



# REPUBLIC OF CONGO

## POVERTY REDUCTION AND GROWTH STRATEGY

February 2023

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REPUBLIC OF CONGO



# NDP

2022-2026

## NATIONAL DEVELOPMENT PLAN

A strong, diversified and  
Resilient economy for  
Inclusive growth and irreversible  
Sustainable development.

STRATEGIC DEVELOPMENT  
FRAMEWORK (SDF)

Primary document

Ref : Law n°3 - 2022 of 14 January 2022

## Preface

*Following the presidential election of 20 March 2016, our country resolutely embarked on the march towards development that continues today. In all likelihood, this process will continue for another ten years to enable the Congo to join the circle of emerging countries. And, perhaps, another ten years will be required to bring the Congo into the sphere of development. This long march requires action planning, conceived as a voluntarist process of defining objectives to be achieved over time and underpinned by a relevant definition of strategies, a consistent mobilisation, and an optimal allocation of resources.*

*The National Development Plan (NDP) 2022-2026, which is the result of the social project shared by a large majority of Congolese in the presidential election of 21 March 2021, is therefore an important reference tool, dedicated to the continuation of our march towards development.*

*In the light of previous planning experiences, specially the NDPs 2012-2016 and 2018-2022, strategic choices have been necessary. The NDP 2022-2026 is no exception to this rule. The first choice made is that of the development paradigm: the all-economic for the all-social. In other words, it is necessary, above all, to build a solid economy in order to satisfy social expectations. It is this economy, which we want to be strong, diversified, and resilient, that will serve social progress for all.*

*The second option adopted concerns the priority given to six sectors, namely agriculture in the broad sense, industry, special economic zones, tourism, the digital economy, and real estate development, which constitute the pillars of the construction of a strong, diversified, and resilient economy within the framework of our NDP.*

*It remains that such an enterprise cannot prosper, in a sustainable manner, without peace, national unity, security for all and stable institutions. Similarly, sustainable development would be a vain incantation without good governance, improvement of the business climate, effective support and development of the private sector and protection of the environment.*

*For a prosperous and dynamic economy, generated by the implementation of the NDP 2022-2026, it is necessary to improve the quality of human capital, health and social protection for all, and the provision of water and electricity to households,*

*the improvement of living conditions and the easy movement of people and goods, as a social dividend of the implementation of the national development plan.*

*More globally, this plan is expected to achieve average annual GDP growth of over 4% and 7% for non-oil activities. This will also result in a decrease in the level of poverty and a sharp reduction in the unemployment rate (6.5% in 2026 against 11.4% in 2021).*

*Today, the world is uncertain. Several risks tend to jeopardise global economic stability. The same threats weigh on the development of the national economy. The NDP 2022-2026 offers the advantage of identifying the perceptible apprehensions and providing measures to mitigate them.*

*Above all, the success of the NDP depends on the country's ability to mobilise national and international funding and to implement all the programmes and projects selected with rigour.*

*It is therefore important to communicate widely, both inside and outside the country, on the ambitions pursued within the framework of the NDP, and to ensure meticulous monitoring and evaluation of the implementation of all the programmes and projects of this development plan.*

*Together, let us continue the march towards development, with a strong, diversified, and resilient economy for inclusive growth, sustainable and irreversible development.*

*May our people mobilise even more and persevere, more than usual, in their commitment to the proper and successful implementation of the NDP 2022-2026, a guarantee of a better and more promising future.*

Brazzaville, le 14 JAN 2022

**Denis SASSOU N'GUESSO.-**

*Président de la République du Congo,  
Chef de l'Etat.*

# Overview

On 21 March 2021, Congolese people renewed their confidence in the President of the Republic, His Excellency Mr Denis SASSOU-NGUESSO, following the presidential election, with a turnout of 67.55% and 88.40% of the vote.

Through this vote, Congolese people have adhered to the President of the Republic's social project, entitled "Together, let us continue the march". This social project is based on nine axes, themselves structured into three poles of governance, namely: institutional and systemic governance; attractive economic and financial governance; and social and solidarity-based governance.

With this in mind, in his inaugural speech on 16 April 2021, the President of the Republic, Head of State, instructed the Government to transform the vision and commitments contained in his social plan into an action programme. In the same vein, the Head of State instructed the Government to submit to Parliament a new five-year development plan, starting from 1 January 2022, in line with the social project approved by the people.

