standards. However, there is still room for progress in terms of risk management, capacity building of operational entities, internal audit and control, and foreign reserve management.

Finally, BEAC took part in the spring and autumn meetings of the IMF and the World Bank, which were held from 17th to 23rd April and 9th to 15th October 2017, respectively, in Washington, D.C. Besides participating in the meetings of the International Monetary and Financial Committee (IMFC) of the IMF and the Development Committee of the World Bank, which were the highlights of these meetings, the BEAC delegation had bilateral meetings with the BCEAO at the IMF and at the World Bank. It also participated in specific seminars and meetings.

2.2.2. World Bank

As a continuation of the assessment work of CEMAC's financial sector, discussions were held with the World Bank services in May 2017 and particularly focused on the situation and evolution of banking risks in CEMAC, macro-financial contagion channels, the regulatory and banking supervision framework, and the existing mechanism for managing banking difficulties.

During 2017, the World Bank and the sub-regional institutions (BEAC, COBAC and GABAC) agreed on the configuration of the second phase of the capacity building project for CEMAC Institutions.

2.2.3. African Development Bank Group

BEAC took part, as an observer, in the 52nd session of the annual meetings of the African Development Bank (AfDB) Group held from 22nd to 26th May 2017, in Ahmedabad, India, under the theme “Transforming Agriculture to create wealth in Africa”. Discussions focused on the opportunities of agricultural transformation and the challenges facing Africa in the areas of infrastructure and energy.

Within the framework of the CEMAC Financial Sector Support Project (PAS-FIC), discussions between the AfDB and BEAC centred on the potential areas of focus to be retained in consolidating the financial sector in the sub-region.

2.2.4. Bank for International Settlements

BEAC participated in the General Assemblies of the Bank for International Settlements (BIS), held from 24th to 25th June 2017 in Basel, Switzerland.

During their round Table session on the theme “Africa in a changing global economic and political environment: challenges for Central Banks”, the Governors discussed the changing role and behaviour of central banks, as well as the risks and uncertainties associated with economic and political change.

2.2.5. Central Banks in French-speaking countries

BEAC participated in the 24th Conference of Governors of Central Banks of French-speaking countries which took place from 25th to 26th May 2017 in Montreux, Switzerland, on the theme “Digitalisation: opportunities and challenges for central banks”.

During discussions, BEAC insisted on the undeniable advantages of digital innovations in the banking and financial landscape of CEMAC, as well as the risks related to their use.

3. BEAC's accounts

As at 31st December 2017, the total on the balance sheet of the Central Bank stood at CFAF 7 313 949 941 941 against CFAF 7 073 725 011 316 as at 31st December 2016, indicating a slight increase of 3.4%.

Net income totalled CFAF 77 108 163 674 at the end of the 2017 financial year, compared to CFAF 164 176 849 178 a year earlier, recording a decrease of 53.0%.

3.1. Balance sheet

3.1.1. Asset

- Short-term foreign assets

Short term Foreign assets consist of assets held in Operating Accounts (including the Special Levelling Account) opened with the French Treasury, balances of accounts opened with correspondents and cash in foreign banknotes (mainly Euro banknotes). As at 31st December 2017, they rose to CFAF 2 672 020 390 691, compared to CFAF 1 260 375 514 991 a year before, that is an increase of 112%.

Cash in foreign banknotes held by the Central Bank had declined significantly (-73.8%) to CFAF 24 853 200 034 on 31st December 2017, compared to CFAF 94 839 722 127 at the end of 2016.

The balance of the "Correspondents Outside the Issuing Zone" stood at CFAF 95 324 623 182 as at 31st December 2017, compared to CFAF 9 582 929 418 a year earlier, representing a rise of 884.3%.

The Operating Account (including the Special Levelling Account), which is the main component of external cash on demand, increased significantly in 2017 to CFAF 2 551 842 567 475, compared to CFAF 1 155 952 863 446 a year before, thus an increase of 120.7%.

Other foreign assets

Other foreign assets include "accounts with foreign correspondents" and "financial market transactions". As of 31st December 2017, the balance of this item decreased sharply, compared to the previous year (-86.2%), falling from CFAF 1 476 819 923 972 as of 31st December 2016 to CFAF 203 483 082 797 twelve months later.

- Gold holdings

As of 31st December 2017, the gold reserve of the Central Bank remained unchanged at 201 865.827 ounces. However, the value of this stock depreciated slightly (-1.2%) to CFAF 142 196 067 963, compared to CFAF 143 865 264 893 as of 31st December 2016.

- International Monetary Fund

This item, which declined by 6.8%, comprises the reserve position (subscription of the foreign exchange quota by the States) and SDR holdings, which amounted to CFAF 192 191 248 525 and CFAF 161 859 980 859 respectively as of 31st December 2017, compared to CFAF 190 224 649 705 and CFAF 189 567 307 352 as of 31st December 2016.

- Claims

Claims on commercial banks fell by 27.6%, from CFAF 695 448 898 979 at the end of 2016 to CFAF 503 514 629 860 one year later; while claims on public treasuries increased by 13.4% to CFAF 2 772 995 492 801 at end 2017, compared to CFAF 2 446 107 074 628 as of 31st December 2016. It should be noted that the outstanding amount of these claims was consolidated, as at 31st December 2017, with repayment spread over 14 years, in connection with the decision of the UMAC Ministerial Committee to abolish the Central Bank's system of statutory advances to Public Treasuries.

3.1.2. Liabilities

- Banknotes and coins in circulation

This item mainly represents BEAC's liabilities to the public and, to a marginal extent, vis-à-vis credit institutions concerning the part of the currency they hold in the form of cash. Its balance amounted to CFAF 2 862 647 955 654 at 31st December 2017, against CFAF 2 880 518 337 781 on 31st December 2016, representing a decrease of 0.62%.

- Public Treasuries

The deposits of "Public Treasuries include two types of accounts:

- non-interest-bearing current accounts, from which the various Public Treasuries carry out their transaction;
- deposit accounts, which are interest-bearing investments, divided into three products: special deposits with a

maturity of one month, fiscal revenue stabilisation funds, with a maturity of six months, and Future Generations Reserve Funds, with a maturity of five years and whose interest is capitalised.

The current account balance stood at CFAF 514 551 751 215 as at 31st December 2017, compared to CFAF 373 948 970 046 on 31st December 2016, representing an increase of 37.6%.

The fiscal revenue stabilization fund declined by 78.2% to CFAF 10 621 565 310 as at 31st December 2017, compared to CFAF 48 826 229 937 at the end of the previous fiscal year.

The Future Generations Reserve Fund decreased by 62.5%, falling from CFAF 224 432 981 415 as at 31st December 2016 to CFAF 84 248 356 156 on 31st December 2017.

Special deposits stood at CFAF 581 321 622 610 as at 31st December 2017, compared to CFAF 276 106 175 555 on 31st December 2016, showing a significant increase of 110.5%.

- Accounts of banks and financial institutions

This item includes the deposits of foreign financial institutions (IMF, BIRD, Paierie de France, etc.) with BEAC, the deposits of credit institutions in the Zone and their investments in the Central Bank. The balance of these accounts stood at CFAF 1 624 831 917 406 as at 31st December 2017, compared to CFAF 1 544 406 381 413 at 31st December 2016, representing an increase of 5.2%.

- Other current accounts

Other current accounts include accounts opened in the name of certain public interest bodies or companies which, because of their activity, cannot be classified under one of the above headings. The balance of this item amounted to CFAF 189 403 913 346 as at 31st December 2017, compared to CFAF 168 929 310 043 on 31st 2016.

- IMF - SDR allocations

The amount of SDR allocations fell from CFAF 453 381 113 179 as at 31st December 2016 to CFAF 422 145 028 788 on 31st December 2017, signalling a decrease of 6.9%.

- Long and medium-term loans and debts

This item includes loans contracted with the World Bank (IDA) to finance the CEMAC payment and settlement systems reform project and the sub-regional agency capacity building project (UGRIF). The outstanding amount of this item totalled CFAF 16 301 818 951 as at 31st December 2017.

- Provisions

This item includes risk and expenses provisions, provisions for separation benefits and provisions for foreign exchange losses.

Its amount was set at CFAF 45 915 816 670 as at 31st December 2017, compared to CFAF 52 461 159 248 on 31st December 2016, that is a decrease of 12.5% following the reversal of provisions.

- Reserves

This item comprises statutory reserves, member States' reserves, foreign exchange guarantee reserves on the assets held in the Operating Account, real estate investment reserves, devaluation/revaluation reserves and asset variation reserves managed by the Trading Room. The balance of this item, prior to appropriation of the year's profit, stood at CFAF 702 397 946 849 as at 31st December 2017, compared to CFAF 672 960 424 295 on 31st December 2016, that is an increase of 4.4%.

- Capital, premiums and endowment funds

The joint capital subscribed by Member States remained unchanged at CFAF 88 000 000 as at 31st December 2017. The endowment funds, which amounted to CFAF 3 507 313 350, correspond to the value of land received from Member States free of charge for the construction of buildings that will host BEAC's branches.

Table 46: Evolution of the Central Bank's balance sheet
(In CFAF)

	31/12/2016	31/12/2017
ASSETS		
External cash assets	2 737 195 438 963	2 875 503 473 488
Short term foreign assets	1 260 375 514 991	2 672 020 390 691
Foreign banknotes	94 839 722 127	24 853 200 034
Correspondents Outside the Issuing Zone	9 582 929 418	95 324 623 182
French Treasury	1 155 952 863 446	2 551 842 567 475
Operating Account	1 155 952 863 446	2 551 842 567 475
Other foreign assets (TR)	1 476 819 923 972	203 483 082 797
Current accounts with foreign correspondents	1 475 819 923 972	203 483 082 797
Gold holdings	143 865 264 893	142 196 067 963
International Monetary Fund	379 791 957 057	354 051 229 384
Foreign exchange quota	190 224 649 705	192 191 248 525
SDR holdings	189 567 307 352	161 859 980 859
Claims on banks	695 448 898 979	503 514 629 860
Money market contest	628 433 000 000	442 805 277 391
Counter A: tenders and pensions	628 433 000 000	267 544 000 000
Counter B: medium-term advances	67 015 898 979	174 541 277 391
Claims on Public Treasuries	2 446 107 074 628	2 772 995 492 801
Advances on current accounts	2 185 457 716 244	8 392 357 928
Exceptional advances	174 980 105 700	2 933 999 501
Consolidated credits to economy on State	85 669 252 684	2 761 669 135 372
Counterpart to SDR allocations paid to States	186 413 613 713	173 570 486 374
Capital assets	423 273 188 350	433 708 845 358
Financial assets	204 494 084 376	212 130 146 015
Staff receivables	41 214 678 380	47 349 816 351
Contributions	42 730 338 280	42 730 338 280
Other financial assets	120 549 067 716	122 049 991 384
Intangible assets	12 357 612 500	11 740 239 617
Tangible assets	202 801 445 390	209 838 459 726
Other capital assets	3 620 046 084	0
Other assets	29 099 144 670	28 276 477 382
Sundry debtors	32 530 430 063	30 133 239 331
Miscellaneous staff advances	3 080 895 093	3 240 077 385
Other sundry debtors	96 337 920	2 548 884 715
Prepayments and accrued income	29 353 197 050	24 344 277 231
TOTAL Assetd	7 073 725 011 316	7 313 949 941 941
LIABILITIES		
Banknotes and coins in circulation	2 880 518 337 781	2 862 647 955 654
Public Treasuries and accountants	923 314 356 953	1 190 743 295 291
Current accounts	373 948 970 046	514 551 751 215
Fiscal revenue stabilization accounts	48 826 229 937	10 621 565 310
Future Generations Reserve Fund	224 432 981 415	84 248 356 156
Special deposits	276 106 175 555	581 321 622 610
Banks and financial institutions	1 544 406 381 413	1 624 831 917 406
Foreign Banks and Institutions	171 765 040 847	159 785 067 024
Banks and financial institutions in the Zone	1 372 641 340 566	1 465 506 428 754
Current accounts	925 043 918 938	1 462 506 428 754
Deposits and investment on the money market	55 421 628	55 421 628
Minimum reserve accounts	447 542 000 000	2 485 000 000
Other current accounts	168 929 310 043	189 403 913 346
IMF - SDR allocations	453 381 113 179	422 145 028 788
Long and medium-term loans and debts	17 712 388 817	16 301 818 951
Provisions	52 461 169 248	45 915 816 670
Reserves	672 960 424 295	702 397 946 849
Capital, premium for increase	91 507 313 350	91 507 313 350
Sundry creditors	98 380 435 896	86 589 359 181
Unsettled transfers	44 160 227	36 298 518
Accrual liability account	5 932 780 936	4 321 114 263
Profit-and-loss account	164 176 849 178	77 108 163 674
TOTAL LIABILITIES	7 073 725 011 316	7 313 949 941 941

Source: BEAC 's certified financial statements

3.2. Profit-and-loss account

The net profit achieved by the Central Bank at the end of the 2017 financial year amounted to CFAF 77 108 163 674, compared to CFAF 164 176 849 178 for the previous financial year.

3.2.1. Income

- *Income on foreign assets*

Income on foreign assets fell to CFAF 156 772 903 362 as at 31st December 2017, compared to CFAF 309 945 449 355 for the year ended 31st December 2016, representing a decrease of 49.4%.

- *Income on transactions with customers*

Income on transactions with customers includes interest on advances to Treasuries and interest on advances to

credit institutions. It has grown from CFAF 50 424 436 963 as at 31st December 2016 to CFAF 75 689 909 810 in 2017, that is an increase of 50.1%.

- *Income on transactions with financial institutions*

This item includes interests and commissions received from IMF and financial institutions. This income increased over the reference period, amounting to CFAF 2 981 177 480 as at 31st December 2017, against CFAF 2 493 564 652 on 31st December 2016.

- *Other operating and extraordinary income*

This item includes miscellaneous income and interest which amounted to CFAF 8 103 160 830 as at 31st December 2017, compared to CFAF 17 729 424 820 at the end of 2016.

Table 47: Evolution of income
(In CFAF)

	2016	2017	Changes in%
Income on foreign assets	309 945 449 355	156 772 903 362	-49,42
Income on customer transactions	50 424 436 963	75 689 909 810	+ 50,11
Income on transactions with financial institutions	2 493 564 652	2 981 177 480	+ 19,55
Reversal of amortization and provisions	2 802 828 898	11 691 678 827	+ 317,13
Other income	17 729 424 820	8 687 696 542	-51,00
<i>Other financial revenue</i>	1 524 000	3 378 425	+ 121,68
<i>Other operating income</i>	16 481 471 183	8 103 160 830	-50,83
<i>Extraordinary income</i>	1 246 429 637	581 157 287	-53,37
TOTAL	383 395 704 688	255 823 366 021	-33,27

Source: Source: BEAC 's certified financial statements

3.2.2. Expenses

- Expenses on foreign assets

Expenses on foreign assets increased to CFAF 27 482 516 112 as at 31st December 2017, up by 12.3% from the previous year when they totalled CFAF 24 480 101 320.

31st December 2017, compared to CFAF 2 320 813 207 on 31st December 2016.

- Expenses on transactions with financial institutions

- Expenses on operations with customers

Expenses on operations with customers amounted to CFAF 873 506 466 as at

They rose significantly in 2017 to CFAF 303 367 696, compared to CFAF 64 541 544 a year before, representing an increase of 370.0%.

Table 48: Evolution of expenses
(In CFAF)

	2016	2017	Changes in %
Financial expenses	26 865 456 071	28 659 390 274	+ 6,7
Expenses on foreign assets	24 480 101 320	27 482 516 112	12,26
Expenses on customer transactions	2 320 813 207	873 506 466	-62,36
Expenses on transactions with financial institutions	64 541 544	303 367 696	+ 370,03
Administrative expenses	116 683 549 106	115 175 301 739	-1,29
Extraordinary expenses	5 228 894 578	530 213 126	-89,86
Depreciations and provisions	70 440 955 755	34 350 797 208	-51,23
Depreciations	22 212 555 034	25 850 310 848	+ 16,37
Provisions	48 228 400 721	8 500 486 360	-82,37
TOTAL	219 218 855 510	178 715 702 347	-18,47

Source: BEAC 's certified financial statements

• Net income

The Central Bank's net income before any appropriation, recognized at the end of

2017, amounted to CFAF 77 108 163 674, compared to CFAF 164 176 849 178 for the previous year, representing a decrease of 53.0%.

Table 49: Profit-and-loss account for the year 2017
(In CFAF)

31 December 2017			
Expenses on foreign assets	27 482 516 112	Income on foreign assets	156 772 903 362
Expenses on customer transactions	873 506 466	Income on customer transactions	75 689 909 810
Expenses on transactions with financial institutions	303 367 696	Income on transactions with financial institutions	2 981 177 480
Administrative expenses	115 175 301 739		
Extraordinary expenses	530 213 126	Other income	8 687 696 542
Depreciations and provisions	34 350 297 208	Reversal of amortization and provisions	11 691 678 827
Total expenses	178 715 202 347	Total income	255 823 366 021
Profit to be appropriated	77 108 163 674		
Grand Total	255 823 366 021	Grand Total	255 823 366 021

Source: BEAC 's certified financial statements

3.3. Auditors' report

In accordance with the International Standards on Auditing (ISA) issued by the International Federation of Accountants (IFAC), the group of Auditors (MAZARS Cameroon, KPMG Central Africa), which was selected by the Board of Directors via a call for tenders, audited BEAC's 2017 annual accounts.

Based on evidence supporting the data contained in the accounts for the period

from 1st January to 31st December 2017, the group of auditors certified BEAC's annual accounts as at 31st December 2017. This resulted in a balance sheet total of CFAF 7 313 950 million and a net profit of CFAF 77 108 million. The general report including the observations of the group on the accounts of the 2017 financial year, as well as the specific verifications and information, is presented in appendix A3.

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A. GENERAL INFORMATION

A1. Composition of Decision-making and Supervisory Bodies as of 31st December 2017

1 - THE MINISTERIAL COMMITTEE

(as of 31st December 2017)

PRESIDENT

Mr **Henri-Marie DONDRA**
Minister of Finance - Central African Republic

MEMBERS

Ministers representing the Republic of Cameroon

Mr **ALAMINE OUSMANE MEY**
Minister of Finance

Mr **Louis Paul MOTAZE**
Minister of the Economy, Planning and Regional Development

Ministers representing the Central African Republic

Mr **Henri-Marie DONDRA**
Minister of Finance and Budget

Mr **Félix MOLOUA**
Minister of the Economy, Planning and Cooperation

Ministers representing the Republic of Congo

Mr **Calixte NGANONGO**
Minister of Finance and Budget

Mr **Gilbert ONDONGO**
Minister of State, Minister of the Economy, Industry and Public Portfolio

Ministers Representing the Republic of Gabon

Mr **Régis IMMONGAULT TATANGANI**
Minister for Sustainable Development, Economy, Prospects and Sustainable Development programming

Mr **Jean Fidèle OTANDAULT**
Minister of State, Minister of Budget and Public Accounts

Ministers Representing the Republic of Equatorial Guinea

- Mr **Miguel ENGONGA OBIANG EYANG**
Minister of Finance and Budget
- Mr **Baltasar ENGONGA EDJO'O**
Minister of State, Adviser at the Presidency, In Charge of Regional Integration

Ministers Representing the Republic of Chad

- Mr **ABDOULAYE SABRE-FADOUL**
Minister of Finance and Budget
- Mrs **YAMBAYE Ngueto Tiräina**
Minister of the Economy and Development Planning

OBSERVERS

(as of 31st December 2017))

- Mr **Daniel ONA ONDO**
President of the CEMAC - BANGUI Commission
- Mr **HALILOU YERIMA BOUBAKARY**
Secretary General of COBAC - LIBREVILLE
- Mr **NAGOUM YAMASSOUM**
President of the Financial Market Supervision Commission - COSUMAF
- Mr **Gervais MBATA**
Permanent Secretary of the Group Action against Money-Laundering in Central Africa - BANGUI

2 - THE BOARD OF DIRECTORS

(as of 31st December 2017))

Administrateurs représentant la République du Cameroun

- Incumbent: Mr **Sylvester MOH TAGONGHO**
Acting Director General of the Treasury and Financial and Monetary Cooperation - Ministry of Finance
- Mr **Jean Paul SIMO NJONOU**
Chargé de mission at the General Secretariat of the Presidency of the Republic
- Deputies: Mr **Jean TCHOFFO**
Secretary General at the Ministry of the Economy, Planning and Regional Development
- Mr **Henri NONO**
Minister of General Affairs - Ministry of Public Works

Administrators representing the Central African Republic

- Incumbent: Mme **Evelyne LOUDEGUE**
Officer in charge of treasury, banks, international financial institutions and financial and technical partners
- Mr **Bienvenu Gustave SEMNGAI**
Officer in charge of statistics at the Ministry of the Economy, Planning and Cooperation

Administrators representing the Republic of Congo

- Incumbent: Mr **Armel Fridelin MBOULOUKOUÉ**
Adviser to the Minister of Finance, Budget and Public Portfolio
- Mr **Albert NGONDO**
Director-General of the Treasury
- Deputies: Mr **Aymar Delmas EBIOU**
Adviser on Treasury and Public Accounting at the Ministry of Finance, Budget and the Public Portfolio
- Mr **Félix BOUENO**
Economist, Coordinator of Government Plan on Public Financial Management Reforms

Administrators representing The Republic of Gabon

Incumbent: Mr **René Hilaire ADIAHENO**
Inspector General of Finance

Mr **Jean-Baptiste NGOLO ALLINI**
Director General of Economy and Tax Policy at the Ministry of
Economy, Prospects and Sustainable Development Programming

Deputies: Mr **Richard MBOUMBA**
Research Analyst at the Office of the Minister of the Economy and
Prospects

Mr **MEYE BEKOUROU**
Inspector General of Finance, Ministry of the Economy and Pros-
pects

Administrators representing the Republic of Equatorial Guinea

Incumbent: Mr **Ambrosio ESONO ANGUE**
Director of Public Account

Mr **Luciano ELA EBANG**
Deputy General Manager of the Autonomous Public Debt Amorti-
sation Fund

Administrators representing The Republic of Chad

Incumbent: Mr **BECHIR DAYE**
Director General of the Treasury and Public Accounting

Mr **AKHOUNA KASSER**
Adviser of the Finance and Budget Minister

Deputies: Mr **ADOUM SALEH MAHAMAT**
Deputy Director General of the Treasury and Public Accounting

Mr **MOUSTAPHA MAHAMAT MOUSTAPHA**
Director of Debt Management

Administrators representing the Republic of France

Incumbent: Mr **Guillaume CHABERT**
Head of the Multilateral Affairs and Development Department at
the Treasury Directorate General, Ministry of the Economy and
Finance 139, rue de Bercy 75742 PARIS Cedex 12, France

Mr **Bruno CABRILLAC**

Director General for Research and International and European Relations - Banque de France - 39, rue Croix-des-Petits-Champs - 75001 Paris

Deputies:

Mr **Samuel GOLDSTEIN**

Head of the "Sub-Saharan Africa and French Development Agency" Office within the Multilateral Affairs and Development Department - Directorate General of the Treasury and Economic Policy, Ministry of the Economy, Finance and Employment - 139, rue de Bercy – 75742 Paris CEDEX 12

Mr **Françoise DRUMETZ**

Director of External Cooperation at Banque de France

3 - THE MONETARY POLICY COMMITTEE

(as of 31st December 2017)

President: Mr **ABBAS MAHAMAT TOLLI**
Governor of BEAC

Deputy: Mr **EVOU MEKOU Dieudonné**
Vice Governor of BEAC

Rapporteur: Mr **EBE MOLINA Ivan Bacale**
Director General of Studies, Finance and International Relations
of BEAC

DELIBERATING MEMBERS

Republic of Cameroon

Mr **Jean-Marie Benoît MANI**
National Director of BEAC

Mr **Gabriel NGAKOUMDA**
Economist-Statistician at the Cabinet of the Minister of Finance

Central African Republic

Mr **Ali CHAÏBOU**
National Director of BEAC

Mr **Gervais-Magloire DOUNGOUPOU**
Coordinator of the Economic and Financial Reforms Follow-up
Unit (CS-REF) at the Ministry of Finance and Budget

Republic of Congo

Mr **Michel DZOMBALA**
National Director of BEAC

Mrs **Félicité Célestine OMPORO ENOUANY**
International Relations Adviser - Ministry of Finance and Budget

Republic of Gabon

Mr **Denis MEPOREWA**
National Director of BEAC

Mr **Jean-Jacques EKOMIE**
Vice-Rector - Omar BONGO ONDIMBA University in Libreville

Republic of Equatorial Guinea

Mr **Genovoeva ANDEME OBIANG**
National Director of BEAC a.i

Republic of Chad

Mr **ANNOUR MAHAMAT HASSAN**
National Director of BEAC

Mr **BECHIR DAYE**
Director General of the Treasury and Public Accounting - Ministry
of Finance and Budget

Republic of France

Mr **Pascal FOURCAUT**
Financial Adviser for Africa - General Directorate of the Treasury -
Ministry of the Economy and Finance - France

Mr **Christian MASSON**
Head of the Franc Area and Development Funding -
Banque de France

4 - The Financial Stability Committee in Central Africa

(as of 31st December 2017)

Président: Mr **ABBAS MAHAMAT TOLLI**
Governor of the Bank of Central African States

Vice-President:
Mr **EVOU MEKOU Dieudonné**
Vice Governor of the Bank of Central African States

Rapporteur: Mr **EBE MOLINA Ivan Bacale**
Director General for Research, Finance and International Relations of the Bank of Central African States

REPRESENTATIVES OF FINANCE MINISTRIES

1. Mrs **EKO EKO née YECKE ENDALE Berthe**
Director of Monetary and Financial Cooperation, Ministry of Finance, Cameroon
2. Mr **SABA Abdias**
Director of Insurance, Banking and Microfinance Ministry of Finance and Budget, Central African Republic
3. Mr **BADIA Constant**
Director General of National Finance Institutions Ministry of Finance and Budget, Congo
4. Mr **EYEGHE NZE Emmanuel**
Cabinet Director at the Office of the Minister of the Economy and Prospects. Ministry of the Economy, Investment Promotion and Prospects, Gabon
5. Mr **ESONO ANGUE Ambrosio**
Director General of Public Accounting Ministry of Finance and Budget, Equatorial Guinea
6. Mr **BECHIR DAYE**
Director General of the Treasury and Public Accounting Ministry of Finance and Budget, Chad

