



## INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

### **Forty-Fourth Meeting October 14, 2021**

**IMFC Statement by Malangu Kabedi-Mbuyi  
Governor of Banque Centrale du Congo**

**Democratic Republic of the Congo**

On behalf of

Benin, Burkina Faso, Cameroon, Central African Republic, Chad,  
Union of the Comoros, Democratic Republic of the Congo,  
Republic of Congo, Côte d'Ivoire, Djibouti, Republic of Equatorial Guinea,  
Gabon, Guinea, Guinea-Bissau, Republic of Madagascar, Mali,  
Islamic Republic of Mauritania, Mauritius, Niger, Rwanda,  
Democratic Republic of São Tomé and Príncipe, Senegal, and Togo

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**Governor of Banque Centrale du Congo**  
**(Democratic Republic of Congo)**  
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**I. GLOBAL OUTLOOK AND POLICY PRIORITIES**

1. It is encouraging to note that the global economy is projected to recover further in 2021, driven by rapid vaccine rollout in advanced economies and continued accommodative fiscal and financial support worldwide. Over the medium-term, however, global growth is forecast to moderate despite improved economic prospects in advanced economies, as emerging markets and developing countries take longer to revert to their pre-pandemic growth paths, due to much lower vaccination rates and a more limited macroeconomic policy space.
2. As the divergence in growth prospects widens with the socio-economic damages caused by the pandemic being more severe in emerging markets and developing countries (EMDCs) than in advanced economies, there is a need to strengthen global cooperation to ease access to vaccines and financing, particularly in low-income and other vulnerable countries. In this context, we very much welcome the IMF's emergency assistance under the pandemic that helped member countries finance related expenses and cover debt obligations, as well as the recent SDR allocation that has provided much-needed liquidity, particularly for resource-constrained members. However, much more is needed as financing needs remain challenging for these countries.
3. While advanced economies are on their way to reach the 40 percent vaccination target by end-2021, EMDCs—and most acutely LICs—continue to fall behind. We call for continued global efforts to assist in the purchase and distribution of vaccines for low-income countries (LICs). We are convinced that, collectively, we should strive to ensure local production of vaccines, including in Africa, to help reduce hesitancy vis-à-vis vaccination and increase immunization rates, which are much needed to reduce the proliferation of virus variants and support the return to a sustained and broad-based economic recovery.
4. The recent buildup in inflationary pressures in many countries across the world, partly reflecting surging demands, requires the continued implementation of credible monetary and fiscal policies to help keep expectations well-anchored. Furthermore, as financial vulnerabilities remain elevated, supporting economic recovery while containing financial stability risks amid inflationary pressures has become a very delicate balancing act for

policymakers in many countries. Against this backdrop, while policymakers should continue to strengthen monetary policy frameworks and stand ready to take actions should signs of inflation risks intensify, they should act gradually and avoid abrupt monetary policy tightening—notably in advanced economies—which would derail the global recovery underway and be particularly detrimental to emerging market economies and LICs through adverse financial spillovers. Financial vulnerabilities should be addressed, including through macroprudential tools where warranted. In addition, fiscal policies should complement monetary policies in supporting economic growth while rebuilding buffers and tackling current debt dynamics.

5. At the domestic level, we share the view that the policy mix should continue to be tailored to countries' health situations and stages in the pandemic. For the foreseeable future, resource-constrained members, particularly LICs and other vulnerable countries will continue to need enhanced financial support from the international community as they endeavor to foster the recovery and prepare for digital and green economic transformation. In addition, the necessary increase in domestic revenue mobilization should be complemented by collective efforts to curb illicit financial flows and put in place an effective international tax system.

## **II. THE GLOBAL POLICY AGENDA**

6. We express support to the Managing Director's Global Policy Agenda which adequately lays out the key work priorities for the IMF in the period ahead, to help member countries recover from the devastating economic and social impacts of the pandemic and lay the foundations for a strong and sustained economic recovery.
7. We emphasize the importance of policy coordination and strong international cooperation, including on vaccine distribution, to support a more even global recovery. The launch of the Multilateral Leaders Task Force represents an important step towards strengthening policy advice and facilitating coordination among international partners. However, we underscore the importance of an effective participation of representatives of LICs in the Task Force to inform on bottlenecks to vaccination and explore options for speeding up the rollout of vaccines.
8. Ensuring that member countries can access adequate resources to finance their recovery efforts is crucial. Significant funds will be needed to narrow the growth divergence and enable low-income countries to invest in priority expenditures. We welcome the broad support expressed by the membership for a voluntary channeling of SDRs from members with strong external positions to vulnerable low- and middle-income countries, notably

through scaling-up PRGT loan resources and establishing a new Resilience and Sustainability Trust.

9. As the recovery takes hold, countries should seize the moment and take actions to raise potential output, foster the transition to a low-carbon and digital economy, and promote inclusive growth. The Fund will need to calibrate its policy advice to the specific needs of countries and support their efforts to secure a transformational recovery. In less-diversified economies, including commodity exporters, the IMF should help in the implementation of transformative policies that will spur economic diversification for broad-based growth and enhanced resilience. Providing technical assistance to share experience and build administrative capacity in countries in need will remain critically important despite the current challenging environment. It is particularly vital for fragile and conflict-affected countries, and for small developing states. We urge the IMF to scale up its capacity development assistance to these members.
10. We welcome the IMF's agenda on debt sustainability, transparency, and resolution, and we call on donors to provide additional contributions to the Catastrophe Containment and Relief Trust (CCRT) to ensure the full coverage of the fourth tranche through April 2022 and beyond. We also stress the importance of renewed efforts to strengthen and expedite the implementation of the G20 Common Framework, as progress in this area remains limited. An effective participation of private creditors to the Common Framework is also key to its success.
11. The Fund should continue to transform itself, strengthen its financial position and explore new avenues to adequately address the financing needs and challenges facing the membership. Ensuring that the IMF remains a quota-based institution, adequately resourced and at the center of the global financial safety net is more relevant in the new environment of heightened uncertainties and enormous challenges. This requires advancing more forcefully and expeditiously the IMF's quota and governance reforms, with a view to completing the 16<sup>th</sup> General Review of Quotas, including a new quota formula, in a timely manner.
12. Promoting a quality, diverse and inclusive workforce remains an important priority. In this regard, efforts to increase the share of staff from under-represented regions need to be sustained.