The NDP 2022-2026, which draws lessons from the implementation of the last two NDPs (2012-2016 and 2018-2022), reflects the President of the Republic's guidelines on the economic and financial governance of our country and the diversification of the Congolese economy, which is necessary for the emergence of a non-oil industrial sector. It also considers the recommendations contained in the CEMAC economic and financial reform programme (PREF-CEMAC) on the structural transformation of national economies.

The aim is to build a strong, diversified, and resilient economy. To achieve this, the new NDP is based on six pillars that constitute growth-generating activities: agriculture in the broad sense, industry, special economic zones, tourism, the digital economy, and real estate.

The effective implementation of the NDP 2022-2026 requires quality basic infrastructure.

Notwithstanding the progress already made in this area, water, electricity and roads will receive special attention, and will thus form part of the social dividend expected from the NDP. The same applies to the business environment and good governance, which are determining factors in the attractiveness and competitiveness of our economy. In this respect, the institutional reforms undertaken by the Government in recent years have enabled our country to have an arsenal for monitoring good governance and the fight against corruption.

The structural reforms initiated will be carried out in tandem with the development of human capital, which is the nation's primary asset. To this end, a major effort will be made to improve the quality of our education system and our health services throughout the country.

The health crisis caused by the Covid-19 pandemic, which occurred in 2020, still dominates the international context at the time of the adoption of this NDP. At the national level, the 2022-2026 NDP comes at a time of gradual recovery of economic activities and the restoration of relations of trust with our main public and private creditors. The efforts made to clean up and consolidate public finances, and the prospect of signing an agreement with the International

Monetary Fund (IMF) for access to an extended credit facility to support the government's economic and financial programme, are favourable elements for the implementation of the NDP.

Ultimately, the NDP 2022-2026 constitutes the programmatic framework of reference for government action to continue the march towards development.

In a rapidly changing world with many uncertainties, the success of the NDP 2022-2026 depends above all and to a large extent on our ability to work together in unity, discipline, and peace.

I therefore urge all the actors concerned, particularly the public administrations, the elected representatives of the people, the national and foreign private sector, civil society, and development partners, to become effectively involved in the implementation of the new plan, with a view to guaranteeing its full success and achieving the emergence of the Congo.

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**Anatole Collinet MAKOSSO**  
*Premier Ministre, Chef du Gouvernement*

# Preamble

When the President of the Republic, Head of State, announced in his solemn investiture speech to the supreme magistracy on 16 April 2021, before the Parliament, the realisation of a new National Development Plan (NDP) 2022-2026 in relation to his political commitment contained in his social project "Together, let's continue the march", it was up to the government team installed, a few weeks later, to get down to work.

It was then that, within the framework of a particular procedure, a new structure was set up by decree 2021-347 of 6 July 2021, the "Economic and Social Policy Task Force".

Chaired by the personal representative of the President of the Republic, appointed by Decree No. 2021-304 of 25 May 2021, the Task Force has provided guidance to all the administrations that have drawn up the new NDP under the coordination of the minister in charge of planning.

It is worth noting, and this is also a new fact, that the technical work was carried out exclusively by executives from the ministerial departments and national experts.

A broadly participatory approach was followed, though, on the one hand, thematic workshops, involving representatives of institutions such as the Parliament as well as those of the various bodies of the consultative councils, structures of civil society and the private sector, technical and financial partners, and on the other hand, a series of meetings of the Minister of Planning with the top officials of the said entities.

The reflection resulted in a clear and pertinent choice to build a plan which, in many respects, is different from the previous ones, called the second-generation plan.

Indeed, this NDP differs from the others in that it retains only one field of concentration, namely the diversification of the economy built strictly around six strategic pillars.

Moreover, the innovative character of this approach lies in its vocation to integrate all social and environmental concerns.

Finally, it is clearly stated that it is from the creation of wealth through various economic activities that the country will have the means to resolve, as it expands, the social problems facing the nation.

It cannot be otherwise.

Growth as such only has meaning and interest if it is primarily dedicated to improving the living conditions of the people as well as stimulating the economy through a progressive qualification of human resources, a constant reduction of social disparities and poverty.

There is no doubt that the dynamism and interaction of the six strategic pillars that form the core of the NDP will create jobs in all sectors of the economy.

It should be pointed out that the implementation of the NDP is reserved solely for the ministries involved in the programmes selected in the six growth-generating pillars through a precise and realistic financing scheme.



It should also be stressed that the coordination of the implementation of the NDP and the supervision of the monitoring and evaluation system are entrusted to the Prime Minister, Head of Government.