REPRESENTATIVES OF INSTITUTIONS

1. Mr **HALILOU YERIMA BOUBAKARY**
Secretary General of the Central African Banking Commission (COBAC)

- 2. Mr TASONG Paul**
Commissioner in charge of economic, monetary and financial policies at the Central African Economic and Monetary Community (The CEMAC Commission)
- 3. Mr BEDI GNAGNE**
President of the Regional Insurance Supervisory Commission
Inter-African Conference on Insurance Markets (CIMA)
- 4. Mr CHEIKH TIDIANE TOUNKARA**
President of the Supervisory Committee of the Inter-African Conference on Social Security (CIPRES)
- 5. Mr TUNG NSUE Rafael**
President of the Supervisory Commission of the Central African Financial Market (COSUMAF)
- 6. Mr MBOCK Désiré Geoffroy**
Permanent Secretary of the Group Action against Money-Laundering in Central Africa - (GABAC)
- 7. Mr MBOZO'O Valentin Alphonse**
Managing Director of the Interbank Electronic Banking Group for Central Africa (GIMAC)
- 8. Mr NGBWA Jean-Claude**
President of the Cameroon Financial Markets Commission (CMF)

5- THE COLLEGE OF CENSORS

(as of 31st December 2017)

Incumbents: Mr **Salomon Francis MEKE**

Central Accounting Officer of the Treasury Ministry of Finance - CAMEROON

Mr **Louis ALEKA-RYBERT**

Financial Adviser of the Gabonese Minister of Sustainable Development, Economy, Investment Promotion and Prospects - Gabon

Mr **Pascal FOURCAUT**

Financial Adviser for Africa at the General Directorate of the Treasury and Economic Policy Ministry of the Economy, Finance and Employment - FRANCE

Deputies: Mr **Kelly MUA KINGSLEY**

Sub Director of Financial Operations, Directorate General of the Treasury and Monetary Cooperation - CAMEROON

Mr **Fidèle MAGOUANGOU**

Service Inspector General at the Ministry of the Economy, Prospects and Sustainable Development Programming - GABON

Mr **François GIOVALUCCHI**

Head of the Regional Economic Service for Central African Countries
French Embassy in Cameroon - Yaoundé

6 - THE AUDIT COMMITTEE

(as of 31st December 2017)

PRESIDENT

Mr **AKHOUNA KASSER**

MEMBRES

Representative of the Republic of Cameroon

Mr **Salomon Francis MEKE**

Central Accounting Officer of the Treasury Ministry of Finance -
Yaoundé

Representative of the Central African Republic

Mr **Evelyne LOUDEGUE**

Senior Officer at the Ministry of Finance and Budget

Representative of the Republic of Congo

Mr **Félix BOUENO**

Economist, Coordinator of Government Plan on Public Financial
Management Reforms

Representative of the Republic of Gabon

Incumbent: Mr **Louis ALEKA-RYBERT**

Financial Advisor to the Minister of Sustainable Development,
Economy, Investment Promotion and Prospective - Gabon

Representative of the Republic of Equatorial Guinea

Mr **Ambrosio ESONO ANGUE**

Director of Public Accounts

Representative of the Republic of Chad

Mr **AKHOUNA KASSER**

Senior Officer at the Ministry of Finance and Budget

Representative of the Republic of France

Mr Pascal FOURCAUT

Adviser for Africa - Directorate General of the Treasury, Ministry of the Economy, Finance and Employment - 139, rue de Bercy – 75742 Paris CEDEX 12

INDEPENDENT MEMBERS

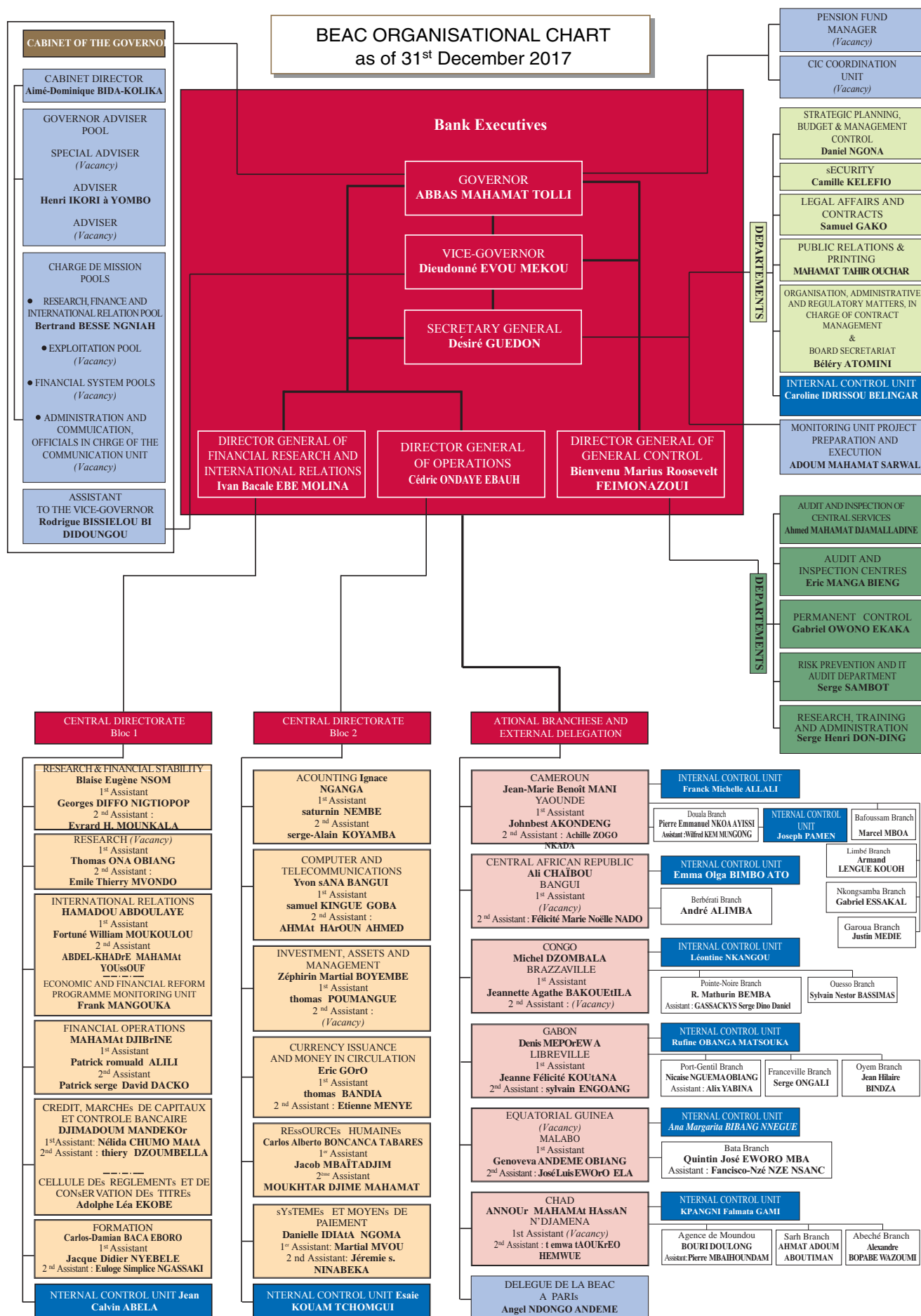
Mr Jérôme SCHMIDT

Inspector at Banque de France

Mr Patrick HUGUES

(Substitute independent member)

A2. BEAC ORGANISATION CHART AS OF 31 DECEMBER 2017



A3. AUDITORS' REPORT



AUDITORS' GENERAL REPORT

Financial year ending 31st December 2019
The Board of Directors
The Bank of Central African States (BEAC)

Ladies and Gentlemen,

In accordance with the mission of auditors entrusted to us by your Board of Directors, and in compliance with our mission statement, we hereby report to you, for the fiscal year that ended on 31st December 2017, on:

- the audit of the annual accounts of BEAC, as attached to this report and showing a total balance sheet of CFAF 7 313 950 million and a net profit of CFAF 77 108 million;
- verifications and information contained in the annual report, prepared in accordance with Article 47 of the Bank's Statute and which covers the period from 1st January to 31st December 2017.

Opinion

We have audited the annual financial statements of BEAC, which comprise the balance sheet as at 31st December 2017, the income statement and explanatory notes to the financial statements.

In our opinion, the annual financial statements give a true and fair view of the results of the operations for the year ended and of the financial position and assets of BEAC at the end of the year in accordance with accounting principles and methods outlined in the explanatory notes to the financial statements.

Basis of opinion

We conducted our audit in compliance with International Standards on Auditing (ISA). Our responsibilities under these standards are more fully described in the section "Auditor's responsibilities for the audit of the annual financial statements" of this report. We operate independently of the Bank in accordance with the Code of Ethics and Professional Conduct for Chartered Accountants of Cameroon and the rules of independence that govern statutory auditors and we have complied with other ethical requirements incumbent upon us under these rules. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Further observations

Without calling into question the opinion expressed above, we draw attention to the following:

- The score 5.2 "Correspondents outside the issuing zone" in the explanatory notes to the annual accounts, which sets out the status of the bank reconciliation of the account opened with the "Banque de France" as of 31st December 2017;
- Score 6 "Other foreign assets" of the explanatory notes to the annual financial statements, which explains the context of the disposal of part of the investment portfolio during the 2017 financial year, the accounting policy adopted and the impact on the financial statements.

Specific verifications and information

In accordance with professional standards, we have carried out specific verifications of the information contained in the annual report. We have no matters to report regarding the fair presentation and consistency of the financial statements of the information provided in the Governor's annual report on the financial position and the financial statements.

We also compared results generated by the Trading Room with those reported in the general accounts. Accordingly, the result of CFAF 121 184 million highlighted in the subsidiary accounts of the Trading Room is coherent with that reported in the financial statements as at 31st December 2017. In this respect, we have produced an audit report on the Trading Room.

Responsibilities of the Executive team of the Bank in relation to the annual financial statements

The Executive team of the Bank is responsible for the preparation and fair presentation of annual financial statements in accordance with accounting principles and methods set out in the explanatory notes to the financial statements. It is equally responsible for the internal audit that is necessary prelude to prepare annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the Executive team of the Bank shall assess the Bank's ability to continue operations, provide information regarding its ability to continue operating, where necessary, and apply operation requirements, unless the Executive team of the Bank intends to discontinue the Bank's operations or there is no feasible alternative available.

Accountability for the Bank's financial reporting process rests with the Executive team of the Bank.

Responsibilities of the auditors relating to the audit of the annual financial statements

We aim to obtain reasonable assurance that the annual financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing our opinion.

Reasonable assurance is a high level of assurance, which does not, however, guarantee that an audit conducted in compliance with "ISA" standards will always detect any existing material misstatements. Misstatements may arise from fraud or error and are considered material when it is reasonable to expect that, individually or cumulatively, they could influence economic decisions that users of the annual financial statements make based on them.

As part of an audit performed in accordance with ISA standards, the statutory auditors apply their professional judgement throughout the audit. In addition:

- we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures to respond to such risks, and obtain sufficient appropriate audit evidence on which to base our opinion. The likelihood of not detecting a material misstatement due to fraud is higher than that of a material misstatement due to error, because fraud may involve collusion, falsification, wilful omissions, misrepresentation or circumvention of internal control;

- we obtain an understanding of the elements of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- we assess the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as related disclosures provided by management;
- we draw a conclusion as to the appropriateness of management's use of the going concern accounting principle and, based on the evidence obtained, as to whether or not there is a material uncertainty related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw the attention of readers of our report to the disclosures in the financial statements about that uncertainty or, if those disclosures are not adequate, we are required to express a modified opinion. Our conclusions are based on evidence gathered as of the date of our report.

Future events or situations could also cause the Company to discontinue its operations;

- we assess the overall presentation, form and content of the financial statements, including the disclosures in the notes, and whether the financial statements fairly represent the underlying transactions and events;
- we report to governance, among other things, the expected scope and timing of the audit work and any significant findings, including any significant deficiencies in internal control that we found during our audit.

Yaoundé, 23rd March 2018

The Auditors

KPMG Central Africa



René Libong
Partner

Mazars Cameroun



Jules Alain NJALL BIKOK
Partner

A4. BEAC CONTACTS

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B. ECONOMIC, MONETARY AND FINANCIAL APPENDICES

B1. CEMAC Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
GDP, prices and population								
	((Annual Percentage Variation)							
Growth rate (actual GDP)	4.3	4.1	5.7	2.4	4.6	1.9	- 0.2	0.0
Of which oil sector	- 0.3	- 2.8	- 1.4	- 7.7	4.3	- 2.1	- 6.3	- 2.2
non-oil sector	5.9	6.3	7.7	5.1	4.7	2.9	1.1	0.5
Contribution of the oil sector to actual growth	- 0.1	- 0.7	- 0.3	- 1.6	0.8	- 0.4	- 1.1	- 0.4
Contribution of the non-oil sector to actual growth	4.4	4.8	6.0	4.0	3.8	2.3	0.9	0.4
Rate of demographic growth (average)	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
Inflation (consumer prices, annual average, December)	0.9	2.5	3.8	2.0	3.2	2.5	1.1	0.8
Public finances								
	(Annual Percentage Variation)							
Total revenue		21.2	7.2	- 3.3	1.6	- 25.7	- 18.8	3.9
Of which oil revenue		26.2	5.7	- 9.8	- 7.5	- 45.2	- 32.8	9.6
non-oil revenue		12.1	10.5	9.2	16.1	- 0.9	- 8.9	1.0
Total expenditure		16.8	23.3	- 0.1	7.0	- 13.2	- 11.2	- 11.2
of which current expenditure		15.1	11.6	18.2	10.7	3.9	- 0.4	- 1.2
capital expenditure		6.8	21.9	27.7	- 9.0	- 22.7	- 23.9	- 26.6
Currency and credit								
Net foreign assets	- 1.4	14.1	12.6	- 0.2	- 9.9	- 25.7	- 58.0	- 3.9
Credit flows to the economy	19.4	36.3	3.3	23.8	8.5	9.9	11.4	- 1.9
Net claims on the State	20.1	- 38.4	18.0	- 22.0	40.9	80.6	798.3	12.9
Money supply (M2)	24.7	18.1	17.1	7.1	5.5	- 6.6	0.0	- 0.4
External coverage rate (end of period)	100.3	99.8	98.4	97.5	89.8	77.1	59.1	57.5
Velocity of money circulation (GDP/M2)	3.7	3.3	3.1	3.1	3.2	3.5	3.6	3.7
External Sector								
Exports FOB	32.5	17.1	9.1	- 13.9	- 4.9	- 30.5	- 15.9	16.2
Imports, Fob	21.6	- 2.8	6.2	3.5	16.0	- 3.1	- 16.9	- 12.6
Terms of trade	24.9	24.1	- 0.1	1.3	- 5.6	- 38.1	5.6	11.2
Real effective exchange rate	- 6.0	- 1.9	- 1.6	3.4	1.5	- 3.9	0.6	- 3.8
Real effective exchange rate of exports	- 13.4	4.0	0.6	3.0	5.0	- 4.6	- 2.9	- 3.7
Real effective exchange rate of imports	1.2	- 3.5	- 1.0	1.4	- 0.7	- 3.5	0.3	- 5.7
Cumulative competitiveness margin since 1994	11.6	13.2	14.6	11.7	10.4	13.9	13.4	16.7
Currency and credit								
	(Contribution to the growth of monetary supply, in%.)							
Net foreign assets	- 2.1	12.8	11.3	0.0	- 8.2	- 17.7	- 31.3	- 0.6
Net domestic assets	26.8	5.3	5.8	7.1	13.7	11.1	31.3	0.2
Net domestic credit	19.5	6.5	8.3	6.6	16.5	18.5	30.2	1.6
Net claims on the State	9.5	- 11.6	6.4	- 5.5	11.5	12.5	26.4	3.0
Credit flows to the economy	10.1	18.1	1.9	12.0	5.0	6.0	3.7	- 1.4
Money supply (M2)	24.7	18.1	17.1	7.1	5.5	- 6.6	0.0	- 0.4
National Accounts								
	(Contribution to real growth,%)							
Gross Domestic Product	4.3	4.1	5.7	2.4	4.6	1.9	- 0.2	0.0
Gross domestic demand	8.7	6.5	4.8	7.0	9.6	- 6.5	- 0.6	- 3.1
Consumption	7.0	4.0	0.3	3.6	7.5	- 4.6	0.4	- 0.5
Public	1.1	0.8	5.1	2.5	- 1.2	- 1.8	- 0.2	0.3
Private	5.9	3.2	- 4.8	1.1	8.8	- 2.8	0.6	- 0.8
Gross investments	1.7	2.5	4.5	3.4	2.1	- 1.9	- 1.0	- 2.5
Public	0.2	1.7	2.7	- 1.3	0.4	- 2.5	- 1.7	- 0.9
Private (Companies and households)	1.7	1.1	1.6	4.6	1.7	0.9	0.6	- 1.6
Net imports	4.4	- 2.4	0.8	- 4.5	- 5.0	8.4	0.4	3.1
Exportation of goods and services non-factor	0.4	- 2.9	- 0.2	- 1.6	0.8	0.2	- 1.6	- 0.1
Importation of goods and services non-factor	- 4.7	0.5	1.0	- 3.0	- 5.8	8.2	2.0	3.2
National accounts								
	(in percentage of GDP)							
Investments	10.6	12.0	13.9	12.5	12.5	10.4	7.3	4.7
Domestic savings	19.0	25.3	29.1	20.3	13.4	0.6	0.1	5.4
National savings	7.0	13.5	18.6	12.8	8.3	- 2.4	- 4.2	0.6
Public finances								
Total revenue	23.6	25.6	25.5	24.4	24.0	19.8	16.5	16.3
Oil revenue	15.2	17.1	16.8	15.0	13.4	8.2	5.6	5.9
Non-oil revenue	8.5	8.5	8.7	9.4	10.6	11.6	10.8	10.4
Total expenditure 1/	22.4	23.4	26.7	26.4	27.3	26.4	24.0	20.3
Current expenditure	11.0	11.0	12.0	13.2	13.2	14.3	14.6	13.7
Capital expenditure	11.4	12.4	14.7	13.2	14.1	12.1	9.4	6.6
Primary budget balance (deficit -)	3.4	4.5	1.1	1.5	0.0	- 3.5	- 3.6	0.0
Primary balance (excl. Interests) in GDP	1.8	2.7	- 0.8	- 1.4	- 2.8	- 5.7	- 6.2	- 2.7
Primary balance (excl. Interests and oil revenue) in% GDP excl. oil	- 23.6	- 27.5	- 33.0	- 27.7	- 25.9	- 18.3	- 14.6	- 10.9
Basic fiscal balance (deficit -)	2.8	4.0	0.7	0.8	- 0.6	- 4.4	- 5.0	- 1.3
Budget balance, excl. commitment and donations (deficit -)	1.3	2.2	- 1.2	- 2.0	- 3.4	- 6.6	- 7.6	- 4.0
Budget balance, incl. commitment and donations (deficit -)	5.0	2.8	- 0.7	- 1.6	- 2.7	- 5.9	- 6.9	- 3.3
Baseline budget balance (>= -1.5% of GDP)	3.9	- 1.0	- 5.2	- 3.5	- 3.1	- 2.0	- 2.8	- 1.9
External Sector								
Exportation of goods and services non-factor	47.5	49.9	49.9	43.4	40.1	32.1	28.4	30.8
Importation of goods and services non-factor	- 39.1	- 36.5	- 34.6	- 35.6	- 39.2	- 41.9	- 35.5	- 30.0
Current account balance (donations off. incl. def.-)	- 3.0	1.6	4.8	0.1	- 4.3	- 12.3	- 11.6	- 4.0
Current account balance (donations off excl. def.-)	- 3.2	1.5	4.5	0.0	- 4.3	- 12.5	- 11.8	- 4.4
Outstanding external debt/GDP	12.0	12.5	12.8	15.4	19.8	23.2	32.1	33.3
Outstanding domestic debt/GDP	...	...	...	...	...	...	...	15.6
Outstanding overall debt/GDP	...	...	...	...	...	...	...	49.0
Public debt ratio/fiscal revenue	19.3	4.2	4.6	9.9	8.6	19.6	17.1	17.1
Public debt ratio/XGSNF	9.6	2.1	2.3	5.5	5.1	12.1	9.9	9.0
External reserves (y/c Sces Cx))	6748.2	8112.5	8870.6	8777.5	8417.0	6238.3	3093.2	3218.9
External reserves (in month of imports of goods caf))	165431.9	171411.9	199560.7	219852.6	274627.3	373378.9	349268.4	437158.9
External reserves (in month of imports of goods and snf caf))	6.8	8.3	8.6	8.1	6.8	5.2	3.0	3.7
External reserves (in month of imports of goods and snf caf of n+1))	5.0	5.8	6.1	5.9	4.9	3.8	2.3	2.7
As a reminder								
Nominal GDP (in billions of CFAF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Population (in millions of inhabitants)	41483.0	46315.1	50007.7	50548.4	52199.4	46977.7	45873.5	48241.2
Per capita GDP (in \$ E.U.)	45.3	46.6	47.9	49.3	50.7	52.2	53.7	55.3
Sources: National administrations, IMF and BEAC								

B2. Cameroon Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
GDP, prices and population	(annual variations, in %)							
Growth rate (actual GDP)	3.4	4.1	4.5	5.4	5.9	5.7	4.5	3.2
Oil sector	- 9.2	- 6.9	3.7	8.4	14.4	24.8	- 3.7	- 17.2
Non-oil sector	4.4	4.9	4.6	5.2	5.4	4.4	5.1	4.6
Rate of demographic growth (average)	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Inflation (non-oil GDP deflator)	0.1	2.0	2.3	2.9	2.7	3.9	0.3	- 0.5
Inflation (consumer prices, annual average, December)	1.3	2.9	2.4	2.1	1.8	2.7	0.9	0.6
Public finances								
Total revenue	- 5.2	7.8	9.2	8.4	5.0	11.0	- 8.6	8.7
Oil revenue	- 1.5	23.4	13.0	1.0	- 17.5	- 3.6	- 23.6	- 9.2
Non-oil revenue	- 6.3	2.9	7.8	11.4	13.2	14.9	- 5.3	11.9
Total Expenditure	11.3	9.6	7.1	25.5	5.4	1.3	17.5	0.4
Current expenditure	22.0	9.5	2.6	18.0	3.4	5.5	3.4	0.9
Capital expenditure	- 11.0	9.8	19.9	43.9	9.4	- 6.7	47.8	- 0.4
Currency and credit								
Net foreign assets	- 2.7	- 11.8	- 6.1	1.5	7.6	26.5	- 19.1	15.5
Credit flows to the economy	15.6	21.9	2.3	14.4	8.9	14.8	4.5	2.7
Net claims on the State	- 11.4	19.6	44.4	28.5	1.4	- 202.0	119.3	15.3
Money supply (M2)	14.2	9.7	2.0	11.6	11.1	8.5	5.3	5.7
BEAC loans to banks	- 13.2	- 16.3	962.4	2.0	424.0	233.1	105.2	- 62.4
External coverage rate (end of period)	95.3	94.1	94.0	93.9	93.1	86.8	73.6	71.0
Velocity of money circulation (GDP/M2)	4.6	4.5	4.7	4.5	4.4	4.4	4.4	4.4
BEAC rate - TIAO end of period (from 1994/1995)	4.00	4.00	4.00	3.25	2.95	2.45	2.45	2.95
External sector								
Exports FOB	11.1	17.7	10.2	2.2	8.0	- 4.9	- 11.7	- 1.8
Imports, Fob	6.1	25.9	4.7	0.7	11.8	- 4.6	- 13.4	- 2.4
Terms of trade	10.0	17.7	3.0	9.1	- 9.6	- 35.0	- 10.6	11.8
Variation in export prices	16.8	21.4	10.8	1.8	- 10.2	- 22.4	- 24.2	10.7
Variation in import prices	6.2	3.1	7.6	- 6.6	- 0.6	19.4	- 15.2	- 1.0
Real effective exchange rate	- 7.6	0.3	- 4.3	1.6	1.4	- 1.0	2.7	1.4
Real effective exchange rate of exports	- 10.5	0.7	- 2.7	4.5	5.8	- 1.5	- 0.5	1.7
Real effective exchange rate of imports	- 6.7	- 0.2	- 4.6	1.0	0.5	- 1.2	3.6	1.4
Cumulative competitiveness margin since 1994	27.3	27.0	30.1	29.1	28.0	28.7	26.8	25.8
Currency and credit								
	(Contribution to the growth of monetary supply, in %.)							
Net foreign assets	- 2.6	- 8.4	- 3.4	1.0	3.3	11.9	- 10.2	6.6
Net domestic assets	16.7	18.2	5.4	10.6	7.8	- 3.4	15.5	- 0.9
Net domestic credit	6.5	18.1	9.5	12.6	6.3	- 1.2	21.7	2.3
Net claims on the State	- 2.9	4.8	8.0	2.8	0.1	- 11.3	18.5	0.4
Credit flows to the economy	9.3	13.3	1.6	9.8	6.2	10.0	3.2	1.9
Other net items	10.2	0.0	- 4.1	- 2.0	1.6	- 2.1	- 6.2	- 3.3
Money supply (M2)	14.2	9.7	2.0	11.6	11.1	8.5	5.3	5.7
National Accounts								
	(Contribution to real growth, %)							
Gross Domestic Product	3.4	4.1	4.5	5.4	5.9	5.7	4.5	3.2
Of which the oil sector	- 0.7	- 0.4	0.2	0.5	0.8	1.5	- 0.3	- 1.2
Non-oil sector	4.1	4.6	4.3	4.9	5.1	4.1	4.7	4.3
Gross domestic demand	3.7	5.9	4.3	6.6	7.3	4.1	4.8	4.9
Consumption	3.0	3.0	3.6	4.9	4.2	4.2	2.9	3.4
Public	0.9	0.9	0.5	0.8	0.6	0.6	0.5	0.5
Private	2.1	2.0	3.1	4.1	3.6	3.6	2.5	3.0
Gross investments	0.7	2.9	0.7	1.7	3.1	- 0.1	1.9	1.5
Public	- 0.1	1.7	0.4	0.3	0.2	0.0	0.7	0.0
Private (Companies and households)	1.0	1.1	0.3	1.1	3.1	0.7	1.0	1.5
Stock variations	- 0.3	0.1	0.0	0.3	- 0.2	- 0.8	0.2	- 0.1
Net exports	- 0.2	- 1.8	0.3	- 1.2	- 1.4	1.5	- 0.4	- 1.7
Exportation of goods and services	0.9	1.7	0.7	0.9	1.2	1.4	- 1.3	- 1.1
Importation of goods and services	- 1.2	- 3.5	- 0.5	- 2.2	- 2.6	0.1	0.9	- 0.7
National accounts								
	(in percentage of GDP, unless otherwise specified)							
Investments	23.2	24.1	22.8	23.1	24.1	22.4	22.2	22.1
Domestic savings	18.4	18.7	17.9	17.8	18.5	16.6	18.2	19.0
National savings	17.4	17.7	16.3	15.9	16.6	15.2	16.5	17.1
Public finances								
Total revenue	16.0	16.1	16.4	16.5	16.0	16.8	14.7	15.4
Oil revenue	3.8	4.4	4.7	4.4	3.3	3.0	2.2	1.9
Non-oil revenue	12.1	11.7	11.7	12.1	12.7	13.8	12.5	13.4
Total Expenditure	16.8	17.2	17.2	20.0	19.5	18.7	21.0	20.3
Current expenditure	12.4	12.7	12.2	13.3	12.8	12.7	12.6	12.2
Capital expenditure	4.3	4.5	5.0	6.7	6.8	6.0	8.4	8.1
Primary budget balance (deficit -)	0.3	- 0.1	0.8	- 0.1	0.5	1.2	- 3.0	- 0.1
Primary budget balance (excl. Interest)	- 0.6	- 0.8	- 0.4	- 3.1	- 3.0	- 1.5	- 5.5	- 4.0
Primary fiscal balance (excluding interest and oil revenues) in %	- 4.7	- 5.6	- 5.5	- 8.1	- 6.8	- 4.7	- 8.0	- 6.2
GDP excl. oil								
Basic fiscal balance (deficit -)	0.1	- 0.4	0.5	- 0.4	0.0	0.8	- 3.7	- 1.0
Budget balance, excl. commitment and donations (deficit -)	- 0.8	- 1.1	- 0.8	- 3.5	- 3.5	- 1.8	- 6.3	- 4.9
Budget balance, incl. commitment and donations (deficit -)	- 0.1	- 0.6	- 0.4	- 3.2	- 3.1	- 1.8	- 6.0	- 4.6
Baseline budget balance (>= -1.5 % of GDP)	0.5	- 1.1	- 1.8	- 4.1	- 2.8	- 1.5	- 5.4	- 4.2
External sector								
Exportation of goods and services, fob	22.2	25.6	25.4	24.8	24.6	21.8	19.4	19.1
Importation of goods and services, caf	27.0	31.0	30.3	30.0	30.1	27.6	23.4	22.2
Current account balance (donations off. incl. def.-)	- 2.8	- 2.6	- 3.3	- 3.5	- 4.0	- 3.8	- 3.1	- 2.5
Current account balance (donations off excl. def.-)	- 3.2	- 3.0	- 3.6	- 3.8	- 4.3	- 4.0	- 3.5	- 3.0
Outstanding external debt/GDP	7.4	7.1	7.4	9.5	14.8	18.7	20.8	24.6
Outstanding overall debt/GDP	...	...	...	...	20.9	24.9	27.1	34.4
Debt service ratio/fiscal revenue	7.2	4.0	4.2	4.1	5.0	4.4	8.7	8.8
Debt service ratio/XGSNF	5.2	2.5	2.7	2.7	3.2	3.4	6.6	7.1
External reserves (in month of imports of caf)	8.2	6.0	5.9	5.7	5.4	6.9	5.2	6.8
External reserves (in month of imports of goods and services)	6.7	5.1	4.9	4.6	4.3	5.6	4.0	5.1
As a reminder								
Nominal (in billions of CFAF)	12948.4	13843.1	14858.6	15981.3	17276.5	18285.4	19105.0	19886.7
GDP Non-oil (in billions of CFAF) (in millions of	12037.5	12874.9	13771.1	14910.4	16141.9	17509.8	18457.4	19219.8
Nominal inhabitants)	22.5	23.1	23.7	24.3	25.0	25.6	26.3	27.0
GDP Per capita (in \$ E.U.)	1163.1	1270.9	1228.4	1330.4	1402.5	1208.1	1227.1	1270.1