Lastly, it is worth highlighting the role of the Economic and Social Policy Task Force, which is responsible for submitting an annual performance report on the implementation of the NDP to the Prime Minister, Head of Government, and the President of the Republic, Head of State.

In fact, the process of developing the new plan was not only complex, but also intense, as the expected result had to be produced in a relatively short period of time.

In this context, the Congolese managers and experts showed exemplary efficiency in completing this remarkable work in four months.

All in all, the NDP 2022-2026 is an intellectual and technical production, of fine workmanship, made in Congo, of which we can be proud.

Furthermore, the development partners who have provided us with considerable logistical and financial support are to be congratulated.

I would therefore like to express my sincere thanks to all the stakeholders for the immensity and quality of the work accomplished, and to acknowledge the contribution of the various development partners who have made a significant contribution to the production, within the required timeframe, of the *NDP 2022-2026 "A strong, diversified and resilient economy for inclusive growth and irreversible sustainable development"*.



**Ingrid Olga Ghislaine EBOUKA-BABACKAS**

*Ministre de l'économie, du plan,*

*de la statistique et de l'intégration régionale*

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## Acronyms and abbreviations: French and English

AfDB Banque Africaine de Développement	AfDB African Development Bank
ACCF Fonds africain pour le changement climatique	ACCF African climate change fund
AE Autorisation d'engagement	AE Commitment authorization
AFD Agence française de développement	AFD French Development Agency
AGR Activités Génératrices de Revenus	IGA Income Generating Activities
ANDAE Agence Nationale de Développement de l'Agriculture et de l'Élevage	ANDAE National Agency for the Development of Agriculture and Livestock
ANDPA Agence Nationale de Développement de la Pêche et de l'Aquaculture	ANDPA National Fisheries and Aquaculture Development Agency
ARPCE Autorité de régulation des postes et des communications électroniques	ARPCE Post and Electronic Communications Regulatory Authority
AVATT Équipe spéciale pour l'acquisition de vaccins en Afrique	AVATT African vaccine acquisition task team
BADEA Banque Arabe Pour le Développement Economique en Afrique	BADEA Arab Bank for Economic Development in Africa
BDEAC Banque de développement des Etats d'Afrique centrale	BDEAC Development Bank of Central African States
BEAC Banque des Etats d'Afrique centrale	BEAC Bank of Central African States
BEPC Brevet d'études du premier cycle	BEPC Certificate of first cycle studies
BGFI Banque gabonaise française internationale	BGFI International French Gabonese Bank
BIT Bureau international du travail	ILO International Labor Office
BM Banque mondiale	WB World Bank
BSCA Banque sino-congolaise pour l'Afrique	BSCA Sino-Congolese Bank for Africa
BTA Bon du trésor assimilable	BTA Equivalent treasury bond
BTP Bâtiments et travaux publics	BTP Buildings and public works
CADEG Charte Africaine de la Démocratie, des Elections et de la Gouvernance	ACDEG African Charter on Democracy, Elections and Governance
CAFI Central African forest investment	CAFI Central African forest investment
CBMT Cadre budgétaire à moyen terme	MTBF Medium Term Budget Framework

CCA Caisse congolaise d’amortissement	
CCMB Comité de cadrage macroéconomique et budgétaire	MACF Macroeconomic and Budgetary Framework Committee
CDMT Cadre des dépenses à moyen terme	CDMT Medium-term expenditure framework
CEC Centrale électrique du Congo	Congo Power Station
CEMAC Communauté économique et monétaire de l’Afrique centrale	CEMAC Economic and Monetary Community of Central Africa
CFCO Chemin de fer Congo océan	CFCO Congo Ocean Railway
CLAC Centres de lecture et d’animation culturelle	CLAC Reading and cultural activity centres
CNE Conseil national d’évaluation	NEC National Evaluation Council
CNEEPIP Centre national d’études et d’évaluation des projets d’investissement public	CNEEPIP National Centre for the Study and Evaluation of Public Investment Projects
CNIAF Centre national d’inventaire et d’aménagement des ressources forestières et fauniques	CNIAF Centre national d'inventaire et d'aménagement des ressources forestières et fauniques
CNUCED Conférence des Nations unies pour le commerce et le développement	UNCTAD United Nations Conference on Trade and Development
COPASOL Congolaise des panneaux solaires	COPASOL Congolaise des panneaux solaires
COFIL Comité de pilotage	COFIL Steering Committee
CP Crédits de paiement	CP Payment credits
CPIA Évaluation institutionnelle des politiques nationales	CPIA Country Policy Institutional Assessment
CSD Cadre stratégique de développement	CSD Strategic Development Framework
CT Coordination technique	TC Technical coordination
CVM Chaîne de Valeur Mondiale	CVM Global Value Chain
CVPFLN Centre de valorisation des Produits forestiers non ligneux	CVPFLN Centre de valorisation des Produits forestiers non ligneux
DEP Direction des études et de la planification	DEP Directorate of Studies and Planning
DEPE Direction des études et prévisions économiques	DEPE Directorate of Economic Studies and Forecasts
DESP Directeur des études et synthèse des projets	DESP Director of Studies and Project Synthesis
DGE Direction générale de l’économie	DGE Directorate General for the Economy



DGIFN Direction générale des institutions financières nationales	DGIFN Directorate General of National Financial Institutions
DGPD Direction générale du plan et du développement	DGPD Directorate General for Planning and Development
DSAE Direction des synthèses et analyses économiques	DSAE Directorate of Economic Synthesis and Analysis
DSPD Direction des stratégies et des politiques de développement	DSPD Directorate of Development Strategies and Policies
DSSI Initiative de suspension du service de la dette	DSSI Debt Service Suspension Initiative
E <sup>2</sup> C Energie électrique du Congo	E <sup>2</sup> C Electricity of the Congo
ECOM Enquête congolaise auprès des ménages	ECOM Congolese Household Survey
EDSC Enquête démographique et de santé au Congo	EDSC Congo Demographic and Health Survey
EHCVM Enquête harmonisée sur les conditions de vie des ménages	EHCVM Harmonised survey of household living conditions
ESISC Enquête de séroprévalence et des indicateurs de Sida au Congo	ESISC Survey of seroprevalence and indicators of AIDS in Congo
ETVA Enquête sur la transition vers la vie active	ETVA Survey on the transition to working life
FAGR Fonds d'appui aux activités génératrices des revenus	FAGR Support fund for income-generating activities
FAH Fonds d'aménagement halieutique	FAH Fisheries Development Fund
FCFA Franc de la coopération financière en Afrique centrale	FCFA Franc de la coopération financière en Afrique centrale
FEC Facilité élargie de crédit	FEC Extended Credit Facility
FEM Fonds pour l'environnement mondial	Global Environment Facility
FIC Fonds d'investissement climatique	CIF Climate Investment Fund
FMI Fonds monétaire international	IMF International Monetary Fund
FONDECO Fonderie du Congo	FONDECO Congo Foundry
FSA Fonds de soutien à l'agriculture	FSA Fonds de soutien à l'agriculture
GAR Gestion axée sur les résultats	GIE Groupement d'intérêt économique
GIE Groupement d'intérêt économique	GNL Liquefied natural gas
GNL Gaz naturel liquéfié	FDI Foreign direct investment
IDE Investissement direct étranger	

IDH Indice de développement humain	HDI Human development index
IIAG Ibrahim index of African governance	IIAG Ibrahim index of African governance
INS Institut national de la statistique	INS National Institute of Statistics
IPM Indice de pauvreté multidimensionnelle	IPM Multidimensional poverty index
LCB La Congolaise des Banques	LCB The Congolese of Banks
MAEP Ministère de l'agriculture, de l'élevage et de la pêche	MAEP Ministry of Agriculture, Livestock and Fisheries
MEC Mécanisme élargi de crédit	MEC Extended Credit Facility
MEF Ministère de l'économie forestière	MEF Ministry of Forest Economy
MEFB Ministère de l'économie, des finances et du budget	MEFB Ministry of Economy, Finance and Budget
MEPSA Ministère de l'enseignement primaire, secondaire et de l'alphabétisation	MEPSA Ministry of Primary, Secondary and Literacy Education
MICS Enquête par grappes à indicateurs multiples	MICS Multiple Indicator Cluster Survey
MSP Ministère de la santé et de la population	MSP Ministry of Health and Population
MTN Mobil téléphone Networks	MTN Mobil Telephone Networks
MZESDE Ministère des zones économiques spéciales et de la diversification économique	MZESDE Ministry of Special Economic Zones and Economic Diversification
ODD Objectif de développement durable	MDG Sustainable Development Goal
OHADA Organisation pour l'harmonisation du droit des affaires en Afrique	OHADA Organisation for the Harmonisation of Business Law in Africa
OIT Organisation internationale du travail	ILO International Labour Organisation
OMT Organisation mondiale du tourisme	WTO World Tourism Organisation
ONG Organisation non Gouvernementale	NGO Non-Governmental Organisation
OPEP Organisation des pays exportateurs de pétrole	OPEC Organisation of Petroleum Exporting Countries
ORA Observer-réfléchir-agir	ORA Observe-Reflect-Act
OSC Organisation de la société civile	OPEC Organization of the Petroleum Exporting Countries
OTA Obligation assimilable du trésor	ORA Observe-reflect-act
PAP Programme d'actions prioritaires	OTA Obligation assimilable du trésor
PARSA Projet de Relance du Secteur Agricole	PAP Priority Action Programme
	PARSA Projet de Relance du Secteur Agricole