Sources: National administrations, IMF and BEAC

B3. Central African Republic Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
GDP, prices and population								
	(annual variations, in%, unless otherwise specified)							
Growth rate (actual GDP)	2.8	3.2	4.0	-36.7	1.0	4.8	4.5	4.2
Population growth rate (average)	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Inflation (retail prices, African type - annual average)	1.5	1.2	5.9	4.0	17.8	2.0	2.7	4.1
Public finances								
Total revenue	13.3	-2.1	14.3	-66.2	-3.3	59.2	27.7	10.0
Total Expenditure	22.9	-2.3	-0.8	-31.3	-4.2	32.3	-7.9	27.9
Current expenditure	15.8	10.2	-11.9	-8.6	-10.2	8.3	2.5	14.4
Capital expenditure	39.8	-27.0	32.6	-76.6	42.5	150.5	-30.1	69.9
Currency and credit								
Net foreign assets	-71.3	32.8	-186.2	175.1	499.5	-18.3	27.0	93.3
Credit flows to the economy	40.3	18.6	28.8	-17.3	6.5	0.3	13.6	-1.6
Net claims on the State	24.0	22.4	-3.3	10.0	-0.1	15.7	-13.4	4.6
Money supply (M2)	14.8	15.1	1.6	2.0	14.9	4.6	6.5	12.3
BEAC loans to banks	...	...	...	...	...	...	...	...
External coverage rate	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8
Velocity of money circulation (GDP/M2)	7.1	6.5	7.0	3.9	3.7	3.8	3.8	3.6
BEAC's reference rate (TIAO, end of period)	4.00	4.00	4.00	3.25	2.95	2.45	2.45	2.95
External sector								
Exports FOB	16.7	28.3	3.4	-40.5	-21.3	4.3	34.4	25.6
Imports, Fob	15.7	-1.3	4.5	-38.1	114.6	8.9	0.2	6.9
Terms of trade	4.0	14.1	-4.7	-2.1	-1.0	-7.5	18.0	-11.3
Variation in export prices	11.5	22.3	-6.6	-6.9	3.8	5.0	3.7	-8.4
Variation in import prices	7.3	7.2	-2.0	-4.9	4.8	13.5	-12.1	3.3
Real effective exchange rate	-4.7	-1.1	1.3	5.9	17.5	-2.3	2.0	4.8
Real effective exchange rate of exports	-13.9	-1.0	0.1	11.6	19.6	-2.7	2.4	7.5
Real effective exchange rate of imports	-1.1	-0.4	1.8	3.2	16.6	-2.3	2.0	4.1
Cumulative competitiveness margin since 1994	27.0	27.8	26.9	22.5	8.9	11.0	9.2	4.9
Currency and credit								
	(Contribution to the growth of monetary supply, in%.)							
Net foreign assets	-17.6	1.3	-11.7	10.4	18.9	-5.0	4.4	19.4
Net domestic assets	32.3	13.8	13.3	-8.4	-4.0	9.6	2.1	-7.2
Net domestic credit	28.5	21.5	12.7	-5.6	3.3	8.3	-1.4	1.4
Net claims on the State	12.2	12.3	-1.9	5.6	-0.1	8.2	-7.7	2.2
Credit flows to the economy	16.3	9.2	14.7	-11.2	3.4	0.1	6.3	-0.8
Other net items	3.8	-7.7	0.6	-2.8	-7.3	1.3	3.5	-8.5
Money supply (M2)	14.8	15.1	1.6	2.0	14.9	4.6	6.5	12.3
National Accounts								
	(Contribution to real growth,%)							
Gross Domestic Product	2.8	3.2	4.0	-36.7	1.0	4.8	4.5	4.2
Gross domestic demand	1.9	2.6	6.2	-40.7	12.5	0.7	6.7	3.1
Consumption	0.9	2.2	6.1	-33.3	9.3	-1.7	6.8	2.3
Public	0.0	-1.2	1.1	-0.3	-2.1	0.6	0.1	0.5
Private	0.9	3.4	4.9	-33.0	11.4	-2.3	6.7	1.8
Gross investment	0.9	0.3	0.2	-7.4	3.2	2.5	-0.1	0.8
Public	0.8	0.2	0.1	-2.4	0.6	2.6	-0.7	0.4
Private (Companies and households)	0.2	0.1	0.1	-3.6	0.3	-0.2	0.6	0.4
Stock variations	0.0	0.0	0.0	-1.4	2.3	0.0	0.0	0.0
Net exports	0.9	0.6	-2.2	4.0	-11.5	4.1	-2.2	1.1
Exportation of goods and services non-factor	1.4	0.5	0.9	-0.9	3.1	0.8	1.8	1.2
Importation of goods and services non-factor	-0.5	0.2	-3.1	4.9	-14.6	3.3	-4.0	-0.1
National accounts								
	(in percentage of GDP, unless otherwise specified)							
Investments	10.9	11.5	11.1	1.8	4.2	7.9	5.9	8.6
Domestic savings	1.6	4.5	2.4	-6.7	-15.9	-11.7	-11.0	-9.3
National savings	1.2	4.3	2.1	-6.5	-16.2	-12.5	-11.3	-9.5
Public finances								
Total revenue	9.0	8.3	8.7	5.2	4.5	6.8	8.2	8.5
Total expenditure	13.3	12.2	11.1	13.5	11.7	14.6	12.6	15.1
Current expenditure	8.8	9.2	7.4	11.9	9.7	9.9	9.5	10.2
Capital expenditure	4.4	3.1	3.7	1.5	2.0	4.7	3.1	4.9
Primary budget balance (deficit -)	-0.3	-1.0	0.6	-6.2	-4.6	-2.8	-1.0	-2.2
Budget balance, excl. commitment and donations (deficit -)	-3.7	-3.3	-2.0	-7.7	-6.5	-7.2	-3.8	-6.3
Budget balance, incl. commitment and donations (deficit -)	-3.7	-3.3	-2.0	-7.7	-6.5	-7.2	-3.8	-6.3
Basic fiscal balance (deficit -)	-4.3	-3.9	-2.4	-8.3	-7.1	-7.7	-4.4	-6.6
Baseline budget balance (>= -1.5% of GDP)	0.0	-1.9	0.8	-5.8	2.2	0.5	1.6	-1.2
External sector								
Exportation of goods and services non-factor, fob	9.7	11.2	10.1	15.1	17.0	17.6	18.8	17.3
Importation of goods and services non-factor, fob	19.1	18.2	18.8	23.5	37.1	37.1	35.7	35.3
Current account balance (transf.incl., deficit -)	-5.8	-4.9	-4.9	-2.9	-14.0	-8.3	-5.4	-8.6
Current account balance (transf.excl., deficit -)	-8.9	-6.7	-7.5	-7.2	-14.2	-14.1	-10.6	-12.0
Outstanding external debt/GDP	23.0	21.4	19.8	38.3	37.4	37.9	36.0	38.9
Outstanding domestic debt/GDP	0.0	0.0	0.0	0.0	14.6	27.1	23.0	24.8
Outstanding overall debt/GDP	0.0	0.0	0.0	0.0	52.0	65.0	59.0	63.7
Outstanding external debt/XGSNF	237.0	191.0	196.3	254.2	220.2	215.6	191.7	224.5
Outstanding external debt/fiscal revenue	255.7	257.6	227.3	736.0	822.1	554.8	440.2	460.3
External debt service ratio/GDP	1.6	1.3	0.7	0.9	1.0	1.1	1.2	0.4
Domestic debt service ratio/XGSNF	16.0	11.2	7.3	6.0	5.8	6.0	6.3	2.0
External debt service ratio/fiscal revenue	17.3	15.1	8.4	17.5	21.6	15.5	14.5	4.2
External reserves (in month of imports of caf)	5.5	5.3	5.0	8.9	6.4	5.5	6.0	7.6
External reserves (in month of imports of goods and services)	4.5	4.3	3.8	6.0	5.2	4.5	5.1	6.3
As a reminder								
Nominal GDP (in billions of CFAF)	1267.7	1344.1	1468.4	831.1	919.6	974.2	1038.9	1104.7
Population (in millions of inhabitants)	4.6	4.7	4.9	5.0	5.1	5.2	5.4	5.5
Per capita GDP (in \$ E.U.)	554.1	601.0	591.9	337.6	364.7	314.7	326.6	345.7

Sources: National administrations, IMF and BEAC

B4. Congo Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
GDP, prices and population								
Growth rate (actual GDP)	8.7	3.4	3.8	4.6	6.9	2.6	-2.6	-2.6
of which oil sector	13.5	-4.6	-9.4	-9.5	3.5	-6.2	-1.5	15.6
Non-oil sector	6.4	7.5	9.7	9.8	7.9	5.2	-2.9	-7.4
Population growth rate 2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Inflation (African consumer prices on annual average)	0.4	2.2	5.0	4.7	0.9	1.7	4.6	0.2
Public finances								
Total revenue	98.6	8.7	3.8	4.6	6.8	-51.5	-4.8	-7.6
of which oil sector	134.1	4.4	-0.3	1.5	-5.6	71.5	-0.1	3.0
Non-oil sector	13.5	30.3	17.2	15.2	10.5	5.9	-8.7	-11.4
Total expenditure	19.6	31.1	42.9	7.0	35.3	-31.3	-9.7	-24.5
of which oil sector	8.1	-1.0	-48.1	10.2	-31.2	-9.9	2.9	4.5
Capital expenditure	35.3	65.2	39.5	4.9	38.3	-45.6	-25.1	-54.1
Currency and credit								
Net foreign assets	27.0	31.4	1.3	-3.1	-7.8	-44.2	-70.1	-54.0
Credit flows to the economy	45.9	37.6	43.4	16.5	27.6	13.1	8.7	-2.2
Net claims on the State	-32.7	-28.1	20.1	1.3	26.0	85.6	455.5	17.8
Money supply (M2)	33.3	38.7	21.2	0.8	13.0	-11.2	-15.4	-10.4
BEAC loans to banks	...	...	...	...	...	...	...	...
External coverage rate (end of period)	100.6	101.2	101.2	101.1	88.9	71.2	43.9	27.6
Velocity of money circulation (GDP/M2)	1.4	1.1	1.0	1.2	1.2	1.4	1.6	1.6
BEAC reference rate -TIAO (end of period)	4.00	101.2	101.2	3.25	2.95	2.45	2.45	2.95
External sector								
Exports, fob	55.5	21.9	1.2	13.4	0.6	36.9	6.7	37.0
Imports, Fob	14.8	0.3	5.9	1.4	26.2	28.1	12.1	27.5
Terms of trade	25.9	21.7	3.0	1.7	-3.9	-49.0	-2.7	30.7
Variation in export prices	33.7	25.6	10.8	-5.0	-4.5	-39.2	-17.5	29.4
Variation in import prices	6.2	3.1	7.6	-6.6	-0.6	19.4	-15.2	-1.0
Real effective exchange rate	-4.4	-0.6	1.1	4.4	-0.4	-3.6	6.3	-2.2
Real effective exchange rate of Exports	-13.7	-2.7	1.0	9.8	0.0	1.0	4.5	-0.3
Real effective exchange rate of Imports	-3.8	-0.4	1.1	4.0	-0.4	-3.8	6.4	-2.4
Cumulative competitiveness margin since 1994	-3.0	-0.7	0.4	-4.0	-3.6	0.1	-6.1	-3.8
Currency and credit								
(Contribution to the growth of monetary supply, in %.)								
Net foreign assets	47.7	53.2	2.2	-4.1	-10.2	-46.7	-46.5	-12.4
Net domestic assets	-14.4	-14.5	19.0	4.9	23.2	35.5	31.2	2.0
Net domestic credit	-21.1	-17.6	28.6	5.6	24.3	37.1	32.0	3.2
Net claims on the State	-31.6	-27.0	17.8	0.8	14.9	32.1	27.8	4.6
Credit flows to the economy	10.5	9.4	10.8	4.9	9.4	5.0	4.2	-1.4
Other net items	6.7	3.0	-9.6	-0.8	-1.1	1.6	-0.9	1.2
Money supply (M2)	33.3	38.7	21.2	0.8	13.0	-11.2	-15.4	-10.4
National Accounts								
(Contribution to real growth, %)								
Gross Domestic Product	8.7	3.4	3.8	4.6	6.9	2.6	-2.6	-2.6
of which oil sector	4.3	-1.5	-2.9	-2.6	0.8	-1.4	-0.3	3.3
Non-oil sector	4.3	5.0	6.7	7.1	6.1	4.0	-2.3	5.9
Domestic savings	-7.7	6.0	-7.3	14.9	34.6	10.5	-13.7	39.4
Consumption-	3.5	-0.2	-21.7	12.6	4.3	15.1	-0.5	
Public	0.7	0.7	3.8	11.0	2.6	4.9	15.4	0.1
Private	4.2	0.9	25.5	18.4	15.2	0.5	0.3	0.4
Gross Investments	-11.2	6.3	14.4	22.3	22.0	14.8	1.4	38.9
Public	5.1	5.6	11.3	0.1	10.0		16.2	29.2.2
Private (Companies and households)	7.9	0.7	3.1	22.2	12.1	31.0	4.3	-36.7
of which oil sector	5.1	-0.2	2.0	15.5	9.7	29.9	4.7	34.0
Non-oil sector	2.8	0.4	1.1	6.6	2.4	1.1	-0.4	-7.4
Stock variations	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net exports	1.0	2.6	11.1	10.3	27.7	7.8	11.1	36.8
Exportation of goods and services non-factor	7.5	1.4	-4.9	3.5	-1.5	5.2		
Imports of goods and services non-factor-	6.5	1.2	-16.1	6.8	-29.2	-6.3	12.6	31.6
National accounts								
(in percentage of GDP, unless otherwise specified)								
Investments	29.4	34.1	42.6	57.1	70.4	118.9	19.0	36.8
of which oil sector	18.2	-18.8	19.7	28.9	34.2	82.8	84.3	16.2
Domestic savings	43.2	57.7	66.6	73.3	72.9	70.4	85.8	45.0
National savings	35.7	47.3	59.7	70.4	74.7	69.7	81.0	39.5
Public finances								
Total revenue	42.8	40.5	42.0	44.1	45.7	29.8	31.8	26.4
of which oil sector	35.6	32.3	-32.4	33.1	-33.9	13.0	-14.5	12.7
Non-oil sector	7.2	8.2	9.6	11.1	11.9	16.9	17.3	11.4
Total expenditure	22.0	25.1	35.9	38.6	50.7	46.8	47.4	32.1
of current expenditures	11.4	-9.8	-14.5	16.0	-20.4	24.7	28.5	24.4
Capital expenditure	10.7	15.3	21.4	22.6	30.3	22.1	18.6	7.6
Primary budget balance (deficit -)	24.1	18.6	10.6	13.3	0.2	-13.1	-6.5	1.0
Primary budget balance (excl. Interest)	21.8	15.5	6.3	5.8	-4.7	-16.1	-13.0	-3.6
Primary budget balance (excluding interest and oil revenues) in % of GDP excl. oil	-46.0	-57.3	-80.2	-68	-89.3	-50.7	-43.1	-32.0
fiscal balance (deficit -)	23.1	18.4	10.4	13.1	0.0	-13.9	-9.1	-1.0
Fiscal balance, excl. commitment and donations (deficit -)	20.8	15.4	6.1	5.5	-4.9	-17.0	-15.5	-5.7
Fiscal balance, incl. commitment and donations (deficit -)	42.1	15.9	6.2	5.9	-4.5	-16.2	-14.7	-5.1
Baseline budgetary balance (>= -1.5 % of GDP)	34.0	10.9	-2.5	-0.4	-12.3	-2.7	-7.9	-1.4
External sector								
Exportation of goods and services non-factor, fob	72.6	76.9	74.3	66.8	64.9	55.7	56.6	66.5
Imports of goods and services non-factor, fob	58.8	53.3	50.3	50.5	62.3	104.2	89.8	58.4
Current account balance (donations off.incl. def.-)	7.3	13.8	17.4	13.6	4.6	-50.8	-44.3	-2.8
Current account balance (donations off.excl. def. -)	6.8	13.6	17.1	13.3	4.3	-51.0	-44.5	-3.0
Outstanding domestic debt/GDP	22.0	22.2	24.9	28.7	35.5	46.8	105.8	97.7
Outstanding domestic debt//exports	31.9	30.4	34.5	45.8	58.7	91.2	197.0	148.1
Domestic debt service ratio//XGSNF	31.6	1.8	1.6	2.7	5.2	9.7	13.1	9.5
Domestic debt service ratio//Fiscal revenue	53.5	3.4	2.9	4.1	7.3	18.0	23.3	24.0
Domestic debt service ratio//GDP	22.9	1.4	1.2	1.8	3.4	5.4	7.4	6.3
Total outstanding public debt/GDP	---	---	---	---	48.1	65.2	144.8	132.3
Ext. reserves (in month of imports of goods caf)	11.3	15.2	14.0	12.4	10.9	4.4	1.6	1.3
Ext. reserves (in month of imports of goods and services)	7.3	9.2	9.4	8.5	7.2	2.9	1.4	1.1
As a reminder								
Nominal GDP (in billions of CFAF)	6140.7	7062.0	7064.4	7031.8	7247.4	5392.2	4812.4	5362.7
Non-oil GDP (in billions of CFAF)	1839.1	2072.3	2301.9	2803.6	3131.3	3093.1	3077.7	2727.6
Population (in millions of inhabitants)	3.8	3.9	4.0	4.2	4.3	4.4	4.5	4.6
Per capita GDP (in \$ E.U.)	3229.8	3796.2	3419.8	3427.6	3445.0	2086.0	1809.8	2005.5

Sources: National administrations, IMF and BEAC

B5. Gabon Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
(Annual variations, in %, unless otherwise specified)								
GDP, prices and population								
Growth rate (actual GDP)	6.4	7.0	5.0	5.7	4.3	3.9	2.1	0.1
of which oil sector	5.2	-2.4	-4.2	-5.3	-0.3	8.6	-3.7	-8.5
non-oil sector	7.0	11.7	9.0	9.9	5.8	2.5	4.0	2.7
Population growth rate	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Inflation (consumer prices 125 items on annual average)	1.5	1.3	2.7	0.5	4.7	-0.3	2.1	2.7
Public finances								
Total revenue	9.1	35.7	5.7	-0.6	-10.4	-23.5	-21.0	0.2
Oil revenue	18.4	39.9	10.5	-12.2	-23.0	-41.7	-29.9	35.8
Non-oil revenue	0.0	30.9	-0.3	15.4	2.9	-9.2	-16.5	-14.9
Total Expenditure	36.1	29.0	3.9	0.4	-14.1	-11.4	-1.4	-14.5
Current expenditure	7.0	29.5	18.5	2.6	-4.2	-1.9	-3.8	-3.2
Capital expenditure	97.7	28.4	-12.9	-3.1	-30.6	-33.4	6.6	-49.3
Currency and credit								
Net foreign assets	-7.6	16.5	5.2	29.0	-8.2	-14.2	-58.9	19.6
Credit flows to the economy	2.7	39.6	30.2	25.6	-5.9	-6.3	-10.1	-4.4
Net claims on the State	131.6	23.4	-32.3	-854.6	40.4	124.4	989.6	-1.9
Money supply (M2)	19.5	30.0	15.6	8.2	-2.4	1.5	-7.8	-3.8
BEAC loans to banks	...	...	...	...	...	...	...	-0.4
External coverage rate (end of period)	85.4	89.0	89.5	90.0	89.1	75.5	55.7	58.8
Velocity of money circulation (GDPNO/M2)	2.9	2.4	2.3	2.4	2.5	2.5	2.9	3.1
BEAC's reference rate - (TIAO, end of period)	4.00	4.00	4.00	3.25	2.95	2.45	2.45	2.95
External sector								
Exports, fob	38.3	15.1	4.3	-7.4	-11.3	-26.2	-14.5	18.2
Imports, Fob	26.9	11.7	7.9	7.5	-4.8	-1.5	-16.4	6.7
Terms of trade	32.1	15.8	-12.4	14.0	-11.6	-45.0	9.8	22.1
Variation in export prices	40.3	19.4	-5.7	6.5	-11.8	-34.3	-7.0	20.9
Variation in import prices	6.2	3.1	7.6	-6.6	-0.2	19.4	-15.2	-1.0
Real effective exchange rate	-10.2	0.3	-3.6	3.1	3.5	-7.0	3.1	-9.7
Real effective exchange rate of exports	-13.5	0.7	-3.0	3.7	3.6	-6.6	3.7	-10.5
Real effective exchange rate of imports	-2.6	0.4	-3.4	0.5	3.5	-8.3	1.5	-7.9
Cumulative competitiveness margin since 1994	21.0	20.8	23.6	21.3	18.6	24.2	21.9	29.4
(Contribution to the growth of monetary supply, in %.)								
Net foreign assets	-6.9	10.4	3.1	15.4	-5.4	-8.6	-29.2	4.7
Net domestic assets	26.4	19.7	12.5	-7.2	3.1	10.2	21.4	-8.6
Net domestic credit	23.0	19.3	13.6	-6.3	2.9	8.8	18.6	-3.0
Net claims on the State	21.5	1.0	-1.3	-20.6	6.8	12.8	24.4	-0.6
Credit flows to the economy	1.4	18.3	15.0	14.3	-3.8	-3.9	-5.8	-2.5
Other net items	3.5	0.3	-1.1	-0.9	0.1	1.3	2.8	-5.5
Money supply (M2)	19.5	30.0	15.6	8.2	-2.4	1.5	-7.8	-3.8
(Contribution to real growth, %)								
Gross Domestic Product	6.4	7.0	5.0	5.7	4.3	3.9	2.1	0.1
Of which the oil sector	1.7	-0.8	-1.3	-1.5	-0.1	2.0	-0.9	-2.0
Non-oil sector	4.6	7.8	6.3	7.2	4.4	1.9	3.0	2.1
Gross domestic demand	8.2	9.9	4.7	8.3	2.6	-1.8	4.0	1.3
Consumption	4.5	6.7	2.2	8.6	3.4	7.7	0.7	1.2
Public	0.7	1.6	1.9	1.6	0.0	0.0	0.5	0.8
Private	3.8	5.1	0.3	7.0	3.4	7.6	0.2	0.4
Gross investment	3.7	3.2	2.5	-0.3	-0.8	-9.4	3.3	0.1
Public	5.6	2.7	0.5	-2.1	-4.1	-2.3	0.1	-2.2
Private (Companies and households)	-1.8	1.6	1.6	1.8	3.3	-7.1	3.2	2.3
Of which the oil sector	0.5	0.9	0.7	0.0	1.1	-5.9	0.9	0.9
Non-oil sector	-2.3	0.8	0.9	1.8	2.2	-1.2	2.3	1.4
Stock variations	-0.1	-1.1	0.4	0.0	0.0	0.0	0.0	0.0
Net exports	-1.9	-2.8	0.4	-2.6	1.7	5.6	-1.9	-1.1
Exportation of goods and services non-factor	-0.4	0.4	-0.2	-0.6	0.1	0.8	-0.8	0.5
Importation of goods and services non-factor	-1.5	-3.2	0.5	-1.9	1.6	4.9	-1.1	-1.6
(in percentage of GDP, unless otherwise specified)								
National accounts								
Investments	27.1	26.6	24.0	22.8	21.2	19.6	21.8	18.8
Of which the oil sector	6.3	5.5	5.8	5.1	5.7	4.4	4.9	5.3
Domestic savings	53.5	49.3	46.5	37.6	32.8	22.1	22.1	22.0
National savings	42.1	42.6	37.7	33.3	29.9	21.6	17.3	14.9
Public finances								
Total revenue	24.9	28.2	29.0	27.3	25.0	22.1	17.8	16.7
Oil revenue	13.4	15.6	16.8	14.0	11.0	7.4	5.3	6.8
Non-oil revenue	11.5	12.5	12.2	13.3	14.0	14.7	12.5	10.0
Total Expenditure	24.9	26.7	27.0	25.7	22.6	23.1	23.3	18.6
Current expenditure	13.3	14.3	16.5	16.1	15.7	17.8	17.5	15.9
Capital expenditure	11.6	12.4	10.5	9.6	6.8	5.3	5.7	2.7
Primary budget balance (deficit -)	4.4	5.2	5.0	6.0	6.3	3.4	-0.2	1.5
Primary budget balance (excl. Interest)	1.3	2.4	2.9	3.2	3.6	1.1	-3.2	0.7
Primary budget balance (excl. Interests and oil revenue) in % GDP excl. oil	-21.9	-26.7	-26.5	-19.2	-12.3	-9.0	-11.4	-8.3
Basic fiscal balance (deficit -)	3.1	4.3	4.0	4.4	5.2	1.3	-2.4	-1.1
Budget balance, on a scheduling basis, excl. donations (deficit -)	0.1	1.5	2.0	1.6	2.4	-1.0	-5.4	-1.9
Budget balance, on a scheduling basis, incl. donations (deficit -)	0.1	1.5	2.0	1.5	2.4	-1.0	-5.4	-1.9
Baseline budget balance (>= -1.5 % of GDP)	0.3	-1.3	-3.1	-0.2	3.8	2.8	-2.1	-2.3
External sector								
Exportation of goods and services non-factor, fob	59.5	55.8	56.4	49.6	44.4	39.2	34.7	38.1
Importation of goods and services non-factor, fob	33.0	33.1	33.9	34.7	32.8	36.7	34.4	34.9
Current account balance (donations off. incl. def.-)	13.5	13.9	11.1	7.5	5.8	1.3	-5.2	-4.5
Current account balance (donations off excl. def.-)	14.2	14.1	11.1	8.6	5.9	1.3	-5.2	-4.5
Outstanding external debt/GDP	17.4	15.7	15.7	21.2	26.1	33.5	41.0	40.5
Outstanding domestic debt/GDP	0.0	0.0	0.0	0.0	3.6	3.5	8.0	7.0
Total outstanding debt/GDP	0.0	0.0	0.0	0.0	29.7	36.9	49.0	47.4
Debt service ratio/XGSNF	5.8	4.2	5.0	12.9	6.7	12.3	13.0	13.8
Debt service ratio/fiscal revenue	13.8	8.4	9.8	23.3	11.9	21.8	25.2	31.5
Debt service ratio/GDP	3.4	2.4	2.8	6.4	3.0	4.8	4.5	5.3
Trade coverage rate of goods	1.8	1.7	1.7	1.4	1.4	1.1	1.0	1.1
External reserves (in month of imports of caf)	5.7	6.5	6.5	7.1	7.1	6.2	3.2	3.2
External reserves (in month of imports of goods and services)	4.2	4.5	4.6	5.2	5.2	4.5	2.2	2.2
As a reminder								
Nominal GDP (billion CFAF)	7370.5	8866.3	9094.4	9599.6	9391.7	8131.2	7959.9	8497.6
Non-oil GDP (billion CFAF)	4071.8	4408.3	4779.1	5397.8	5660.4	5683.1	5963.1	6227.9
Population (millions of inhabitants)	1.8	1.9	1.9	2.0	2.0	2.1	2.2	2.3
Per capita GDP (in \$ E.U.)	8320.6	10150.7	9303.8	9812.1	9288.7	6494.5	6132.5	6459.9

Sources: National administrations, IMF and BEAC

B6. Equatorial Guinea Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017 Estim.
	(Annual Variations in %)							
GDP, prices and population								
Growth rate (Real overall GDP)	4.0	4.6	8.3	-3.9	-0.7	-9.3	-9.4	-2.3
Of which oil sector-	7.5	0.1	3.4	-7.7	1.2	-15.0	-8.8	-6.7
non-oil sector	2.4	12.0	15.5	0.9	-3.0	-2.2	-9.9	2.5
Population growth rate	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Inflation (consumer prices- annual average)	5.6	4.8	3.6	3.0	4.3	1.7	1.4	1.1
Public finances								
Total revenue	-9.8	32.5	12.1	-15.7	-3.0	-20.9	-45.4	9.7
Of which oil revenues	-11.4	36.2	8.1	-14.2	-5.9	-25.0	-50.2	14.8
non-oil revenues	8.4	-1.3	44.1	-17.9	25.5	9.1	-20.9	-6.9
Total expenditure	-11.0	9.9	45.4	-17.3	2.6	-4.9	-42.2	-26.1
of which current expenditures	31.5	10.3	62.9	6.9	-10.9	-11.9	4.2	2.6
capital expenditures	-16.9	9.9	41.5	-23.4	7.4	-2.9	-54.6	-43.7
Currency and credit								
Net foreign assets	-25.9	37.3	43.1	4.8	-31.6	-47.6	-80.9	-54.1
Credit flows to the economy	36.4	26.1	-15.3	33.6	17.3	14.0	3.7	1.4
Net claims on the State	56.0	-105.7	8.5	-18.0	43.9	71.6	227.4	50.9
Money supply (M2)	48.9	6.1	55.6	6.9	-13.6	-10.8	-16.0	1.0
BEAC loans to banks	...	...	...	...	...	200.0	52.8	-34.5
External coverage rate (end of period)	122.4	101.8	100.9	100.7	80.6	55.9	8.4	7.1
Velocity of money circulation (non-oil GDP/M2)	3.0	3.0	2.2	2.2	2.6	2.9	3.2	3.4
BEAC's reference rate - TIAO (end of period)	4.00	4.00	4.00	3.25	2.95	2.95	2.45	2.95
External sector								
Exports, fob	27.0	16.7	10.2	-17.2	-9.9	-46.1	-26.9	10.5
Imports, Fob	54.5	-20.6	7.1	-3.5	-4.6	-23.1	-33.9	-8.2
Terms of trade	25.0	38.4	-2.0	-3.0	-10.3	-46.5	-4.8	25.1
Variation in export prices	32.8	42.7	5.4	-9.4	-10.5	-36.1	-19.3	23.9
Variation in import prices	6.2	3.1	7.6	-6.6	-0.2	19.4	-15.2	-1.0
Real effective exchange rate-	8.7	0.5	-1.2	6.9	5.8	-0.1	1.5	-1.6
Real effective exchange rate of exports	-8.7	0.5	-1.2	7.0	5.9	0.1	1.3	-1.5
Real effective exchange rate of imports	1.2	2.4	-0.2	1.7	3.1	-0.2	2.1	-2.9
Cumulative competitiveness margin since 1994	-46.7	-47.5	-45.7	-55.8	-64.8	-64.6	-67.0	-64.3
Currency and credit								
	(Contribution to the growth of monetary supply, in %.)							
Net foreign assets	-58.4	41.6	62.4	6.4	-41.3	-49.2	-49.1	-7.3
Net domestic assets	107.2	-35.5	-6.8	0.5	27.7	38.4	33.1	8.3
Net domestic credit	113.4	-36.1	-2.3	2.3	34.4	36.7	31.4	11.0
Net claims on the State	91.1	-50.7	7.9	-9.9	26.6	28.1	28.4	9.7
Credit flows to the economy (active credits)	22.3	14.7	-10.2	12.2	7.9	8.6	2.9	1.4
Other net items	-6.2	0.6	-4.5	-1.8	-6.8	1.7	1.7	-2.7
Money supply (M2)	48.9	6.1	55.6	6.9	-13.6	-10.8	-16.0	1.0
National Accounts								
	(Contribution to real growth, %)							
Gross Domestic Product-	4.0	4.6	8.3	-3.9	-0.7	-9.3	-9.4	-2.3
Of which oil sector-	4.8	0.0	2.0	-4.3	0.7	-8.3	-4.6	-3.5
non-oil sector	0.9	4.5	6.3	0.4	-1.4	-1.0	-4.8	1.2
Gross domestic demand	17.4	18.4	7.2	1.8	-1.8	-29.4	-11.5	3.8
Consumption	24.2	14.4	-0.5	3.9	3.2	-22.8	0.9	-0.1
Public	0.9	0.5	7.2	1.7	-2.6	-2.0	1.0	0.0
Private	23.3	13.9	-7.6	2.2	5.8	-20.8	-0.1	-0.1
Gross investments	-6.8	4.1	7.7	-2.1	-5.1	-6.6	-12.5	3.9
Public	6.3	0.4	6.5	-5.1	-1.8	-1.3	-10.8	-2.5
Private (Companies and households)	0.5	3.7	1.1	3.1	-3.3	-5.3	-1.7	6.5
Of which oil sector-	2.2	2.5	2.2	1.3	-3.7	-2.2	-1.0	-0.3
non-oil sector	1.7	1.2	-1.1	1.7	0.4	-3.1	-0.7	6.8
Stock variations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net imports	21.4	-13.8	1.1	-5.7	1.1	20.1	2.2	-6.2
Exportation of goods and services non-factor	4.4	-19.8	2.9	-4.2	0.3	-4.2	-3.3	-7.6
Imports of goods and services non-factor	17.0	6.0	-1.8	-1.5	0.8	24.4	5.5	1.4
National accounts								
	(in percentage of GDP, unless otherwise specified)							
Investments	32.8	33.1	39.4	39.0	35.8	46.7	28.2	22.2
Of which Oil sector	1.9	3.9	5.7	7.0	3.6	3.1	1.1	0.6
Domestic savings	55.1	68.3	75.5	64.5	54.9	47.9	31.9	31.5
National savings	13.6	29.3	40.9	37.4	33.8	32.4	17.9	17.7
Public finances								
Total revenue	26.6	30.3	30.6	27.5	26.9	29.8	19.1	19.1
Oil revenue	24.0	28.0	27.4	25.0	23.7	24.9	14.5	15.2
Non-oil revenue	2.6	2.2	3.3	2.5	3.2	4.9	4.5	3.9
Total expenditure	31.1	29.4	38.6	34.0	35.2	46.8	31.7	21.4
Current expenditure	5.6	5.3	7.8	8.9	8.0	9.9	12.0	11.3
Capital expenditure	25.5	24.1	30.8	25.1	27.2	37.0	19.6	10.1
Primary budget balance (deficit -)	-4.3	1.2	-7.6	-6.1	-7.7	-16.6	-11.8	-1.8
Primary budget balance (excl. Interest)	-4.3	1.2	-7.6	-6.1	-7.7	-16.6	-11.8	-1.8
Primary budget balance (excl. Interests and oil revenue) in % GDP excl. oil	-72.5	-77.6	-95.3	-75.2	-73.4	-70.9	-41.3	-27.6
Budget balance, excl. commitment and donations (deficit -)	-4.5	0.9	-8.0	-6.5	-8.3	-17.0	-12.6	-2.3
Budget balance, incl. commitment and donations (deficit -)	-4.5	0.9	-8.0	-6.5	-8.3	-17.0	-12.6	-2.3
Basic fiscal balance (deficit -)	-4.5	0.9	-8.0	-6.5	-8.3	-17.0	-12.6	-2.3
Baseline budget balance (>= - 1.5 % of GDP)	-1.4	-2.8	-12.8	-10.3	-10.5	-21.7	-7.3	-0.7
External sector								
Exportation of goods and services non-factor, fob	81.1	81.5	81.5	71.8	65.2	51.0	44.4	44.6
Importation of goods and services non-factor, fob	58.9	46.3	45.3	46.4	46.0	49.8	40.7	35.3
Current account balance (donations off. incl. def.-)	-20.2	-6.1	-1.2	-2.7	-4.7	-18.3	-14.6	-8.3
Current account balance (donations off excl. def.-)	-20.3	-5.6	-1.1	-2.6	-4.0	-16.8	-12.9	-7.1
Outstanding external debt/GDP	4.3	7.3	8.0	6.8	6.8	8.2	12.4	11.2
Outstanding external debt/XGSNF	5.3	9.0	9.8	9.5	10.4	16.1	27.9	25.1
Outstanding external debt/fiscal revenue	16.0	24.2	26.1	24.8	25.2	27.6	64.9	58.6
Debt service ratio/GDP	0.3	0.4	0.8	2.0	1.7	1.8	1.7	1.4
Debt service ratio/Exp.GSNF	0.4	0.4	1.0	2.8	2.6	3.4	3.9	3.1
Debt service ratio/fiscal revenue	1.2	1.2	2.6	7.3	6.3	5.9	9.1	7.3
Total outstanding debt/GDP	---	---	---	---	23.9	32.4	47.9	41.5
External reserves (in month of imports of caf)	3.6	5.6	7.5	7.8	5.9	3.6	0.3	0.2
External reserves (in month of imports of goods and services)	2.9	4.3	5.6	5.7	4.2	2.5	0.2	0.1
As a reminder								
Nominal GDP (in billions of CFAF)	8079.9	9415.9	10424.0	9797.4	9715.1	6932.5	5927.0	6484.3
Non-oil GDP (In billions of CFAF)	3152.8	3261.8	3830.4	4047.1	4161.3	4059.2	3767.7	4013.5
Population (in millions of inhabitants)	1.0	1.1	1.1	1.1	1.2	1.2	1.3	1.3
Per capita GDP (in \$ E.U.)	15818.4	18690.7	18486.3	17356.5	16650.3	9593.2	7909.7	8536.9

Sources: National administrations, IMF and BEAC

B7.Chad Key Economic, Financial and Social Indicators

	2010	2011	2012	2013	2014	2015	2016	2017
								Estim.
GDP, prices and population	(annual variations, in%, unless otherwise specified)							
Growth rate (real overall GDP)	12.7	0.9	7.8	4.8	6.8	2.6	-2.6	-2.6
of which oil sector	2.5	-5.8	-1.9	-15.8	10.4	35.8	-10.6	10.9
Non-oil sector	15.4	2.5	9.9	8.8	6.2	-2.8	-2.1	3.3
Population growth rate 3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	2.6
Inflation / (consumer prices on annual average)	-2.1	2.0	7.5	0.2	1.7	3.7	-1.6	-0.9
Public finances								
Total revenue	85.3	33.1	3.3	-11.8	17.5	-52.0	-15.7	7.8
Oil revenue	138.1	50.5	0.3	-26.4	-15.7	-59.9	-32.7	16.4
Non-oil revenue	26.7	-3.1	13.1	29.8	71.5	-45.8	-5.6	4.2
Total expenditure	24.9	12.6	17.7	-6.7	4.2	-25.1	-26.7	2.2
Total expenditure	10.4	5.0	1.7	17.3	0.8	8.2	-14.9	-4.1
Capital expenditure	51.2	22.7	35.8	-27.0	9.0	-46.3	-52.3	26.1
Currency and credit								
Net foreign assets	13.2	50.7	22.4	-4.5	-1.9	-83.1	-442.8	1.4
Credit flows to the economy	19.5	19.4	26.3	26.1	19.0	9.3	5.2	-2.3
Net claims on the State	62.4	-110.5	-785.5	-9.9	169.1	353.9	65.1	-2.9
Money supply (M2)	26.7	12.0	14.5	7.6	25.0	-3.9	-7.8	-3.0
BEAC loans to banks	-100.0	...	...	...	328.0	409.3	258.9	3.0
External coverage rate (end of period)	58.0	69.6	72.2	73.0	73.2	32.5	5.3	5.2
Velocity of money circulation (GDP/M2)	7.5	6.9	7.2	7.2	6.1	6.3	6.8	6.7
BEAC reference rate -TIAP (end of period)	4.00	101.2	101.2	3.25	2.95	2.45	2.45	2.95
External sector								
Exportations, fob	27.1	10.8	30.9	-30.1	0.2	-15.9	-15.0	6.7
Importations, fob	-1.0	-20.6	7.2	22.6	66.9	-23.2	-14.9	-23.0
Terms of trade	18.8	10.0	29.6	-0.8	-4.7	-45.1	-3.0	17.2
Variation in export prices	26.2	13.4	39.4	-7.4	-5.3	-34.5	-17.8	16.1
Variation in import prices	6.2	3.1	7.6	-6.6	-0.6	19.4	-15.2	-1.0
Real effective exchange rate	-7.6	0.6	2.5	-1.5	0.6	-1.6	-1.0	-1.0
Real effective exchange rate of exports	-16.5	3.9	-1.0	-2.4	3.0	-19.7	-1.4	-3.7
Real effective exchange rate of imports	-6.2	-0.4	3.4	-1.1	0.5	1.7	-0.9	-0.3
Cumulative competitiveness margin since 1994	14.4	13.9	11.8	13.1	12.5	13.9	14.7	15.6
Currency and credit	(Contribution to the growth of monetary supply, in %.)							
Net foreign assets	6.9	25.2	15.2	-3.0	-1.5	-41.9	-39.1	0.8
Net domestic assets	19.9	-13.2	-0.7	10.7	26.6	38.0	31.3	-3.8
Net domestic credit	16.5	-10.6	-1.0	11.2	31.5	29.1	24.1	-3.3
Net claims on the State	8.1	-18.4	-12.3	-1.2	20.9	24.2	21.0	-1.7
Credit flows to the economy	8.3	7.8	11.3	12.4	10.6	4.9	3.1	-1.6
Other net items	3.4	-2.6	0.3	-0.5	-5.0	8.9	7.2	-0.6
Money supply (M2)	26.7	12.0	14.5	7.6	25.0	-3.9	-7.8	-3.0
National Accounts	(Contribution to real growth, %)							
Gross Domestic Product	12.7	0.9	7.8	4.8	6.8	2.4	-3.6	-4.6
of which oil sector	0.5	-1.1	-0.3	-2.6	1.4	4.8	-1.9	-1.8
Non-oil sector	12.2	2.0	8.1	7.4	5.4	-2.4	-1.7	2.8
Gross domestic demand	-12.8	-8.9	6.1	12.3	56.6	-16.4	-5.0	-11.9
Consumption	1.4	-0.0	-0.6	13.0	25.7	-12.4	-1.4	-10.1
Public	0.5	0.3	3.0	3.0	1.3	-4.9	-0.3	-0.4
Private	0.9	-0.2	-3.5	10.0	24.4	7.5	-1.1	-9.7
Gross Investments	-11.4	-8.9	6.7	-0.7	0.9	-4.1	-3.6	-1.8
Public	2.4	1.2	2.6	-3.2	0.3	-3.2	-1.8	-0.3
Private (Companies and households)	9.0	-10.1	3.8	2.7	0.6	-0.9	-1.8	-1.5
of which oil sector	8.7	-10.4	3.5	1.5	-1.1	-0.9	-1.5	0.2
Non-oil sector	0.2	0.3	0.3	1.2	1.6	0.0	-0.3	-1.7
Stock variations	0.0	0.0	0.2	-0.2	0.0	0.0	0.0	0.0
Net exports	-1.0	9.8	1.6	7.4	-19.8	18.8	1.3	7.3
Exportation of goods and services non-factor	-2.5	-0.9	0.4	-0.7	-0.3	1.1	0.4	-0.1
Imports of goods and services non-factor	2.5	10.6	-1.2	-6.7	-19.5	17.8	0.9	7.5
National accounts	(in percentage of GDP, unless otherwise specified)							
Investments	30.9	25.6	27.2	25.5	26.6	23.2	19.9	19.0
of which oil sector	19.5	19.0	33.1	15.6	0.3	2.9	3.1	13.2
Domestic savings	16.0	13.5	30.8	12.5	-1.4	3.6	0.4	10.8
Public finances								
Total revenue	17.6	23.0	19.4	16.6	18.6	9.4	8.2	9.0
Oil revenue	11.9	17.6	14.4	10.3	8.3	3.5	2.4	2.9
Non-oil revenue	5.7	5.4	5.0	6.3	10.3	5.9	5.8	6.1
Total expenditure	21.7	24.0	23.0	20.8	20.7	16.4	12.4	12.9
Total expenditure	12.3	12.7	10.5	12.0	11.5	11.2	9.8	9.6
Capital expenditure	9.3	11.2	12.4	8.8	9.2	5.2	2.6	3.3
Primary budget balance (deficit -)	-1.5	3.7	0.2	-1.6	1.0	-3.4	-0.6	0.0
Primary budget balance (excl. interest)	-3.7	-0.3	-3.2	-3.7	-1.5	-5.4	-2.5	-2.5
Primary budget balance (excluding interest and oil revenues) in % of GDP excl. oil	-19.7	-22.4	-22.5	-17.0	-11.7	-10.3	-5.5	-6.2
Basic fiscal balance (deficit -)	-1.8	3.1	-0.2	-2.2	0.4	-4.9	-2.3	-1.3
Fiscal balance, excl. commitment and donations (deficit -)	-4.1	-0.9	-3.6	-4.2	-2.1	-6.9	-4.2	-3.9
Fiscal balance, incl. commitment and donations (deficit -)	-2.5	1.2	-1.2	-2.8	-0.3	-4.2	-2.1	-1.2
Baseline budgetary balance (> 1.5 % of GDP)		-4.6	-7.1	-6.1	-1.42.7	1.3	-0.3	
External sector								
Exportation of goods and services non-factor, fob	33.2	35.1	37.2	25.8	24.4	22.3	20.3	22.5
Imports of goods and services non-factor, fob	44.5	41.7	31.4	35.6	50.7	42.6	37.0	27.6
Current account balance (donations off.incl. def. -)	-10.5	-7.9	8.5	-11.9	-24.7	-15.3	-16.7	-4.7
Current account balance (donations off.excl. def. -)	-11.1	-8.7	7.5	-12.5	-25.1	-16.6	-17.9	-6.2
Outstanding domestic debt//GDP	13.2	14.8	14.3	17.0	22.6	17.8	18.6	19.7
Outstanding overall debt//GDP	13.2	14.8	14.3	17.0	22.6	17.8	18.6	32.7
Outstanding external debt//XGSNF	39.7	42.1	38.5	66.0	92.7	80.0	91.7	90.1
Outstanding external debt/fiscal revenue	74.7	64.2	74.0	102.7	121.5	189.4	226.9	218.7
Debt service ratio//GDP	0.7	0.9	0.6	2.2	3.1	12.0	3.3	2.7
Debt service ratio//XGSNF	2.0	2.5	1.7	8.7	12.8	53.9	16.2	12.3
Debt service ratio//fiscal revenue	3.9	3.8	3.3	13.5	16.8	127.6	40.1	30.0
External reserves (in month of imports of caf)	2.4	4.5	5.0	3.9	2.5	1.2	0.1	0.1
External reserves (in month of imports of goods and services)	1.5	2.4	3.1	2.6	1.8	0.9	0.1	0.1
As a reminder								
Nominal GDP (in billions of CFAF)	5675.7	5783.8	7097.8	7307.1	7649.2	7262.2	7030.5	6905.2
Non-oil GDP (in billions of CFAF)	4512.0	4636.6	5548.2	6002.5	6393.3	6290.7	6281.8	6041.8
Population (in millions of inhabitants)	11.4	11.8	12.3	12.7	13.2	13.6	14.1	14.7
Per capita GDP (in \$ E.U.)	1003.8	1035.4	1133.2	1163.4	1176.1	900.0	838.8	811.4

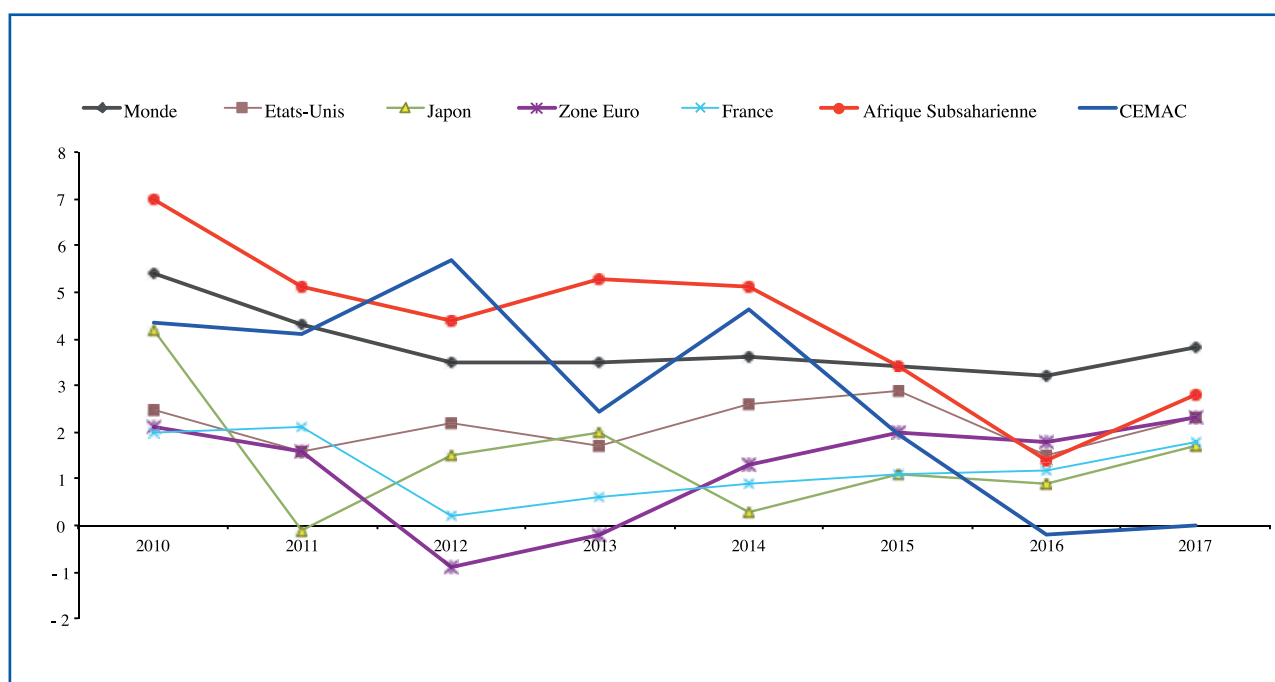
Sources: National administrations, IMF and BEAC

B8. Real growth rates of major trading partners

	2010	2011	2012	2013	2014	2015	2016	2017
World	5,4	4,3	3,5	3,5	3,6	3,4	3,2	3,8
United-States	2,5	1,6	2,2	1,7	2,6	2,9	1,5	2,3
Japan	4,2	- 0,1	1,5	2,0	0,3	1,1	0,9	1,7
Euro Zone	2,1	1,6	- 0,9	- 0,2	1,3	2,0	1,8	2,3
France	2,0	2,1	0,2	0,6	0,9	1,1	1,2	1,8
Sub-Saharan Africa	7,0	5,1	4,4	5,3	5,1	3,4	1,4	2,8
CEMAC	4,3	4,1	5,7	2,4	4,6	1,9	- 0,2	0,0

Sources: National administrations, BEAC and IMF.

Real growth rates of major trading partners



B9.a. Average annual inflation rates in CEMAC countries

(Annual average movement in the Consumer price Index)

	2010	2011	2012	2013	2014	2015	2016	2017
Cameroon	1,3	2,9	2,4	2,1	1,8	2,7	0,9	0,6
Central African Republic	1,5	1,2	5,9	4,0	17,8	2,0	2,7	4,1
Congo	0,4	2,2	5,0	4,7	0,9	1,7	4,6	0,2
Gabon	1,5	1,3	2,7	0,5	4,7	- 0,3	2,1	2,7
Equatorial Guinea	5,6	4,8	3,6	3,0	4,3	1,7	1,4	1,1
Chad	- 2,1	2,0	7,5	0,2	1,7	3,7	- 1,6	- 0,9
CEMAC*	0,9	2,5	3,8	2,0	3,2	2,5	1,1	0,8

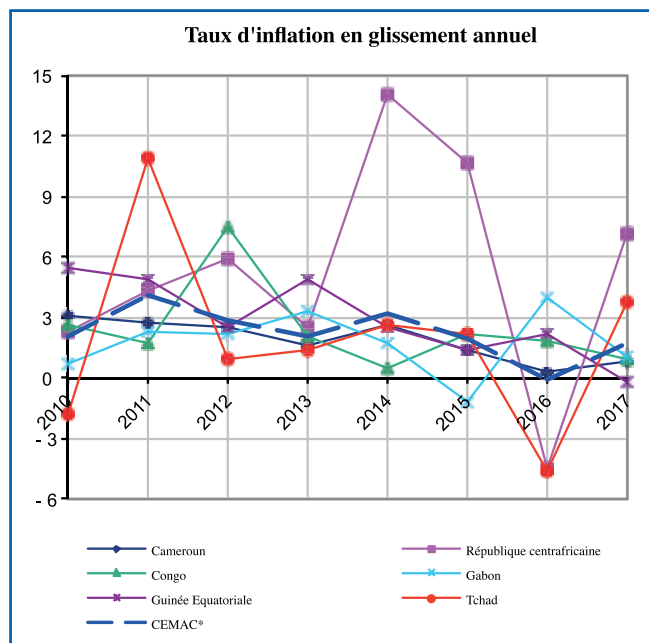
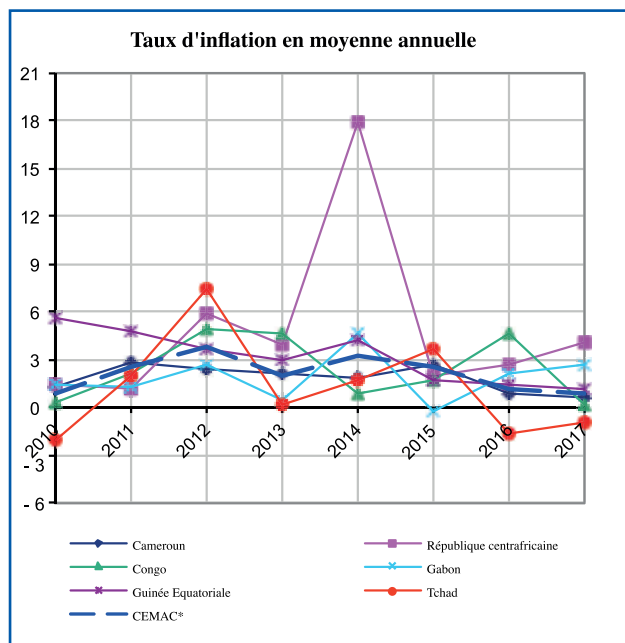
*Obtained by weighting national rates by GDPs

B9.b. Year-on year inflation rate of CEMAC countries

(Year-over-year change in the Consumer price Index)

	2010	2011	2012	2013	2014	2015	2016	2017
Cameroon	3,1	2,7	2,6	1,7	2,6	1,4	0,3	0,8
Central African Republic	2,3	4,3	5,9	2,6	14,0	10,7	- 4,5	7,2
Congo	2,6	1,8	7,5	2,1	0,5	2,2	1,8	1,0
Gabon	0,7	2,3	2,2	3,3	1,7	- 1,2	4,0	1,1
Equatorial Guinea	5,4	4,9	2,6	4,9	2,6	1,4	2,2	- 0,2
Chad	- 1,7	10,9	0,9	1,4	2,7	2,2	- 4,6	3,8
CEMAC*	2,1	4,1	2,8	2,1	3,2	2,0	- 0,1	1,7

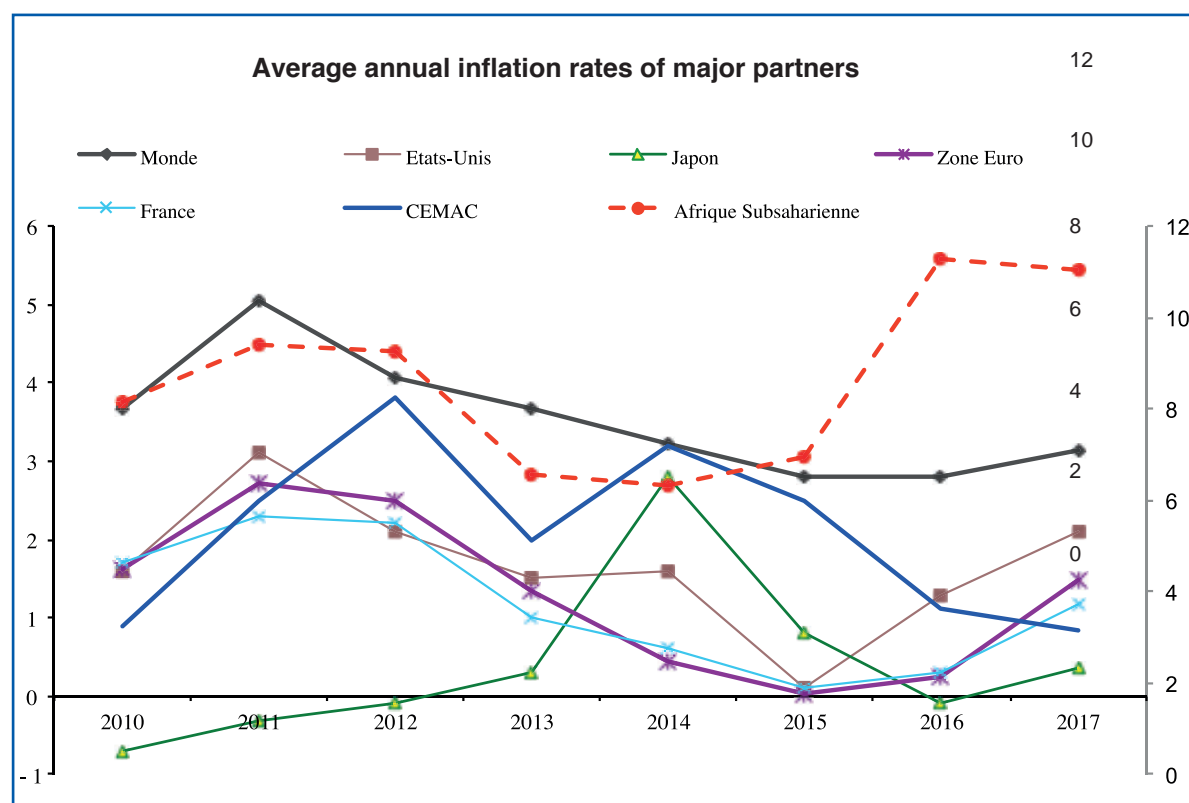
*Obtained by weighting national rates by GDPs



B10. Average annual inflation rates of major partners

	2010	2011	2012	2013	2014	2015	2016	2017
World	3,7	5,0	4,1	3,7	3,2	2,8	2,8	3,1
United-States	1,6	3,1	2,1	1,5	1,6	0,1	1,3	2,1
Japan	- 0,7	- 0,3	- 0,1	0,3	2,8	0,8	- 0,1	0,4
Euro Zone	1,6	2,7	2,5	1,3	0,4	0,0	0,2	1,5
France	1,7	2,3	2,2	1,0	0,6	0,1	0,3	1,2
Sub-Saharan Africa	8,1	9,4	9,3	6,6	6,3	7,0	11,3	11,0
CEMAC	0,9	2,5	3,8	2,0	3,2	2,5	1,1	0,8

Sources: National administrations, BEAC and IMF.



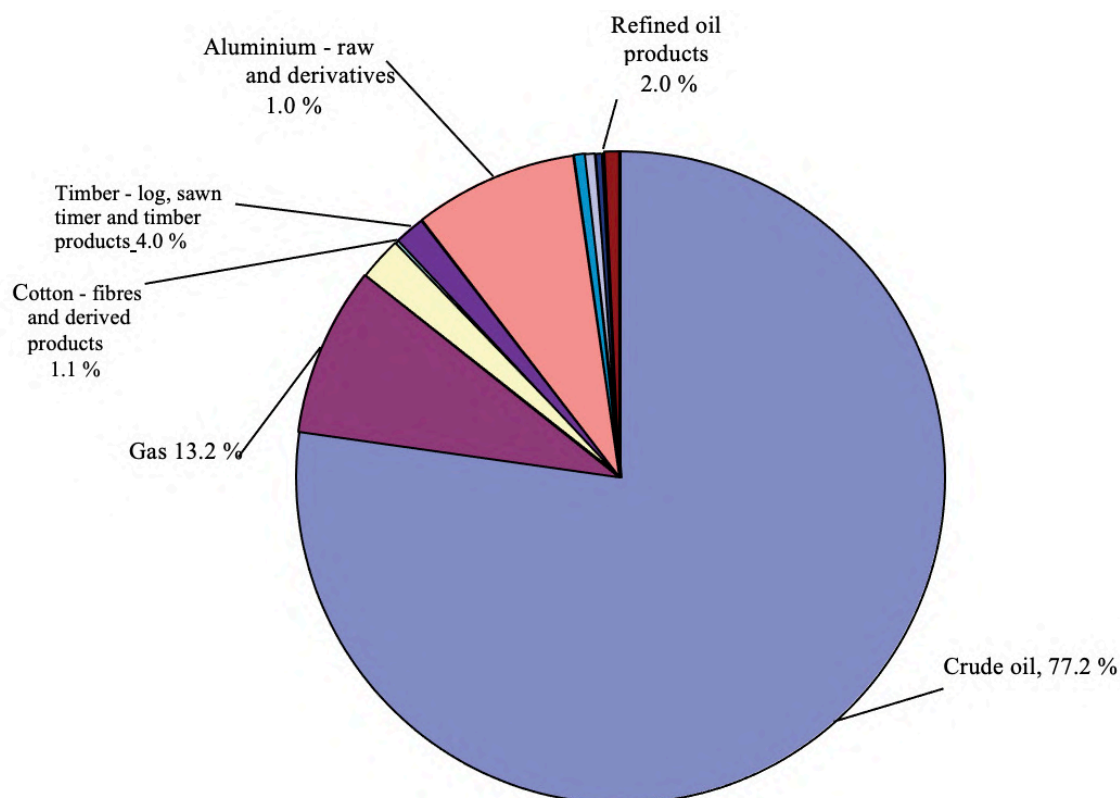
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B12. CEMAC's main exports (FOB)
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Crude oil	13 546.7	16,045.6	17 527.9	15 514.7	14 628.9	9 291.3	7 078.8	8 347.3
Gas	1 177.2	2,766.4	2 633.2	2 132.2	1 768.2	825.3	689.9	909.1
Cocoa	235.8	210.4	166.1	183.2	229.5	454.9	397.6	234.5
Coffee	37.8	33.3	42.8	18.9	30.9	33.4	32.0	24.7
Cotton - fibres and derived products	71.5	104.5	98.8	108.7	96.8	152.5	149.2	162.4
Timber - log, sawn timber and timber products	860.6	719.5	767.9	690.4	823.0	837.8	775.3	882.8
Aluminium - raw and derivatives	90.4	44.7	27.3	36.0	60.3	76.7	65.2	63.5
Natural rubber	68.8	96.6	86.2	87.1	49.3	47.1	38.0	50.0
Banana	40.2	38.2	40.7	41.1	39.6	36.4	38.8	35.3
Diamonds - raw and polished	25.9	29.7	34.1	10.5	0.0	0.0	1.3	5.3
Gold	0.7	1.3	7.1	11.6	8.5	15.8	11.7	7.2
Palm oil	0.0	0.0	0.0	0.0	0.0	0.0	0.8	3.8
Tobacco	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Oil products	78.0	90.4	129.8	141.3	120.6	72.1	63.8	81.3
Eucalyptus logs	12.5	9.3	5.7	6.1	0.4	0.0	0.0	0.0
Sugar	11.3	2.5	0.0	0.5	2.5	0.0	0.0	1.1
Copper	24.2	0.0	0.0	0.0	0.0	0.0	0.0	39.4
Iron - ore								
Manganese	395.8	536.7	314.1	442.4	376.9	309.2	314.3	604.4
Uranium								
Livestock	49.9	215.9	390.0	134.9	178.1	111.4	95.6	93.8
Arabic gum	8.6	12.3	18.0	46.4	67.4	83.4	88.9	92.7
TOTAL	16 735.9	20 957.2	22 289.8	19 606.1	18 481.0	12 347.1	9 841.3	11 638.5

Sources: Monetary Programming and Foreign Trade Data

CEMAC's main FOB exports in 2017
(in percentage)



B13. Cameroon's main exports (FOB)

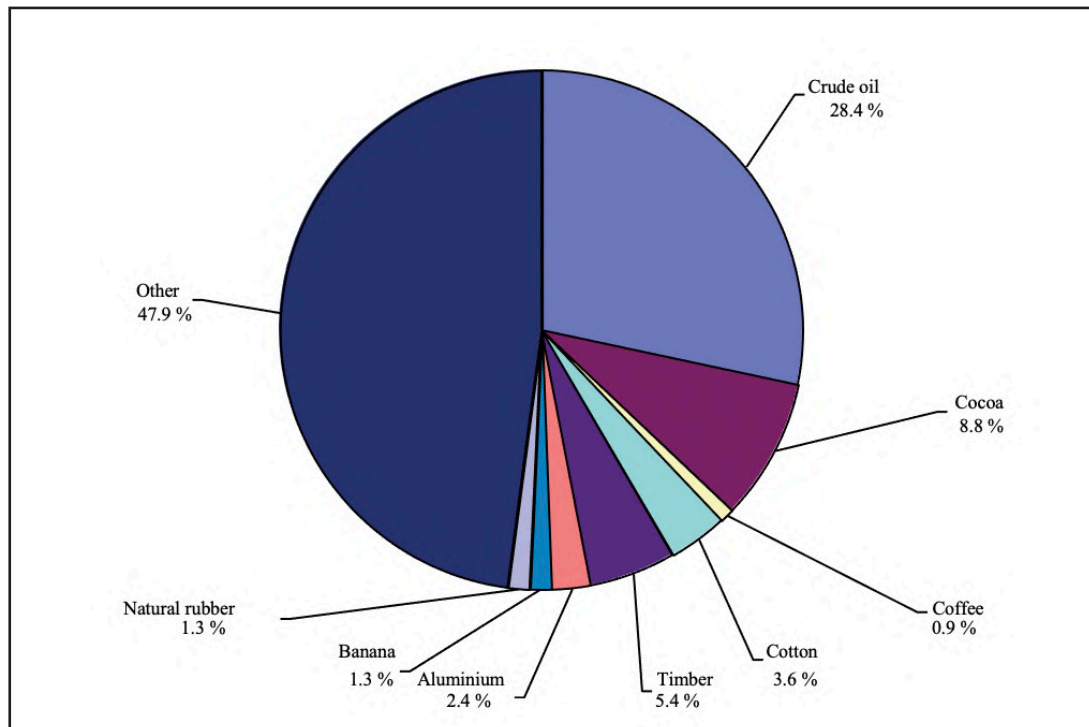
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Crude oil	776,1	939,6	1 093,4	1 281,7	1 281,7	1 134,4	732,4	758,6
Cocoa	235,6	209,7	165,5	182,4	228,7	454,3	397,1	234,1
Coffee	35,2	29,7	41,4	18,8	28,1	31,4	28,8	23,9
Cotton	47,2	69,8	59,6	70,2	64,1	98,1	87,4	96,9
Timber	54,3	91,0	82,0	80,1	96,1	103,5	90,2	144,5
Aluminium	90,4	44,7	27,3	36,0	60,3	76,7	65,2	63,5
Banana	40,2	38,2	40,7	41,1	39,6	36,4	38,8	35,3
Natural rubber	47,3	57,1	50,5	51,0	37,7	36,1	29,4	36,0
Other	940,6	1 187,2	1 378,8	1 242,3	1 408,2	1 114,6	1 255,4	1 282,1
TOTAL	2 266,8	2 667,0	2 939,2	3 003,7	3 244,5	3 085,6	2 724,7	2 674,9

Source: INS

Cameroon's main FOB exports in 2017

(In percentage)



B14. Central African Republic's main exports (FOB)

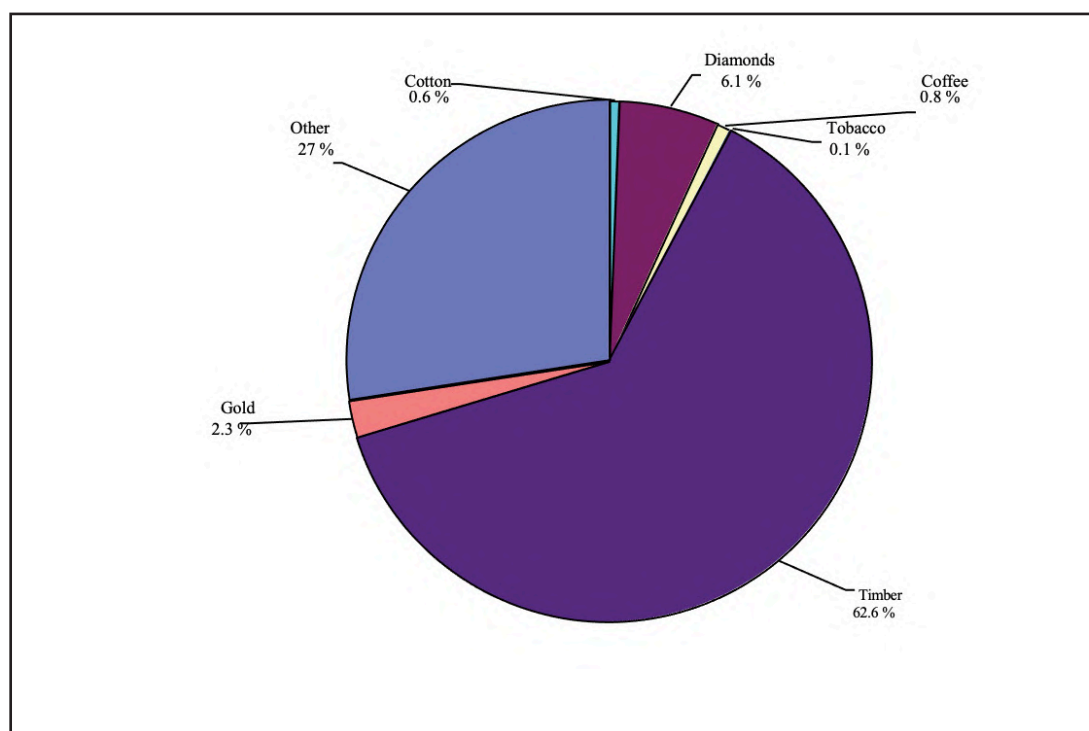
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Cotton	2,8	7,0	7,0	5,3	1,7	0,4	0,1	0,5
Diamonds	25,9	29,7	34,1	10,5	0,0	0,0	1,3	5,3
Coffee	2,6	3,6	1,4	0,0	2,8	2,0	3,2	0,7
Tobacco	0,1	0,1	0,1	0,1	0,1	0,1	0,1	0,1
Timber	30,5	40,6	40,7	24,7	23,2	26,5	39,9	53,5
Gold	0,7	1,3	0,7	0,1	0,1	0,3	0,6	2,0
Other	15,6	18,1	19,6	21,1	20,8	21,4	22,9	23,5
TOTAL	78,2	100,3	103,7	61,7	48,6	50,7	68,1	85,6

Source: Monetary programming data

Central African Republic's main FOB exports in 2017

(In percentage)

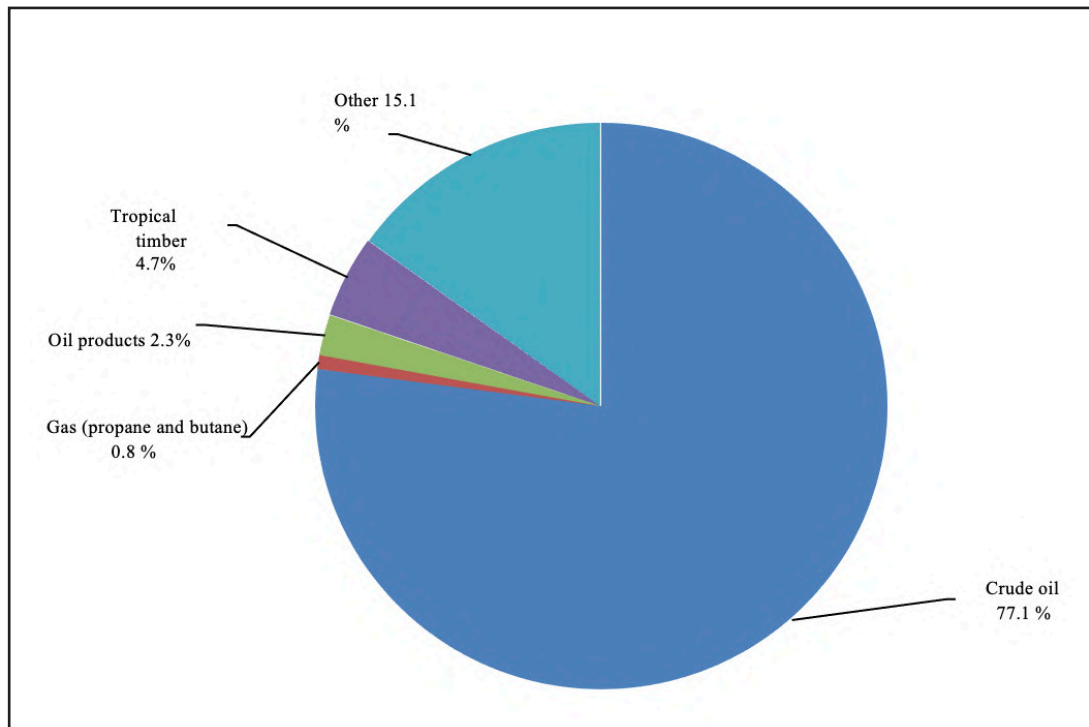


B15. Congo's main exports (FOB)
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Crude oil	3 903,4	4 787,1	4 668,4	4 049,4	4 033,5	2 218,1	1 757,1	2 696,1
Gas (propane and butane)	58,2	79,5	92,5	50,9	50,8	59,5	25,8	28,8
Oil products	78,0	90,4	129,8	141,3	120,6	72,1	63,8	81,3
Copper	24,2	...	...	...	...	0,0	0,0	39,4
Tropical timber	118,8	161,9	171,8	133,1	154,8	181,2	140,4	163,4
Eucalyptus logs	12,5	9,3	5,7	6,1	0,4	0,0	0,0	0,0
Sugar	11,3	2,5	0,0	0,5	2,5	0,0	0,0	1,1
Other	18,7	20,9	23,0	27,1	21,2	236,1	595,9	527,8
TOTAL	4 225,1	5 151,5	5 091,1	4 408,4	4 383,9	2 767,0	2 583,0	3 537,9

Source: Monetary programming data

Congo's main FOB exports in 2017
(In percentage)



B16. Gabon's main exports (FOB)

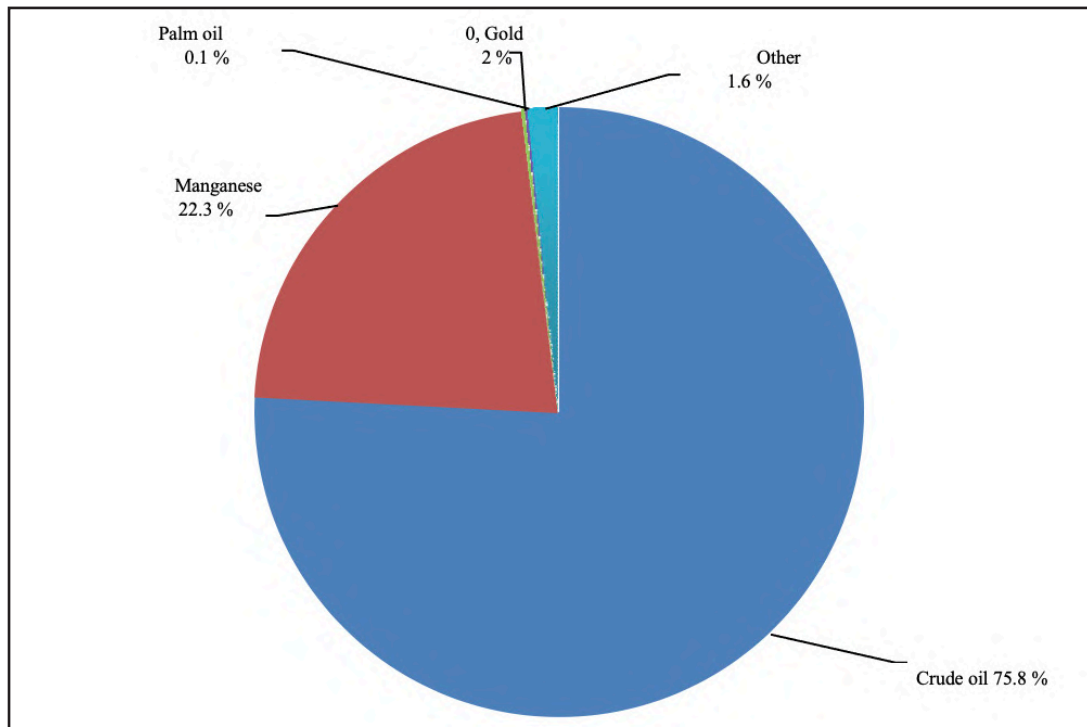
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Crude oil	3 138,1	4 101,7	4 185,0	3 891,7	3 406,6	2 282,3	1 940,5	2 104,0
Manganese	395,8	536,7	74,9	442,4	376,9	315,9	321,5	617,8
Timber	395,0	187,0	224,6	184,8	247,1	233,4	278,0	284,0
Gold	...	...	6,4	11,6	8,5	15,4	11,1	5,3
Palm oil	0,0	0,0	0,0	0,0	0,0	0,0	0,9	3,8
Other	90,9	109,2	234,9	93,0	59,2	38,6	33,8	43,8
TOTAL	3 928,9	4 825,4	4 490,9	4 530,5	4 039,0	2 847,0	2 551,1	3 011,0

Source: Monetary programming data

Gabon's main FOB exports in 2017

(In percentage)

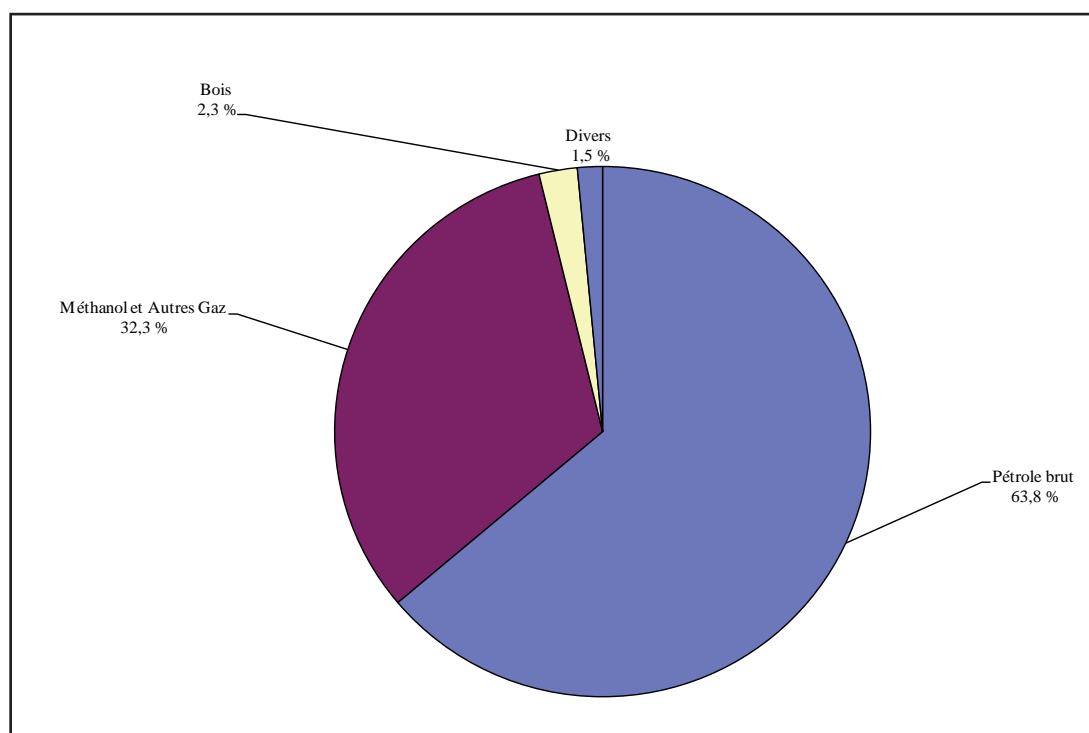


B17. Equatorial Guinea's main exports (FOB)
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Crude oil	4 140,5	4 702,0	5 660,8	4 725,7	4 423,8	2 457,3	1 724,9	1 738,2
Methanol and other gas	1 119,0	2 686,9	2 540,7	2 081,3	1 717,4	765,8	664,1	880,3
Timber	16,8	27,0	32,4	73,8	76,2	107,5	34,0	62,9
Other	1 236,5	184,2	143,1	56,2	32,6	39,4	40,2	41,0
			176,2	130,8	109,6	147,5	74,7	104,3
TOTAL	6 513,0	7 600,8	8 377,6	6 937,8	6 250,8	3 370,7	2 463,7	2 722,8

Source: Monetary programming data

Equatorial Guinea's main FOB exports in 2017
(In percentage)

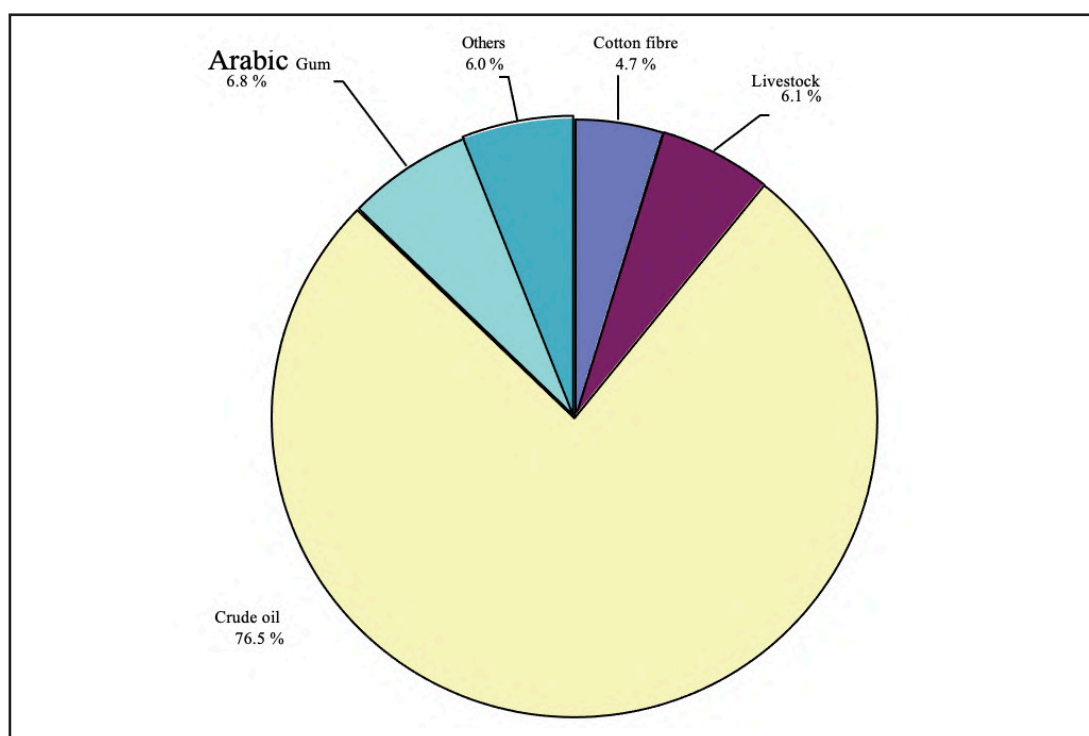


B18. Chad's main exports (FOB)
(In billions of CFAF)

	2010	2011	2012	2013	2014	2015	2016	2017
Oil	21,5	27,6	32,2	33,2	31,1	53,9	61,7	64,9
Livestock	49,9	215,9	390,0	134,9	178,1	92,8	85,2	83,1
Cotton fibre	1 588,7	1 515,2	1 920,3	1 483,7	1 426,1	1 199,2	923,9	1 050,4
Arabic gum	8,6	12,3	18,0	46,4	67,4	83,4	88,9	92,7
Other	38,3	120,2	115,2	33,3	31,7	30,0	80,9	82,2
TOTAL	1 707,0	1 891,2	2 475,7	1 731,5	1 734,4	1 459,3	1 240,5	1 373,4

Source: Monetary programming data

Chad's main FOB exports in 2017
(In percentage)



B19. Current external balance (including official transfers)

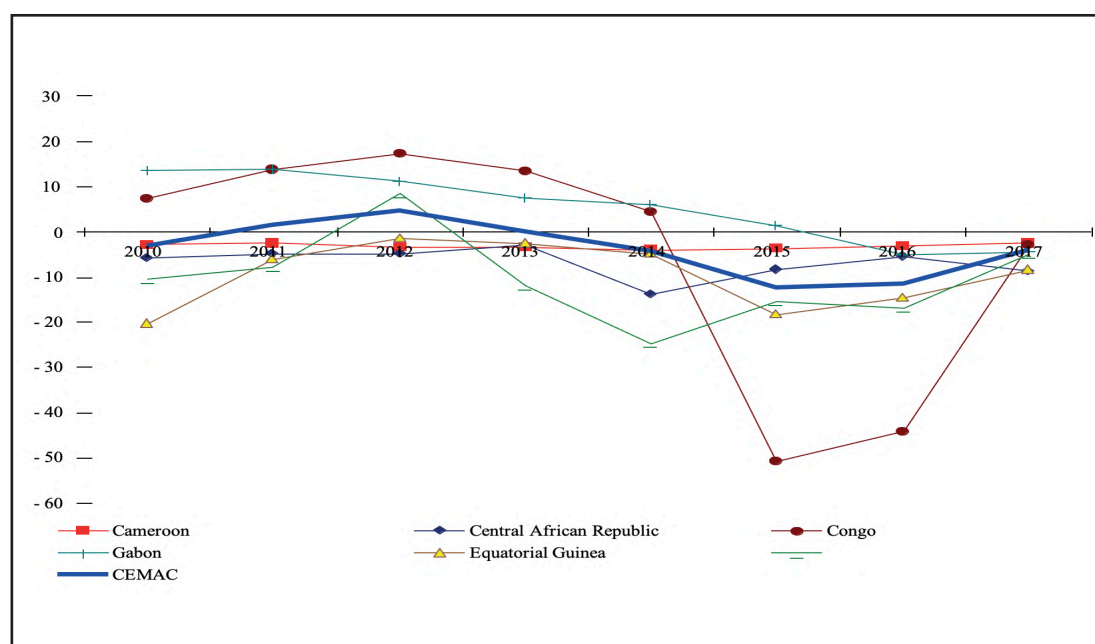
(In percentage du PIB)

	2010	2011	2012	2013	2014	2015	2016	2017
Cameroon	- 2,8	- 2,6	- 3,3	- 3,5	- 4,0	- 3,8	- 3,1	- 2,5
Central African Republic	- 5,8	- 4,9	- 4,9	- 2,9	- 14,0	- 8,3	- 5,4	- 8,6
Congo	7,3	13,8	17,4	13,6	4,6	- 50,8	- 44,3	- 2,8
Gabon	13,5	13,9	11,1	7,5	5,8	1,3	- 5,2	- 4,5
Equatorial Guinea	- 20,2	- 6,1	- 1,2	- 2,7	- 4,7	- 18,3	- 14,6	- 8,3
Chad	- 10,5	- 7,9	8,5	- 11,9	- 24,7	- 15,3	- 16,7	- 4,7
CEMAC	- 3,0	1,6	4,8	0,1	- 4,3	- 12,3	- 11,6	- 4,0

Sources: National administrations, IMF and BEAC.

Current external balance (including official transfers)

(In percentage du PIB)



B20. Consolidated external public debt of CEMAC States

(In billions of current CFAF)

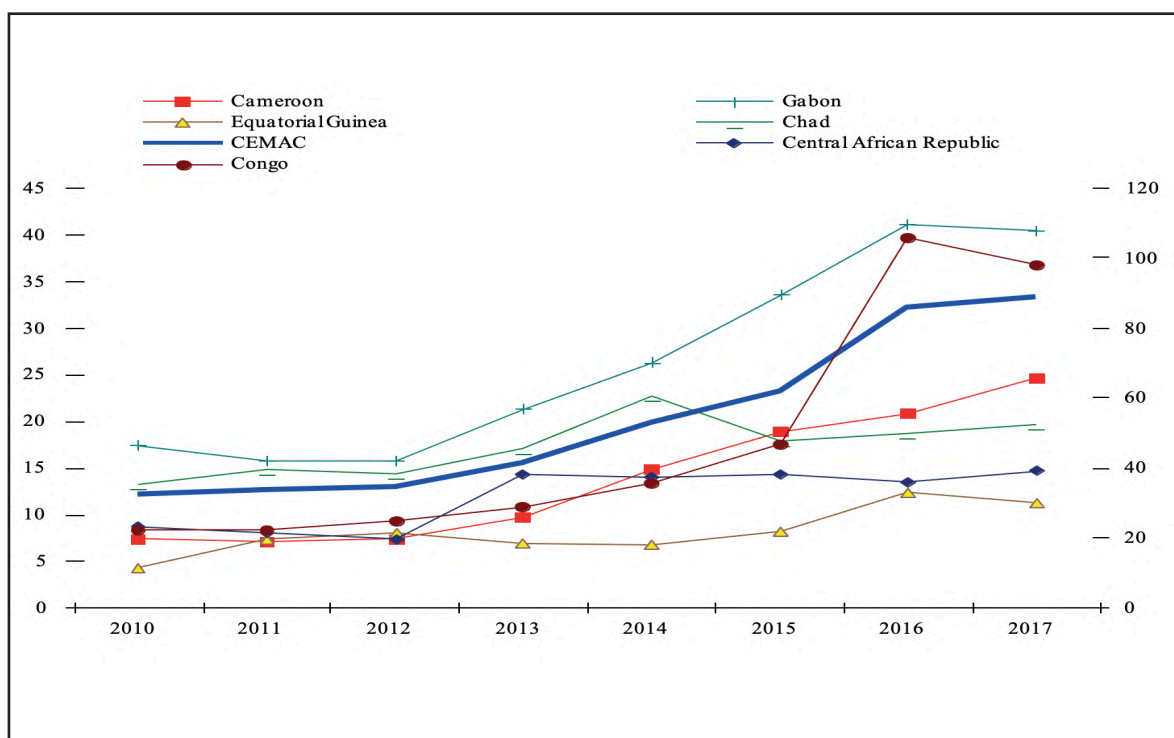
	Cameroon			Central African Republic			Congo			Gabon			Equatorial Guinea			Chad			CEMAC		
	2015	2016	2017 (a)	2015	2016	2017 (a)	2015	2016	2017 (a)	2015	2016	2017 (a)	2015	2016	2017 (a)	2015	2016	2017 (a)	2015	2016	2017 (a)
	2560,0	3426,8	3972,0	343,5	369,0	373,9	2 575,3	2 524,3	5 089,5	2 454,1	2 721,3	3 262,6	657,9	569,4	733,4	1730,6	1293,8	1306,9	10321,5	10904,6	14738,1
STOCK AT THE BEGINNING OF THE PERIOD																					
Drawings	918,7	453,0	918,3	3,8	5,1	13,5	786,0	435,0	424,4	478,8	239,2	553,1	57,8	313,7	165,8	87,5	78,0	94,0	2332,6	1524,0	2189,1
Services rendered	135,0	243,9	270,5	10,3	12,3	3,9	290,0	356,0	339,8	392,4	358,1	448,0	121,4	103,0	90,0	871,8	231,0	186,0	1699,5	1201,3	1248,2
Service upgraded	0,0	0,0	0,0	20,7	-0,2	47,4	0,0	0,0	56,8	43,3	18,0	112,0	0,0	0,0	0,0	728,1	30,0	30,0	792,1	47,9	246,2
Service rescheduled	0,0	0,0	0,0	20,7	-0,2	47,4	0,0	0,0	0,0	43,3	18,0	112,0	0,0	0,0	0,0	273,1	30,0	30,0	337,2	47,8	189,4
Write-off of service	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	56,8	0,0	0,0	0,0	0,0	0,0	0,0	455,0	0,0	0,0	455,0	0,0	56,8
Service paid	135,0	243,9	270,5	5,1	3,6	14,0	284,8	286,6	254,6	339,7	176,1	360,4	121,4	103,0	90,0	143,7	174,0	101,9	908,4	884,2	1001,3
STOCK AT THE END OF THE PERIOD	3426,8	3972,0	4891,8	389,0	373,9	430,0	2 524,3	5 089,5	5 238,6	2 721,3	3 262,6	3 439,7	569,4	733,4	725,9	1293,8	1306,9	1358,0	10904,6	14738,1	16083,9
Including arrears on interest and principal	0,0	0,0	0,0	159,3	173,9	171,4	378,4	462,6	453,3	9,4	283,6	104,4	0,0	0,0	0,0	0,0	27,0	81,1	547,0	947,1	810,2
Indicators (In percentage)																					
Debt service / exports	3,4	6,6	7,1	6,0	6,3	2,0	9,7	13,1	9,5	12,3	13,0	13,8	3,4	3,9	3,1	53,9	16,2	12,3	12,1	9,9	9,0
Debt service / fiscal revenue	4,4	8,7	8,8	15,5	14,5	4,2	18,0	23,3	24,0	21,8	25,2	31,5	5,9	9,1	7,3	127,6	40,1	30,0	19,6	17,1	17,1
Debt stock / GDP	18,7	20,8	24,6	37,9	36,0	38,9	46,8	105,8	97,7	33,5	41,0	40,5	8,2	12,4	11,2	17,8	18,6	19,7	23,2	32,1	33,3

(a): Estimates

B21. Public external indebtedness ratio (public external debt/GDP)

	2010	2011	2012	2013	2014	2015	2016	2017
Cameroon	7,4	7,1	7,4	9,5	14,8	18,7	20,8	24,6
Central African Republic	23,0	21,4	19,8	38,3	37,4	37,9	36,0	38,9
Congo	22,0	22,2	24,9	28,7	35,5	46,8	105,8	97,7
Gabon	17,4	15,7	15,7	21,2	26,1	33,5	41,0	40,5
Equatorial Guinea	4,3	7,3	8,0	6,8	6,8	8,2	12,4	11,2
Chad	13,2	14,8	14,3	17,0	22,6	17,8	18,6	19,7
CEMAC	12,0	12,5	12,8	15,4	19,8	23,2	32,1	33,3

Sources: National administrations, IMF and BEAC.

Public external indebtedness ratio (public external debt/GDP)

Congo and Central African Republic: right scale

B22. Fluctuations in CFAF exchange rate relative to major currencies

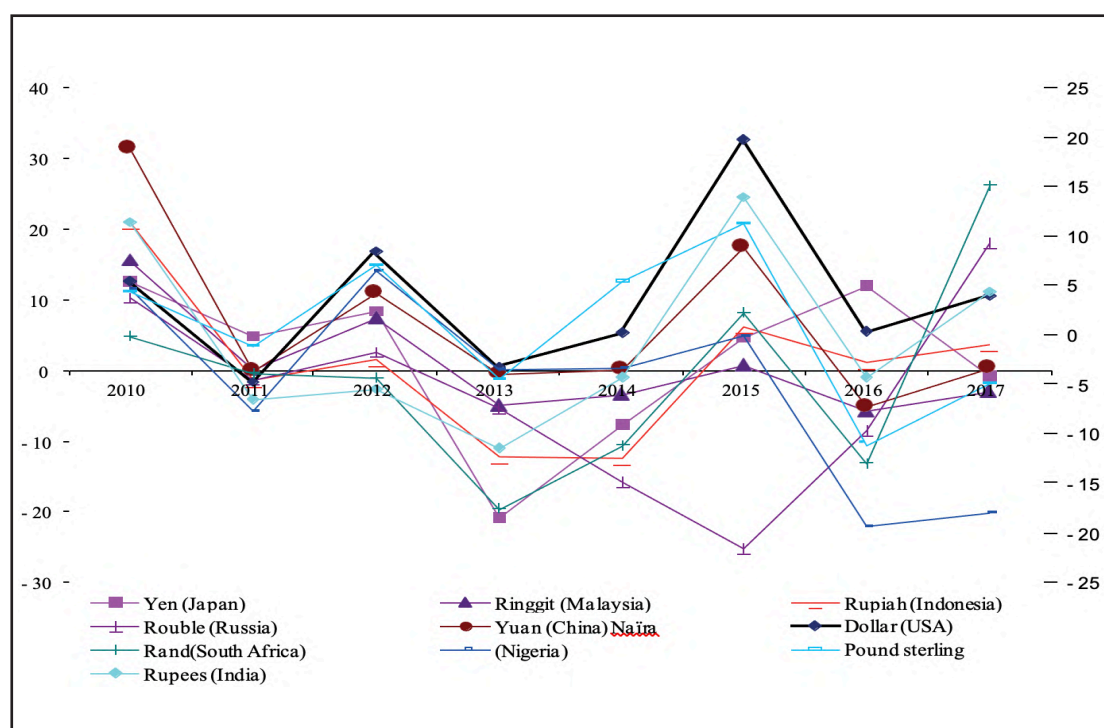
(Quotation of the indirect rate of exchange)

	2010	2011	2012	2013	2014	2015	2016	2017
Dollar (USA)	5,3	- 4,9	8,3	- 3,3	0,1	19,6	0,2	3,9
Yen (Japan)	12,5	4,6	8,2	- 20,9	- 7,7	4,5	11,9	- 0,9
Ringgit (Malaysia)	15,4	0,0	7,2	- 5,1	- 3,7	0,6	- 5,9	- 3,2
Rupiah (Indonesia)	20,7	- 1,6	1,4	- 12,4	- 12,7	6,0	0,9	3,6
Rouble (Russia)	10,1	- 1,6	2,4	- 5,6	- 15,9	- 25,3	- 8,7	17,9
Yuan (China)	31,2	- 0,3	10,9	- 0,7	- 0,1	17,3	- 5,2	0,2
Rand (South Africa)	- 0,2	- 3,9	- 4,4	- 17,6	- 11,2	2,1	- 13,0	15,1
Naira (Nigeria)	4,7	- 7,7	6,3	- 3,6	- 3,5	- 0,2	- 19,5	- 18,2
Pound sterling (England)	4,2	- 1,2	7,0	- 4,5	5,4	11,1	- 11,2	- 5,0
Rupees (India)	11,4	- 6,6	- 5,5	- 11,5	- 4,3	13,8	- 4,3	4,3

Sources: Calculated based on data from the Banque de France and BEAC.

Fluctuations in CFAF exchange rate relative to major currencies

(Quotation of the indirect rate of exchange)



B23. Oil and mining production

	2012	2013	2014	2015	206 (1)	2017 (2)	Variations in% (2)/(1)
CAMEROON							
Crude oil (thous'd tonnes)							
- Production.....	3,1	3,4	3,8	4,9	4,7	3,9	- 17,7
- Exports.....	2,9	3,1	3,8	4,6	4,4	3,7	- 15,7
Aluminium (thous'd tonnes))							
- Exports.....	50,4	69,5	91,0	88,3	84,7	68,6	- 19,0
	27,9	41,3	65,8	72,7	65,3	52,9	- 19,0
CENTRAL AFRICAN REPUBLIC							
Diamonds (in thousands of carats)							
- Production.....	365,9	118,9	42,5	42,5	12,6	59,8	372,7
- Exports.....	365,9	118,9	0,0	0,0	12,6	59,8	372,7
Gold (in kg)							
- Production.....	38,1	11,0	7,1	15,0	32,9	117,5	256,9
- Exports.....	38,1	11,0	7,1	15,0	32,9	117,5	256,9
CONGO							
Crude oil (thous'd tonnes)							
- Production.....	13,3	12,2	12,6	11,9	11,4	13,3	16,2
- Exports.....	12,5	11,4	11,8	11,2	10,7	12,5	16,9
GABON							
Crude oil (thous'd tonnes)							
- Production.....	11,6	11,0	11,0	11,9	11,5	10,5	- 8,5
- Exports.....	11,2	10,1	9,9	11,0	10,5	9,4	-10,3
Gold (in kg)							
- Production.....	1 000,0	1 000,0	1 100,0	1 500,0	1 000,0	500,0	- 50,0
- Exports.....	680,0	1 265,0	1 155,0	1 500,0	1 000,0	500,0	- 50,0
Manganese (thous'd tonnes)							
- Production.....	3,0	4,2	3,9	4,2	3,4	5,0	47,5
- Exports.....	3,0	4,0	3,9	3,9	3,4	5,0	47,7
EQUATORIAL GUINEA							
Crude oil (thous'd tonnes)							
- Production.....	14,9	13,0	13,2	12,1	10,2	8,7	- 14,8
- Exports.....	14,9	13,0	13,2	12,1	10,2	8,3	- 18,1
Methanol (thous'd tonnes)							
- Exports.....	8 312,8	8 850,8	8 772,1	5 627,2	6 027,0	6 492,0	7,7
CHAD							
Crude oil (thous'd tonnes)							
- Production.....	5,7	4,8	5,3	7,2	6,5	5,8	- 10,9
- Exports.....	5,2	4,2	4,6	6,5	5,8	5,1	- 12,2
THE WHOLE CEMAC							
Crude oil (thous'd tonnes)							
- Production.....	48,8	44,4	46,0	48,0	44,2	42,0	-4,9
- Exports.....	46,7	41,8	43,3	45,3	41,6	39,0	-6,0
Manganese (thous'd tonnes)							
- Production.....	3,0	4,2	3,9	4,2	3,4	5,0	47,5
- Exports.....	3,0	4,0	3,9	3,9	3,4	5,0	47,7
Aluminium (thous'd tonnes)							
- Exports.....	27,9	41,3	65,8	72,7	65,3	52,9	- 19,0
Diamonds (thous'd carats)							
- Production.....	365,9	118,9	42,5	42,5	12,6	59,8	372,7
- Exports.....	365,9	118,9	0,0	0,0	12,6	59,8	...
Gold (in kg)							
- Production.....	38,1	1 011,0	1 107,1	1 515,0	1 032,9	617,5	- 40,2
- Exports.....	38,1	1 276,0	1 162,1	1 515,0	1 032,9	617,5	- 40,2
Methanol (thous'd tonnes)							
- Exports.....	8 312,8	8 850,8	8 772,1	5 627,2	6 027,0	6 492,0	7,7

Sources: National administrations and BEAC

B24. Food crop production

(in thousands of tonnes)

	2012	2013	2014	2015	206 (1)	2017 (2)	Variations in% (2)/(1)
Cameroon							
Plantain	3 569,3	3 718,9	3 834,2	3 916,1	3 591,7	3 800,0	5,8
Cassava	4 287,2	4 501,7	4 600,7	4 990,7	4 181,8	4 600,0	10,0
Cocoyams	1 614,1	1 660,7	1 697,2	1 757,2	1 933,0	2 099,2	8,6
Corn	1 750,0	1 948,0	2 063,0	2 148,7	2 090,9	2 300,0	10,0
Paddy rice	181,8	189,9	201,1	253,0	196,1	225,5	15,0
Sugar cane	191,6	204,3	217,8	232,1	247,4	266,3	7,6
Palm oil	265,6	199,2	211,1	227,8	242,8	290,0	19,4
Potatoes Millet	210,0	224,2	224,6	237,8	225,1	240,0	6,6
Sorghum	1 425,9	1 638,4	1 735,0	1 911,1	1 520,5	1 560,0	2,6
Central African Republic							
Groundnuts	180,5	124,1	132,8	132,8	142,3	144,4	1,5
Cassava	659,8	495,9	535,6	535,6	558,9	568,7	1,7
Millet and sorghum	65,1	92,3	97,9	97,9	103,8	106,4	2,5
Corn	160,4	130,0	139,1	139,1	145,5	149,1	2,5
Paddy rice	42,6	30,4	32,2	32,2	34,2	35,0	2,5
Sesame	53,0	36,1	38,3	38,3	40,6	41,7	2,5
Squash	34,8	27,2	28,8	28,8	30,6	31,3	2,5
Congo							
Cassava tubers	1 433,1	1 526,3	1 627,0	1 736,0	1 854,1	1 866,4	0,7
Cassava leaves	85,8	91,3	97,4	103,9	111,0	111,7	0,7
Groundnuts	39,7	42,3	45,1	48,1	51,4	51,8	0,7
Plantain banana	143,3	152,6	162,6	173,5	185,3	186,6	0,7
Banana	113,8	121,2	129,2	137,8	147,2	148,2	0,7
Mangoes	50,5	53,8	57,4	61,2	65,4	65,8	0,7
Sugar cane	442,1	679,7	627,4	591,7	403,3	606,0	50,2
Chad							
Pearl millet	720,0	555,6	694,8	592,1	725,7	660,2	- 9,0
Sorghum	995,9	799,2	921,7	835,4	991,0	946,3	- 4,5
Berberé	425,1	469,6	494,4	431,1	453,7	448,5	- 1,1
Corn	387,6	418,0	332,9	349,5	443,8	396,5	- 10,7
Paddy rice	97,8	378,2	304,1	243,5	257,7	263,6	2,3
Niebe	0,0	1,8	0,8	1,0	1,7	1,9	7,3
Groundnuts	129,5	121,1	113,9	138,1	144,1	152,0	5,5
Cassava	964,0	965,2	791,1	720,1	871,2	870,1	- 0,1
Sugar cane	189,5	224,0	166,9	141,0	492,5	290,6	- 41,0
Sesame	275,0	334,3	280,3	327,2	324,6	336,7	3,8
	104,7	125,9	204,8	152,6	153,6	158,7	3,3
ENSEMBLE CEMAC							
Millet and sorghum	2 486,9	2 530,0	2 754,6	2 844,4	2 615,4	2 612,7	- 0,1
Corn	2 298,0	2 496,0	2 534,9	2 637,3	2 680,2	2 845,6	6,2
Paddy rice	322,2	598,5	537,4	528,7	488,0	524,1	7,4
Potato	210,0	224,2	224,6	237,8	225,1	240,0	6,6
Cassava	6 380,1	6 523,9	6 763,3	7 262,3	6 594,8	7 035,0	6,7
Coco yam/Taro/Yam	1 614,1	1 660,7	1 697,2	1 757,2	1 933,0	2 099,2	8,6
Plantain	3 712,6	3 871,5	3 996,8	4 089,6	3 777,0	3 986,6	5,5
Groundnuts	1 184,2	1 131,6	969,0	901,1	1 064,9	1 066,2	0,1
Berberé	425,1	469,6	494,4	431,1	453,7	448,5	- 1,1
Sugar cane	908,8	1 218,3	1 125,5	1 151,0	975,3	1 209,0	24,0
Sesame	157,7	162,0	243,2	190,9	194,3	200,4	3,2
Palm oil	265,6	199,2	211,1	227,8	242,8	290,0	19,4
Squash	34,8	27,2	28,8	28,8	30,6	31,3	2,5
Niebe	0,0	1,8	0,8	1,0	1,7	1,9	
Pearl millet	129,5	121,1	113,9	138,1	144,1	152,0	5,5
Mangoes	720,0	555,6	694,8	592,1	725,7	660,2	- 9,0
	50,5	53,8	57,4	61,2	65,4	65,8	0,7
Total food crop production	20 900,1	21 844,9	22 447,8	23 080,3	22 211,9	23 468,5	5,7

Sources: National Administrations and BEAC

Data on Gabon and Equatorial Guinea are unavailable

Aggregation at the level of CEMAC does not take into account unreported data

B25. Livestock production

	2012	2013	2014	2015	2016 (1)	2017 (2)	Variations en% (2)/(1)
Cameroon							
Livestock (thous'd heads of cattle)							
Cows	4 517	5 805	6 310	6 859	7 175	7 505	4,6
Sheep	3 050	2 953	3 050	3 172	3 318	3 471	4,6
Goats	3 311	6 298	6 191	6 290	6 579	6 882	4,6
Pigs	710	3 113	3 213	3 373	3 528	3 691	4,6
Poultry (in thousands of units)	12 646	72 759	74 336	80 318	65 893	69 550	5,6
Central African Republic							
Livestock (thous'd heads of cattle)							
Cows	14 930	7 270	3 729	2 174	2 356	2 396	1,7
Sheep	2 300	1 233	561	250	255	261	2,4
Goats	27 213	17 633	7 499	3 149	3 218	3 298	2,5
Pigs	7 119	3 563	1 633	738	754	792	5,0
Poultry (in thousands of units)	60 081	30 998	13 352	5 671	5 796	6 665	15,0
Chad							
Cows	22 002	22 539	24 490	24 892	25 499	26 122	2,4
Sheep	23 669	24 246	26 345	26 436	27 081	27 742	2,4
Goats	27 252	27 917	30 334	30 519	31 264	32 027	2,4
Camels	5 667	5 805	6 308	6 414	6 570	6 730	2,4
Horses	917	939	1 020	1 073	1 100	1 127	2,4
Donkeys	2 500	2 561	2 783	2 804	2 873	2 943	2,4
Pigs	1 500	1 537	1 670	1 664	1 705	1 747	2,4
Poultry (thousands of units)	34 386	34 470	34 554	34 639	35 484	36 350	2,4
ENSEMBLE CEMAC							
Cows	41 449	35 615	34 529	33 926	35 030	36 023	2,8
Sheep	29 018	28 432	29 957	29 858	30 654	31 474	2,7
Goats	57 777	51 848	44 023	39 958	41 061	42 207	2,8
Camels	5 667	5 805	6 308	6 414	6 570	6 730	2,4
Horses	917	939	1 020	1 073	1 100	1 127	2,4
Donkeys	2 500	2 561	2 783	2 804	2 873	2 943	2,4
Pigs	9 329	8 213	6 516	5 775	5 987	6 229	4,0
Poultry (thousands of units)	107 113	138 227	122 243	120 628	107 173	112 564	5,0

Sources: National administrations!

B26. Agricultural production for export

(in thousands of tonnes)

	2012	2013	2014	2015	2016 (1)	2017 (2)	Variations in% (2)/(1)
Cameroon							
- Cocoa	173,8	192,8	192,6	265,3	263,7	221,7	- 15,9
- Coffee	41,6	21,5	30,6	33,3	33,0	28,6	- 13,2
- Cotton seed	76,2	91,5	90,9	119,1	101,4	101,9	0,5
- Banana	231,8	261,8	265,3	276,3	295,2	275,7	- 6,6
- Rubber	42,9	54,1	57,2	48,9	42,3	43,3	2,3
Central African Republic							
- Cotton seed	8,4	7,3	2,5	0,6	0,2	0,7	216,4
- Coffee	2,2	0,1	4,5	3,0	4,8	1,0	- 79,1
- Tobacco	166,0	83,0	78,9	90,0	102,8	117,4	14,2
Congo							
- Cocoa	2,0	2,1	2,3	2,4	2,6	2,6	0,7
- Coffee	2,0	2,2	2,3	2,5	2,6	2,6	0,7
- Tobacco	46,3	71,1	65,6	61,9	42,2	63,4	50,2
Gabon							
- Cocoa	0,5	0,5	0,6	0,6	0,7	0,9	15,0
- Coffee	0,2	0,2	0,3	0,3	0,3	0,4	15,0
- Rubber	47,0	46,5	36,9	30,8	14,9	14,2	- 4,7
Equatorial Guinea							
- Cocoa	0,9	0,5	0,7	0,7	0,6	0,7	15,3
- Coffee	0,0	0,0	0,0	0,0	0,0	0,0	
Chad							
- Cotton seed	81,9	88,0	88,0	134,6	159,9	35,0	- 78,1
- Arabic gum	25,4	31,3	45,5	47,0	50,0	53,2	6,4
The whole CEMAC							
- Cocoa	176,7	195,5	195,6	268,5	266,9	225,0	- 15,7
- Coffee	46,0	24,0	37,7	39,0	40,8	32,7	- 19,9
- Cotton seed	158,1	179,5	178,8	253,7	261,3	136,9	- 47,6
- Banana	158,1	179,5	178,8	253,7	261,3	136,9	- 47,6
- Rubber	89,9	100,6	94,1	79,7	57,2	57,5	0,5
- Sugar	46,3	71,1	65,6	61,9	42,2	63,4	
- Tobacco	166,0	83,0	78,9	90,0	102,8	117,4	14,2
- Arabic gum	25,4	31,3	45,5	47,0	50,0	53,2	6,4

Sources: National Administrations and BEAC

B27. Tropical timber production and export

	2012	2013	2014	2015	2016 (1)	2017 (2)	Variations en% (2)/(1)
CAMEROON							
VARIOUS TIMBER							
Log production (thous'ds of m ³)	2 316,0	2 351,0	2 747,0	2 851,0	2 746,5	2 793,2	1,7
Export (thous'ds of tonnes)	518,7	617,8	803,1	911,5	807,0	1 018,0	26,1
CENTRAL AFRICAN REPUBLIC							
VARIOUS TIMBER(thous'ds of m³)							
Production	474,0	380,0	263,4	348,7	433,8	551,1	27,0
Logs	418,0	340,2	237,5	315,2	396,2	525,5	32,6
Sawn timber	56,1	39,7	25,9	33,6	37,6	25,5	- 32,0
Exports	200,0	143,2	141,1	153,1	220,5	317,2	43,9
Logs	160,0	115,2	114,0	125,4	191,4	293,4	53,3
Sawn timber	40,0	28,1	27,2	27,6	29,1	23,8	- 18,3
CONGO							
Tropical timber and semi Production	1 808,1	1 603,4	1 944,4	1 991,2	2 033,3	1 768,9	- 13,0
(thous'ds of m ³)	1 528,8	1 369,7	1 613,8	1 602,6	1 581,7	1 394,5	- 11,8
Logs	279,3	233,8	330,6	388,6	451,7	374,3	- 17,1
Sawn timber							
Exports (in thousands m ³)	1 006,9	898,0	1 067,9	1 060,5	896,9	1 171,2	30,6
Logs	738,1	661,3	790,0	702,9	664,9	936,1	40,8
Sawn timber	268,7	236,7	277,9	357,6	232,0	235,1	1,3
GABON							
OKOUME and various timber							
Production (in thousands m ³)	1,9	1,8	1,8	2,1	2,3	2,4	6,9
Logs	1,6	1,6	0,8	1,5	1,6	1,6	- 0,2
Lumber	0,3	0,3	1,0	0,6	0,7	0,8	23,7
Exports (in thous'ds m3)	1,4	1,4	1,9	1,7	1,9	2,0	8,4
Logs	0,0	0,0	0,0	0,0	0,0	0,0	
Sawn timber	1,4	1,4	1,9	1,7	1,9	2,0	8,4
EQUATORIAL GUINEA							
OKOUME and various timber							
Production (in thous'ds m ³)	322,0	310,6	504,3	587,6	661,5	535,4	- 19,1
Grumes	301,3	291,0	455,8	561,4	652,2	527,2	- 19,2
Bois débités	20,7	19,6	48,5	26,2	9,3	8,3	- 11,4
Exportations (en milliers de m ³)	301,3	291,0	320,6	394,8	645,7	659,3	2,1

Sources: National Administrations and BEAC

B28. Limits of advances to Public Treasuries, refinancing targets and utilization

(The situation at the end of the period, in CFAF million)

COUNTRIES	2017									
	2016		2017							
	December		December	March		June		September		December
	Limits & refinancing targets at 31/12/16	Utilization at 31/12/16	Limits & refinancing targets at 31/03/2017	Utilization at 31/03/2017	Limits & refinancing targets at 30/06/2017	Utilization at 30/06/2017	Limits & refinancing targets at 30/09/2017	Utilization at 30/09/2017	Limits & refinancing targets at 31/12/2017 (a)	Utilization at 31/12/2017 (b)
										Utilization rate at 31/12/17 (b) / (a) in %
A - Cameroon										
1 - Treasury	576 898	138 000	576 898	90 000	576 898	60 000	576 898	60 000	576 898	138 000
2 - Banks	200 000	192 857	200 000	20 356	200 000	53 008	200 000	69 033	200 000	82 648
										23,92% 41,32%
B - Central African Republic										
1 - Treasury	18 489	18 489	18 489	16 640	18 489	16 640	18 489	16 640	18 489	18 489
2 - Banks	50 000	1 000	50 000	1 142	50 000	1 683	50 000	1 217	20 000	0
										100,00% 0,00%
C - Congo										
1 - Treasury	561 414	572 000	561 414	350 000	561 414	443 000	561 414	572 000	561 414	572 000
2 - Banks	30 000	36 147	30 000	42 043	30 000	38 660	30 000	38 660	30 000	36 147
3 - BDEAC	150 000	89 515	150 000	0	150 000	0	150 000	0	150 000	0
										101,89% 120,49% 0,00%
D - Gabon										
1 - Treasury	452 835	452 500	452 835	277 500	452 835	298 500	452 835	333 500	452 835	452 500
2 - Banks	80 000	80 000	80 000	4 258	80 000	11 086	80 000	17 922	80 000	33 556
										99,93% 41,95%
E - Equatorial Guinea										
1 - Treasury	610 357	516 680	610 357	415 535	610 357	415 535	610 357	516 680	610 357	516 680
2 - Banks	240 000	147 500	240 000	60 000	192 000	90 000	192 000	61 667	192 000	87 097
										84,65% 45,36%
F - Chad										
1 - Treasury	279 970	282 262	279 970	187 805	279 970	187 805	279 970	279 970	279 970	282 262
2 - Banks	300 000	225 764	300 000	23 803	240 000	52 776	240 000	63 500	240 000	41 387
										100,82% 17,24%
THE WHOLE CEMAC										
1-Treasury	2 499 963	1 979 931	2 499 963	1 337 480	2 499 963	1 421 480	2 499 963	1 778 790	2 499 963	1 979 931
2-Banks	900 000	683 268	900 000	151 602	792 000	247 213	792 000	251 999	762 000	280 835
3 - BDEAC	150 000	89 515	150 000	0	150 000	0	150 000	0	150 000	0
										79,20% 36,85% 0,00%

B29. Evolution of the currency external coverage ratio

	Cameroon	Central African Republic	Congo	Gabon	Equatorial Guinea	Chad	CEMAC
2012	93,97	70,22	101,23	89,51	100,88	72,17	98,42
2013	93,90	72,19	101,10	90,02	100,69	72,95	97,87
2014	93,08	78,72	88,92	89,08	80,63	73,18	89,77
2015							
March	89,51	79,53	86,45	87,73	73,17	65,71	86,40
June	88,91	75,91	82,64	87,64	69,62	58,07	84,67
September	87,31	78,13	74,67	86,93	65,51	37,27	79,02
December	86,83	76,84	71,17	75,50	55,87	32,50	77,23
2016							
March	84,28	81,19	70,51	73,68	52,01	12,69	72,14
June	81,80	77,55	65,05	72,17	46,17	5,62	68,39
September	77,19	77,96	51,73	67,01	30,93	5,44	62,71
December	73,62	80,24	43,87	55,70	8,38	5,31	59,10
2017							
January	72,65	81,24	37,47	53,44	8,03	5,52	58,17
February	71,97	81,00	40,13	51,89	1,86	5,66	56,91
March	71,11	81,03	39,11	54,07	7,99	5,61	56,20
April	71,64	80,40	33,25	52,65	7,44	5,56	55,67
May	70,72	80,82	30,31	50,66	7,21	5,45	55,06
June	70,01	81,86	26,76	50,33	8,89	5,32	53,90
July	73,28	82,56	32,68	49,24	6,86	5,33	56,07
August	75,13	82,24	29,08	53,31	15,61	5,30	58,59
September	76,42	81,35	26,62	53,88	15,65	5,27	58,96
October	75,41	80,84	20,50	54,85	7,03	5,43	57,41
November	69,79	81,27	18,30	53,06	6,63	5,18	54,65
December	70,97	83,24	27,57	58,84	7,12	5,17	57,46

Source: BEAC

**B30.a. DEVELOPMENT OF BEAC'S LENDING TO CREDIT INSTITUTIONS AND OF BANKS' AND CCP'S
MONEY MARKET INVESTMENTS**
(Monthly averages in millions of CFAF)

PAYS	INTERVENTIONS IN FAVOUR OF CREDIT INSTITUTIONS (Money Market - Level 2)							Deposits of Banks & CCPs with BEAC (Negative tenders)
	FIRST COMPARTMENT					SECOND COMPARTI- MENT	GRAND TOTAL OF INTERVEN- TIONS	VOLUME OF INTERBANK TRANSACTIONS (ACTUAL TRANSACTION AMOUNTS)
	7-day tenders	2 to 7 days repurchase	Periodic intervention (PI)	Advances at penalty rate	TOTAL	Irrevocable M.T. credits		

1- Cameroon

DEC. 16	171 623	3	0	0	171 626	0	0	171 626	0
JAN. 17	186 784	29	0	0	186 812	0	0	186 812	5 000
FEB. 17	183 108	38	0	0	183 146	0	0	183 146	12 500
MARCH 17	192 653	76	0	0	192 729	0	0	192 729	5 300
42 826	192 428	96	0	0	192 524	0	0	192 524	13 409
42 856	189 856	74	0	0	189 930	0	0	189 930	61 409
42 887	189 137	432	0	0	189 569	0	0	189 569	27 759
42 917	188 786	100	0	0	188 887	0	0	188 887	32 670
AUGUST 17	165 463	85	0	0	165 548	0	0	165 548	7 000
SEPT. 17	119 978	5	0	0	119 982	0	0	119 982	7 000
OCT. 17	105 154	0	0	0	105 154	0	0	105 154	5 900
NOV. 17	121 836	0	0	0	121 836	0	0	121 836	3 500
DEC. 17	112 662	0	0	0	112 662	0	0	112 662	9 800

2- Central African Republic

DEC. 16	226	0	0	0	226	0	0	226	1 000
JAN. 17	113	0	0	0	113	0	0	113	0
FEB. 17	0	0	0	0	0	0	0	0	0
MARCH 17	0	0	0	0	0	0	0	0	0
42 826	0	0	0	0	0	681	0	681	0
42 856	0	0	0	0	0	662	0	662	0
42 887	0	0	0	0	0	644	0	644	0
42 917	65	0	0	0	65	625	0	690	0
AUGUST 17	106	0	0	0	106	625	0	731	0
SEPT. 17	106	0	0	0	106	625	0	731	500
OCT. 17	106	0	0	0	106	587	0	693	0
NOV. 17	106	0	0	0	106	568	0	674	0
DEC. 17	106	0	0	0	106	549	0	655	0

3- CONGO

DEC. 16	14 032	0	0	0	14 032	46 016	0	60 048	0
JAN. 17	25 468	0	0	0	25 468	69 893	0	95 361	0
FEB. 17	29 929	289	0	0	30 218	72 920	0	103 138	0
MARCH 17	28 656	5 850	0	0	34 506	72 920	0	107 426	2 000
42 826	24 573	5 850	0	500	30 923	72 595	0	103 518	1 000
42 856	24 150	5 850	0	500	30 500	72 378	0	102 878	1 000
42 887	24 150	5 850	0	0	30 000	67 604	0	97 604	0
42 917	24 150	5 850	0	0	30 000	67 096	0	97 096	0
AUGUST 17	24 150	5 850	0	0	30 000	66 425	0	96 425	17 000
SEPT. 17	24 150	5 850	0	0	30 000	66 425	0	96 425	5 000
OCT. 17	24 150	5 850	0	0	30 000	65 425	0	95 425	0
NOV. 17	24 150	5 850	0	0	30 000	65 541	0	95 541	0
DEC. 17	24 150	5 850	0	0	30 000	61 651	0	91 651	0

Economic, monetary and financial appendices

**B30.b. DEVELOPMENT OF BEAC'S LENDING TO CREDIT INSTITUTIONS AND OF BANKS' AND CCP'S
MONEY MARKET INVESTMENTS (CONTINUED)**
(Monthly averages in millions of CFAF)

INTERVENTIONS IN FAVOUR OF CREDIT INSTITUTIONS (Money Market - Level 2))										Deposits of Banks & CCPs with BEAC (Negative tenders)
COUNTRIES	GUICHET "A"					SECOND COMPART- MENT	GRAND TOTAL OF INTERVENTIONS	VOLUME OF INTERBANK TRANSACTIONS (ACTUAL TRANSACTION AMOUNTS)		
	7-day tenders	2 to 7 days repurchase	Periodic intervention (PI)	Advances at penalty rate	TOTAL	Irrevocable M.T. credits				

4- GABON

DEC. 16	67 787	0	0	0	67 787	0	0	67 787	0
JAN. 17	69 885	645	0	0	70 530	0	0	70 530	7 700
FEB. 17	68 695	2 393	0	0	71 088	0	0	71 088	0
MARCH 17	78 508	1 121	0	0	79 629	0	0	79 629	0
42 826	76 975	167	0	0	77 142	0	0	77 142	2 000
42 856	78 804	167	0	0	78 970	0	0	78 970	3 500
42 887	79 109	0	0	0	79 109	0	0	79 109	0
42 917	79 799	0	0	0	79 799	0	0	79 799	2 000
AUGUST 17	73 988	0	0	0	73 988	0	0	73 988	7 000
SEPT. 17	64 524	100	0	0	64 624	0	0	64 624	0
OCT. 17	50 924	0	0	0	50 924	0	0	50 924	0
NOV. 17	48 197	0	0	0	48 197	0	0	48 197	1 169
DEC. 17	49 968	0	0	0	49 968	0	0	49 968	700

5- EQUATORIAL GUINEA

DEC. 16	139 532	0	0	0	139 532	0	0	139 532	0
JAN. 17	74 081	0	11 548	0	85 629	0	0	85 629	0
FEB. 17	89 036	0	2 214	0	91 250	0	0	91 250	0
MARCH 17	105 468	0	0	0	105 468	0	0	105 468	0
42 826	110 800	0	0	0	110 800	0	0	110 800	0
42 856	126 887	0	0	0	126 887	0	0	126 887	5 000
42 887	129 500	0	0	0	129 500	0	0	129 500	0
42 917	131 887	0	0	0	131 887	0	0	131 887	0
AUGUST 17	130 677	0	0	0	130 677	0	0	130 677	15 000
SEPT. 17	81 667	0	0	0	81 667	0	0	81 667	18 000
OCT. 17	81 258	0	0	0	81 258	0	0	81 258	2 000
NOV. 17	106 867	0	0	0	106 867	0	0	106 867	4 000
DEC. 17	117 006	0	0	0	117 006	0	0	117 006	0

6- Chad

DEC. 16	183 799	683	13 795	8 558	206 835	0	0	206 835	0
JAN. 17	174 063	1 123	0	15 073	190 259	0	0	190 259	0
FEB. 17	177 198	380	0	14 957	192 536	0	0	192 536	0
MARCH 17	152 862	0	0	35 869	188 731	0	0	188 731	0
42 826	106 092	0	0	84 966	191 058	0	0	191 058	0
42 856	95 628	0	0	94 896	190 524	0	0	190 524	500
42 887	78 977	0	0	112 785	191 762	0	0	191 762	0
42 917	27 851	677	0	156 132	184 661	0	0	184 661	0
AUGUST 17	25 686	97	0	156 926	182 709	0	0	182 709	0
SEPT. 17	28 280	0	0	156 853	185 133	0	0	185 133	0
OCT. 17	30 425	0	0	155 829	186 254	0	0	186 254	0
NOV. 17	32 519	0	0	155 636	188 155	0	8 100	196 255	0
DEC. 17	32 568	0	0	154 270	186 838	0	11 000	197 838	0

7- CEMAC

DEC. 16	576 999	686	13 795	8 558	600 038	46 016	0	646 054	1 000
JAN. 17	530 393	1 796	11 548	15 073	558 811	69 893	0	628 705	12 700
FEB. 17	547 966	3 101	2 214	14 957	568 237	72 920	0	641 157	12 500
MARCH 17	558 147	7 047	0	35 869	601 063	72 920	0	673 983	7 300
42 826	510 869	6 113	0	85 466	602 447	73 276	0	675 723	16 409
42 856	515 325	6 091	0	95 396	616 812	73 040	0	689 852	71 409
42 887	500 873	6 282	0	112 785	619 940	68 248	0	688 188	27 759
42 917	452 538	6 628	0	156 132	615 298	67 721	0	683 019	34 670
AUGUST 17	420 070	6 032	0	156 926	583 028	67 050	0	650 078	46 000
SEPT. 17	318 704	5 955	0	156 853	481 511	67 050	0	548 561	30 500
OCT. 17	292 016	5 850	0	155 829	453 695	66 012	0	519 707	7 900
NOV. 17	333 674	5 850	0	155 636	495 160	66 109	8 100	569 369	8 669
DEC. 17	336 460	5 850	0	154 270	496 580	62 200	11 000	569 780	10 500

B31.EVOLUTION OF BEAC INTEREST RATES AND BANKING CONDITIONS

HEADINGS	18.12.08	02.07.09	29.07.10	01.11.11	19.12.11	30.07.12	22.07.13	01.11.13	18.12.13	09.07.14	10.07.15	27.03.17	11.07.17
	25.03.09	28.07.10	31.10.11	18.12.11	29.07.12	21.07.13	31.10.13	17.12.13	08.07.14	09.07.15	26.03.17	10.07.17	Au
TREASURY OPERATIONS (Off- market)													
Rate on advances to Treasuries	4,504,75	4,25	4,00	4,00	4,00	4,00	3,50	3,25	3,25	2,95	2,45	2,95	2,95
Penalty rate to Treasuries	10,0010,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	7,00
Interest Rates on Public Investments (TISP)													
* Interest Rate on Public Investment under the Future Generations Reserve Fund (TISPPo)	1,902,20	1,25	1,25	1,50	1,25	1,00	0,75	0,75	0,50	0,40	0,40	0,40	0,40
* Interest Rate on Public Investment under the Fiscal Revenue Stabilization Mechanism (TISPP1)	0,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
* Interest Rate on Public Investment under special deposits (TISPP2)	1,702,00	1,05	0,85	1,10	0,85	0,60	0,35	0,35	0,10	0,05	0,05	0,05	0,05
Interest rate on public investment when the State concerned has recourse to advances from BEAC	0,000,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
recourt aux avances de la BEAC	1,101,40	0,85	0,60	0,85	0,60	0,35	0,10	0,10	0,00	0,00	0,00	0,00	0,00
	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted
II - MONEY MARKET													
A- Liquidity injections 1- Window "A"													
. Tender rates (TIAO)													
. Taux des appels d'offres (TIAO)	4,504,75	4,25	4,00	4,00	4,00	4,00	3,50	3,25	3,25	2,95	2,45	2,95	2,95
. Taux des prises en pension (TIPP)	6,256,50	6,00	5,75	5,75	5,75	5,75	5,25	5,00	5,00	4,70	4,20	4,70	4,70
. Repo rate TISPP	6,25-126,5-12	6,0-10,0	5,75-10,0	5,75-10,0	5,75-10,0	5,75-10,0	5,25-10,0	5,00-10,0	5,00-10,0	4,70-10,0	4,20-10,00	4,70-10,00	4,70-7,00
. Periodic intervention rates (TISIP)	4,504,75	4,25	4,00	4,00	4,00	4,00	3,50	3,25	3,25	2,95	2,45	2,45	2,45
. Rate of Extraord.Adva. on Invest.cert. (TACP)*	12,0012,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	10,00	7,00
. Penalty rate to banks (TPB)													
2- Window "B"													
. Rates on new productive invest. Credits **	5,255,25	4,25	4,25	4,00	4,00	4,00	4,00	4,00	3,25	3,25	3,25	3,25	3,25
B-Liquidity drainage (Negative tenders) (Appels d'offres négatifs)													
. Interest rate on 7-day investment "TISP"	1,00001,3000	0,8500	0,6000	0,6000	0,6000	0,3500	0,1000	0,1000	0,0000	0,0000	0,0000	0,0000	0,0000
. Interest rate on 28-day investment "TISP"	1,06251,3625	0,9125	0,6625	0,6625	0,6625	0,4125	0,1625	0,1625	0,0625	0,0625	0,0625	0,0625	0,0625
. Interest rate on 84-day investment "TISP"	1,12501,4250	0,9750	0,7250	0,7250	0,7250	0,4750	0,2250	0,2250	0,1250	0,1250	0,1250	0,1250	0,1250
- Free, with 2 terminals:													
1. Maximum borrowing rate (MBR)	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted	Deleted
2. Minimum loan rate (MLR)	3,25	3,25	3,25	3,25	3,25	3,25	3,25	2,75	2,75	2,45	2,45	2,45	2,45

* The rate of exceptional advances guaranteed by the surrender of the Investment Certificates is equal to the TIAO.

**The rate applicable on new credits is the TIAO in force when implementing the credit (initial TIAO). It can be revised downwards as well as upwards (Weighted TIAO) without exceeding the initial TIAO.

The weighted TIAO for the first quarter of 2016 is 2.50%.

Economic, monetary and financial appendices

B32. EVOLUTION DES COEFFICIENTS ET DU TAUX DE RÉMUNÉRATION DES RÉSERVES OBLIGATOIRES (1)
(In percentage)

RUBRIQUES	01.09.01	31.12.01	01.08.02	12.12.02	11.03.03	01.07.04	20.01.05	03.03.06	13.03.07	20.03.08	03.07.08	18.12.08	26.03.09	02.07.09
	30.12.01	31.07.02	11.12.02	10.03.03	30.06.04	19.01.05	02.03.06	12.03.07	19.03.08	02.07.08	17.12.08	25.03.09	01.07.09	au.....
I - COEFFICIENTS DES RESERVES OBLIGATOIRES (2)														
- Groupe I: Pays à situation de liquidité abondante* (Equatorial Guinea)														
1. Coefficient applicable sur les dépôts à vue (DAV)	-	-	-	-	-	-	7,75	10,00	12,50	14,00	14,00	14,00	14,00	14,00
2. Coefficient applicable sur les dépôts à terme (DAT)	-	-	-	-	-	-	5,75	7,00	9,50	10,50	10,50	10,50	10,50	10,50
- Groupe II: Pays à situation de liquidité satisfaisante (Cameroon, Congo et Gabon)														
1. Coefficient applicable sur les dépôts à vue (DAV)	1,00	2,50	3,50	6,00	7,75	7,75	7,75	7,75	10,25	11,75	11,75	11,75	11,75	11,75
2. Coefficient applicable sur les dépôts à terme (DAT)	0,50	1,50	2,50	4,00	5,75	5,75	5,75	5,75	8,25	9,25	9,25	9,25	9,25	9,25
- Groupe III: Pays à situation de liquidité fragile (Chad)														
1. Coefficient applicable sur les dépôts à vue (DAV)	-	-	2,00	3,00	5,00	5,00	5,00	5,00	7,50	9,00	9,00	9,00	7,75	7,75
2. Coefficient applicable sur les dépôts à terme (DAT)	-	-	1,00	1,75	3,00	3,00	3,00	3,00	5,50	6,50	6,50	6,50	5,25	5,25
II - TAUX DE REMUNERATION DES RESERVES OBLIGATOIRES	1,20	1,10	1,10	0,80	0,70	0,55	0,40	0,30	0,35	0,35	0,50	0,15	0,10	0,05

(1) A compter du 03/03/2006, aux fins du calcul des réserves obligatoires, les pays de la CEMAC ont été séparés de deux à trois groupes en fonction de leur situation de liquidité. Le Gouverneur a décidé, le 22 May2003, d'exempter les Banks de la RCA de la constitution des réserves obligatoires.

(2) A titre d'information, le coefficient des réserves obligatoires applicable aux Banks de l'UEMOA a été uniformisé depuis le 16 December 2010 et s'établit à 7%.

(3) Les Banks du Congo appartiennent désormais au Groupe I depuis le 03 July 2008 (Décision N° 02/CPM/2008)

B32. EVOLUTION OF DRAWINGS FROM BANKS AND PUBLIC ACCOUNTANTS
(Cumulation from 1st January to 31st December)

STATES	TOTAL OF				In CFAF	
	BANKNOTES	COINS	BANKNOTES AND COINS	CHANGES		
	2016	2017	2016	2017	2016	2017
CAMEROON	1 957 322 306 000	2 396 184 569 000	584 045 355	245 161 000	1 957 906 351 355	2 396 429 730 000
						22,4%
CENTRAL AFRICAN REPUBLIC	140 465 130 000	202 051 721 500	112 818 286	26 223 563	140 577 948 286	202 077 945 063
						43,7%
CONGO	1 342 076 076 000	1 431 407 439 500	48 124 536	79 308 025	1 342 124 200 536	1 431 486 747 525
						6,7%
GABON	814 987 601 000	833 641 075 000	72 345 000	46 520 000	815 059 946 000	833 687 595 000
						2,3%
EQUATORIAL GUINEA	292 250 500 000	428 323 960 000	45 500 000	163 040 000	292 296 000 000	428 487 000 000
						46,6%
CHAD	616 790 052 000	527 746 170 000	184 473 530	325 252 040	616 974 525 530	528 071 422 040
						- 14,4%
ISSUING ZONE	5 163 891 665 000	5 819 354 935 000	1 047 306 707	885 504 628	5 164 938 971 707	5 820 240 439 628
						12,7%

B33. MONEY IN CIRCULATION IN THE STATES OF THE ZONE PER MONTH
(Financial year 2017)

in CFAF

MONTH / STATES	CAMEROON	CENTRAL AFRICAN REPUBLIC	CONGO	GABON	GUINEE EQUATORIALE	CHAD	TOTAL OF THE ZONE
January	1 005 221 692 304	149 896 966 383	529 505 369 888	424 543 384 979	191 407 327 432	423 692 458 302	2 724 267 199 288
February	1 003 913 452 606	154 901 185 813	529 654 783 453	425 212 004 177	189 235 940 327	416 889 329 575	2 719 806 695 950
March	1 002 605 212 908	159 905 405 242	529 804 197 018	425 880 623 375	187 064 553 221	410 086 200 848	2 715 346 192 612
April	1 004 686 840 582	154 895 437 320	510 435 353 529	430 199 943 722	185 181 070 701	431 362 447 726	2 716 761 093 580
May	978 050 472 406	164 471 410 420	511 835 336 455	415 996 067 649	181 127 926 108	427 654 148 991	2 679 135 362 029
June	975 728 315 095	157 943 334 094	510 910 324 344	411 904 938 637	175 776 250 556	428 072 024 970	2 660 335 187 696
July	977 193 521 224	161 273 620 994	516 217 208 573	457 492 157 830	120 633 403 269	413 163 350 645	2 645 973 262 535
August	1 016 479 021 406	161 409 947 553	502 933 616 716	404 474 812 298	211 003 431 575	420 084 626 931	2 716 385 456 479
September	1 000 318 685 385	161 926 201 741	482 779 402 522	396 837 356 068	181 567 893 631	426 411 430 524	2 649 840 969 871
October	992 575 709 278	157 638 168 594	464 058 169 936	387 794 840 418	185 546 670 018	415 597 768 773	2 603 211 327 017
November	1 045 726 103 591	161 284 596 855	452 409 445 483	387 752 072 398	185 978 469 271	416 577 271 818	2 649 727 959 416
December	1 133 582 481 610	172 014 872 766	507 575 308 408	418 594 218 030	202 750 005 917	428 729 847 075	2 863 246 733 806
Grand total	12 136 081 508 395	1 917 561 147 775	6 048 118 516 325	4 986 682 419 581	2 197 272 942 026	5 058 320 906 178	32 344 037 440 279
Average circulation	1 011 340 125 700	159 796 762 315	504 009 876 360	415 556 868 298	183 106 078 502	421 526 742 182	2 695 336 453 357
Each State's share	37,52%	5,93%	18,70%	15,42%	6,79%	15,64%	100,00%
Source: BEAC							

B34. CASH BALANCES PER MONTH OF CEMAC MEMBER STATES (issued and not issued)
(Financial year 2017)

MONTH / STATES	CAMEROON	CENTRAL AFRICAN REPUBLIC	CONGO	GABON	EQUATORIAL GUINEA	Chad	TOTAL ZONE
January	1 721 420 573 914	316 986 786 177	1 094 563 243 200	1 998 982 446 520	986 130 912 885	1 034 988 206 803	7 153 072 169 499
February	1 624 507 123 566	287 566 274 160	1 099 139 934 242	2 007 404 125 997	1 025 186 787 834	1 043 903 933 867	7 087 708 179 666
March	1 581 012 585 551	271 665 427 391	1 099 888 671 460	1 978 466 197 801	1 041 108 116 928	1 046 957 609 084	7 019 098 608 215
April	1 600 546 066 490	266 741 503 772	1 065 054 459 374	1 884 009 770 148	1 035 233 298 540	1 033 352 741 038	6 884 937 839 362
May	1 595 723 281 955	297 126 221 719	1 068 792 588 365	1 791 930 849 325	1 030 688 098 348	1 035 530 874 285	6 819 791 913 997
June	1 574 350 312 314	305 429 337 383	980 090 994 785	1 798 628 665 361	1 074 316 138 825	1 034 405 537 543	6 767 220 986 211
July	1 499 099 245 473	319 362 806 648	853 992 088 117	1 799 260 336 963	1 068 415 879 367	1 046 624 558 832	6 586 754 915 400
August	1 407 173 210 771	288 323 469 483	875 856 527 711	1 794 637 335 389	1 098 317 285 349	1 056 953 594 211	6 521 261 422 914
September	1 423 287 717 487	279 773 699 205	896 677 558 790	1 797 425 962 121	1 089 393 515 381	1 071 952 291 387	6 558 510 744 371
October	1 500 441 065 588	270 308 000 495	910 707 610 196	1 800 341 495 069	1 092 946 397 899	1 069 704 673 062	6 644 449 242 309
November	1 752 134 196 889	259 214 206 004	921 734 809 886	1 803 649 839 598	1 076 337 074 196	1 413 345 148 193	7 226 415 274 766
December	1 373 898 754 826	243 004 762 219	869 368 832 604	1 649 653 112 433	1 047 433 481 013	1 403 670 343 960	6 587 029 287 055
Grand total	18 653 594 134 824	3 405 502 494 656	11 735 867 318 730 22	104 390 136 725	12 665 506 986 565	13 291 389 512 265	81 856 250 583 765
Average level of cash	1 554 466 177 902	283 791 874 555	977 988 943 228	1 842 032 511 394	1 055 458 915 547	1 107 615 792 689	6 821 354 215 314
Each state's share	22,79%	4,16%	14,34%	27,00%	15,47%	16,24%	100,00%
Source: BEAC							

B35. BANKNOTES OF THE ISSUING ZONE EXPORTED OUTSIDE THEIR TERRITORY OF ORIGIN
(Situation of stocks as at 31st December)

(in millions of CFAF)

STATES	Cameroon Notes		CAR Notes		Congo Notes		Gabon Notes		Eq. Guinea Notes		Chad Notes		Total Notes exported		
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	
CAMEROON	0,0	0,0	69 596,0	32 968,5	41 055,0	36 570,5	111 173,0	75 224,0	158 371,00	82 076,50	53 264,0	16 464,0	433 459,0	243 303,5	81,02%
CAR	2 223,5	871,0	0,0	0,0	525,5	208,0	363,0	65,5	585,50	70,5	239,0	74,5	3 936,5	1 289,5	0,43%
CONGO	2 893,5	6 042,0	5 504,0	2 587,5	0,0	0,0	10 292,5	2 514,0	1 470,50	2 067,5	549,5	717,0	20 710,0	13 928,0	4,64%
GABON	7 569,0	1 077,5	1 369,0	235,0	2 077,0	1 800,0	0,0	0,0	14 924,50	2 005,0	982,0	245,0	26 921,5	5 362,5	1,79%
EQUATORIAL GUINEA	3 881,5	4 095,0	105,0	253,0	375,5	698,5	3 943,5	4 198,0	0,00	0,0	200,0	363,5	8 505,5	9 608,0	3,20%
CHAD	6 660,0	8 418,5	2 894,0	9 612,5	3 246,5	3 690,0	1 385,0	3 205,5	1 683,00	1 892,5	0,0	0,0	15 868,5	26 819,0	8,93%
ZONE TOTAL	23 227,5	20 504,0	79 468,0	45 656,5	47 279,5	42 967,0	127 157,0	85 207,0	177 034,5	88 112,000	55 234,5	17 864,0	509 401,0	300 310,500	100,00%

Source: BEAC

Source: BEAC

B36. EVOLUTION OF THE AVERAGE LEVEL OF CASH AND MONEY IN CIRCULATION
(Year 2011 to 2017)

(in millions of CFAF)

STATES	Year 2011		Year 2012		Year 2013		Year 2014		Year 2015		Year 2016		Year 2017	
	Cash	Circulation	Cash	Circulation	Cash	Circulation	Cash	Circulation	Cash	Circulation	Cash	Circulation	Cash	Circulation
CAMEROON	1 628 791	580 795	1 895 304	612 340	1 973 691	629 200	2 253 824	665 106	2 718 272	767 253	2 237 627	905 193	1 554 466	1 011 340
CAR	321 831	109 501	244 693	108 874	245 125	115 820	439 786	132 318	269 136	143 286	346 214	147 088	283 792	159 797
CONGO	1 009 625	495 279	1 213 177	587 559	1 246 721	630 961	1 653 500	674 748	1 464 401	688 259	1 146 764	604 766	977 989	504 010
GABON	448 025	351 457	789 762	393 592	832 849	415 928	1 739 190	444 895	1 861 574	441 224	1 921 995	434 535	1 842 033	415 557
EQUATORIAL GUINEA	170 312	209 471	472 942	247 423	480 758	278 021	769 926	299 418	831 425	279 771	903 416	221 953	1 055 459	183 106
CHAD	706 445	383 026	984 745	400 750	1 020 672	430 702	1 345 903	508 566	1 544 424	533 549	954 373	448 812	1 107 616	421 527
ZONE TOTAL	4 285 029	2 129 529	5 600 623	2 350 538	5 799 816	2 500 632	8 202 129	2 725 051	8 689 232	2 853 342	7 510 390	2 762 347	6 821 354	2 695 336

Source: BEAC

B37. COMPARED EVOLUTION OF CASH BALANCES (*) / AVERAGE LEVEL OF MONEY IN CIRCULATION
(As at 31st December)

(in millions of CFAF)

ETATS	Year 2015			Year 2016			Year 2017		
	Cash	Circulation	%	Cash	Circulation	%	Cash	Circulation	%
CAMEROON	2 718 272	767 253	354,29%	2 237 627	905 193	247,20%	1 554 466	1 011 340	153,70%
CENTRAL AFRICAN REPUBLIC	269 136	143 286	187,83%	346 214	147 088	235,38%	283 792	159 797	177,60%
CONGO	1 464 401	688 259	212,77%	1 146 764	604 766	189,62%	977 989	504 010	194,04%
GABON	1 861 574	441 224	421,91%	1 921 995	434 535	442,31%	1 842 033	415 557	443,27%
EQUATORIAL GUINEA	831 425	279 771	297,18%	903 416	221 953	407,03%	1 055 459	183 106	576,42%
CHAD	1 544 424	533 549	289,46%	954 373	448 812	212,64%	1 107 616	421 527	262,76%
ZONE TOTAL	8 689 232	2 853 342	304,53%	7 510 390	2 762 347	271,88%	6 821 354	2 695 336	253,08%

(*) Bank notes and coins issued

Source: BEAC

B38.STOCK OF BANK NOTES AND COINS DESTROYED

In number

Accumulated since 1st January 2016

Centres	10 000			5000			2000			1 000			500			Number De- nominations (AG Value)	TOTAL	Total 1992	Total 2002	Grand total						
	Prev. Ga.	1992	2002	Prev. Ga.	1992	2002	Prev. Ga.	1992	2002	Prev. Ga.	1992	2002	500													
Yaoundé	0	0	6 925 000	0	0	9 023 000	0	1 325 000	0	0	1 536 000	0	0	8 545 000	27 354 000	0	0	122 823 500 000	122 823 500 000							
Douala	0	97 000	18 352 000	0	56 000	13 769 000	40 000	3 907 000	0	61 000	6 713 000	0	70 000	7 796 000	50 861 000	0	1 426 000 000	270 790 000 000	272 216 000 000							
Garoua	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Nkongsamba	0	0	320 000	0	0	452 000	0	784 000	0	0	1 328 000	0	0	1 324 000	4 208 000	0	0	9 018 000 000	9 018 000 000							
Limbé	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Beloussam	0	0	15 353 000	0	0	12 012 000	0	17 131 000	0	0	12 672 000	0	0	12 733 000	0	0	266 890 500 000	266 890 500 000								
Cameroon	0	97 000	40 950 000	0	56 000	35 256 000	40 000	23 147 000	0	61 000	22 249 000	0	70 000	30 398 000	82 423 000	0	1 426 000 000	669 522 000 000	670 948 000 000							
Bangui	0	40 000	1 383 000	0	31 000	2 971 000	44 000	2 539 000	0	398 000	5 811 000	0	91 000	16 942 000	30 250 000	0	1 086 500 000	48 045 000 000	49 131 500 000							
Berbéati	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
CAR	0	40 000	1 383 000	0	31 000	2 971 000	44 000	2 539 000	0	398 000	5 811 000	0	91 000	16 942 000	30 250 000	0	1 086 500 000	48 045 000 000	49 131 500 000							
Brazzaville	0	0	18 062 000	0	19 280 000	0	0	5 738 000	0	0	4 254 000	0	0	10 443 000	57 777 000	0	96 400 000 000	201 571 500 000	297 971 500 000							
Pointe-Noire	0	45 000	19 356 000	0	168 000	21 069 000	12 000	4 367 000	0	23 000	7 016 000	0	12 000	5 556 000	57 624 000	0	1 343 000 000	317 433 000 000	318 776 000 000							
Congo	0	45 000	37 418 000	0	19 448 000	21 069 000	12 000	10 105 000	0	23 000	11 270 000	0	12 000	15 999 000	115 401 000	0	97 743 000 000	519 004 500 000	616 747 500 000							
Libreville	0	0	7 331 659	0	0	0	0	960 000	0	0	240 000	0	0	0	8 531 659	0	75 476 590 000	75 476 590 000	75 476 590 000							
Franceville	0	0	423 000	0	0	2 132 000	0	0	0	0	1 680 000	0	0	0	4 235 000	0	16 570 000 000	16 570 000 000	16 570 000 000							
Port-Gentil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Oyem	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Gabon	0	0	7 754 659	0	0	2 132 000	0	960 000	0	0	1 920 000	0	0	0	12 766 659	0	92 046 590 000	92 046 590 000	92 046 590 000							
Malabo	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Bata	0	53 205	219 000	16 695	0	727 000	0	916 000	0	6 000	1 868 000	0	0	684 000	4 489 900	83 475 000	538 050 000	9 867 000 000	10 488 525 000							
Equatorial Guinea	0	53 205	219 000	16 695	0	727 000	0	916 000	0	6 000	1 868 000	0	0	684 000	4 489 900	83 475 000	538 050 000	9 867 000 000	10 488 525 000							
Nijaména	0	0	22 394 000	0	0	12 000 000	0	14 087 000	0	0	7 678 000	0	0	6 160 000	62 319 000	0	322 872 000 000	322 872 000 000	322 872 000 000							
Moundou	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Sarh	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
Chad	0	0	22 394 000	0	0	12 000 000	0	14 087 000	0	0	7 678 000	0	0	6 160 000	62 319 000	0	322 872 000 000	322 872 000 000	322 872 000 000							
Zone Total	0	235 205	110 118 659	16 695	19 535 000	74 155 000	96 000	51 754 000	0	488 000	50 796 000	0	173 000	70 183 000	307 649 559	83 475 000	100 793 550 000	1 661 357 090 000	1 762 234 115 000							
STOCK OF COINS DESTROYED IN 2015																accumulated since 1 st January 2016										
CENTRES	500			100			50			25			10			5			2			1			Total Value	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value				
Bata	776	388 000	87	8 700	21	1 050	24	600	-	-	-	-	-	-	-	-	84 939	84 939	85 847	85 847	483 289	483 289				
Zone Total	776	388 000	87	8 700	21	1 050	24	600	-	-	-	-	-	-	-	-	84 939	84 939	85 847	85 847	483 289	483 289				

Source: BEAC

Economic, monetary and financial appendices

B39. SUMMARY OF THE DESTRUCTION OF WORN-OUT BANKNOTES

CENTRES	2 017		2 016		2 015		2 014		2 013	
	Nbr of Notes	Face value	Nbr of Notes	Face value	Nbr of Notes	Face value	Nbr of Notes	Face value	Nbr of Notes	Face value
Yaoundé	29 019 000	104 141 000 000	20 319 000	90 834 500 000			12704	86 390 500 000		
Douala	52 222 000	241 485 500 000	60 983 000	352 432 000 000			19187	118 983 000 000		
Garoua	54 382 000	236 538 000 000	66 335 000	309 159 500 000						
Nkongsamba	0	0					15 661	30 970 000 000		
Limbé	0	0	15 264 000	32 691 000 000			9 047	18 034 000 000		
Bafoussam	13 032 000	55 607 000 000	68 244 000	270 309 500 000						
Cameroon	148 655 000	637 771 500 000	231 145 000	1 055 426 500 000			56 599	254 377 500 000		
Bangui	25 714 000	60 773 000 000	17 667 000	59 843 000 000						
Berbérali	0									
CAR	25 714 000	60 773 000 000	17 667 000	59 843 000 000						
Brazzaville	27 076 000	198 540 000 000	43 576 000	233 360 000 000			37 970	222 597 500 000		
Pointe-Noire	0	0	25 472 000	131 755 000 000			27 000	98 376 500 000		
Ouessou	25 108 000	56 801 000 000								
Congo	52 184 000	255 341 000 000	69 048 000	365 115 000 000	0		64 970	320 974 000 000		
Libreville	48 947 000	345 775 000 000								
Franceville	4 320 000	4 320 000 000					4 800	33 600 000 000		
Port-Gentil	0	0	9 336 000	33 036 500 000						
Oyem	0	0								
Gabon	53 267 000	350 095 000 000	9 336 000	33 036 500 000			4 800	33 600 000 000		
Malabo	0	0	13 092 000	88 900 000 000			9 158	13 524 500 000		
Bata	6 000 000	20 688 000 000								
Eq. Guinea	6 000 000	20 688 000 000	13 092 000	88 900 000 000			9 158	13 524 500 000		
Ndjaména	0	0	92 253 000	575 241 500 000			61 192	454 022 000 000		
Moundou	0	0								
Sarh	0	0								
Chad	0	0	92 253 000	575 241 500 000			61 192	454 022 000 000		
Total	285 820 000	1 324 668 500 000	432 541 000	2 177 562 500 000	0	0	196 719	1 076 498 000 000	0	0

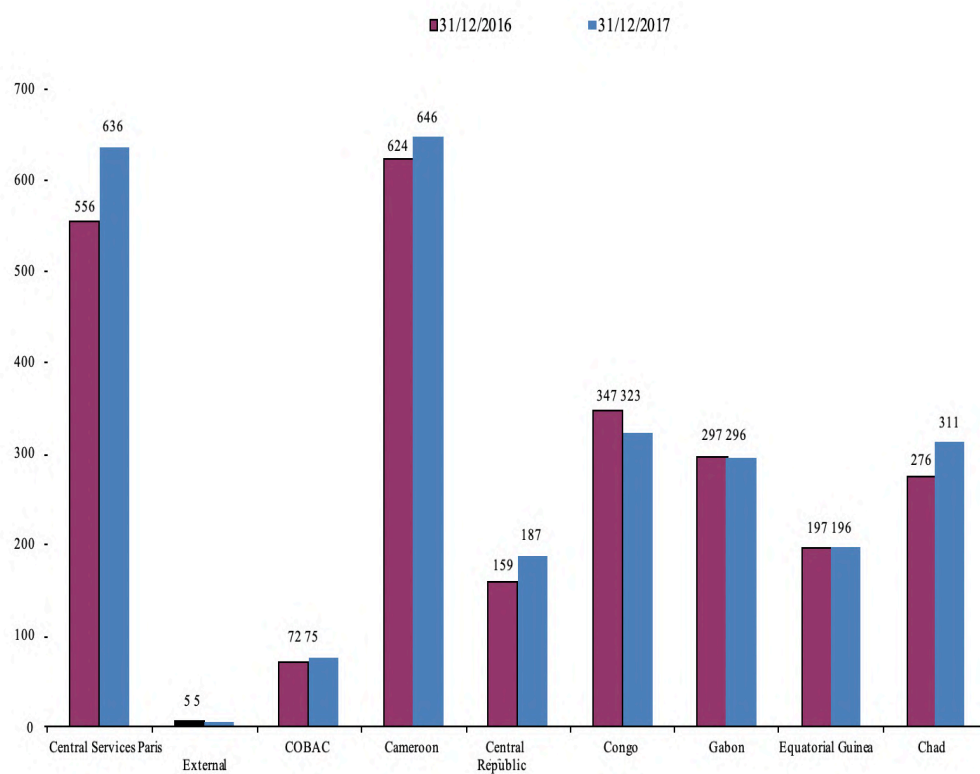
Source: BEAC

B40. BEAC'S STAFFING CHANGES PER COUNTRY OR CENTRE

Country or Centre	Number of personnel		Increase		Staffing distribution As at 31/12/2017		
	31/12/2016	31/12/2017	In Number	In%	En%	Including senior executives	
						In Number	In%
Central Services	556	636	80	14,4	23,8	190	7,1
Paris External Office	5	5	0	0,0	0,2	2	0,1
COBAC	72	75	3	4,2	2,8	48	1,8
Cameroon	624	646	22	3,5	24,1	40	1,5
Central African Republic	159	187	28	17,6	7,0	18	0,7
Congo	347	323	- 24	- 6,9	12,1	30	1,1
Gabon	297	296	- 1	- 0,3	11,1	26	1,0
Equatorial Guinea	197	196	- 1	- 0,5	7,3	27	1,0
Chad	276	311	35	12,7	11,6	23	0,9
Total	2 533	2 675	142	5,6	100	404	15,1

Source: BEAC

BEAC'S STAFFING STRUCTURE PER COUNTRY OR CENTRE



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