PASEC Programme d'analyse des systèmes éducatifs de la CONFEMEN	PASEC Program for the analysis of educational systems of CONFEMEN
PCN Projet de couverture nationale	PCN National Coverage Project
PDAC projet de développement de l'agriculture commerciale	PDAC Commercial Agriculture Development Project
PLD Plan local de développement	PLD Local Development Plan
PIB Produit intérieur brut	GDP Gross Domestic Product
PIP Programme d'investissements publics	PIP Public Investment Programme
PME Petites et moyennes entreprises	SME Small and medium enterprises
PMI Petites et moyennes industries	PMI Small and Medium Industries
PND Plan national de développement	PND National Development Plan
PNUD Programme des Nations Unies pour le développement	UNDP United Nations Development Programme
PPAP Programme pluriannuel d'actions prioritaires	PPAP Programme pluriannuel d'actions prioritaires
PPFNC Projet paysage forestier nord Congo	PPFNC Projet paysage forestier nord Congo
PPP Partenariat public-privé	PPP Public-Private Partnership
PTE Pays pauvres très endettés	HIPC Heavily Indebted Poor Countries
PREF- CEMAC Programme de réformes économiques et financières de la Communauté économique et monétaire de l'Afrique centrale	PREF- CEMAC Economic and Financial Reform Programme of the Economic and Monetary Community of Central Africa
PRODIVAC Projet de développement intégré des chaînes de valeurs au Congo	PRODIVAC Project for the integrated development of value chains in Congo
ProNAR Programme National d'Afforestation et de Reboisement	ProNAR National Afforestation and Reforestation Programme
PTF Partenaire technique et financier	PTF Technical and financial partner
RCA République Centrafricaine	RCA Central African Republic
RDC République Démocratique du Congo	DRC Democratic Republic of Congo
REGEC Recensement général des entreprises du Congo	REGEC Recensement général des entreprises du Congo
RGPH Recensement général de la population et de l'habitat	RGPH Recensement général de la population et de l'habitat
RNDH Rapport national sur le développement humain	RNDH National Human Development Report

SCCF Fonds spécial pour le changement climatique	SCCF Special Climate Change Fund
SIVL Système Informatisé de Vérification de la Légalité du bois	SIVL Computerised Timber Legality Verification System
SNDS Stratégie nationale de développement de la statistique	SNDS National Strategy for the Development of Statistics
SNR Service National de Reboisement	SNR Service National de Reboisement
SNU Système des Nations Unies	SNU United Nations System
SOCITOUR Société congolaise d'ingénierie touristique	SOCITOUR Congolese Tourism Engineering Company
SOPECO Société des postes et de l'épargne du Congo	SOPECO Société des postes et de l'épargne du Congo
SOPRIM Société de promotion immobilière	SOPRIM Société de promotion immobilière
SPC Société des pavés du Congo	SPC Société des pavés du Congo
SPISA Système permanent intégré des statistiques agricoles	SPISA Permanent Integrated System of Agricultural Statistics
STP Secrétariat technique permanent	STP Permanent Technical Secretariat
TBS Taux brut de scolarisation	TBS Gross enrolment rate
TCERTaux de change effectif réel	TCER Real effective exchange rate
TIC Technologies de l'information et de la communication	TIC Information and communication technology
TOFE Tableau des opérations financières de l'Etat	TOFE Table of State financial operations
UNFPA Fonds des Nations Unies pour la population	UNFPA United Nations Population Fund
UNICEF Fonds des Nations Unies pour l'enfance	UNICEF United Nations Children's Fund
WDI Indicateurs de développement mondial	WDI World development indicators
OMS Organisation mondiale de la santé	WHO World Health Organization
Rapport d'investissement WIR Word	WIR Word Investment Report
ZAP Zone agricole protégée	ZAP Protected agricultural area
ZES Zone économique spéciale	SEZ Special Economic Zone
ZLECAF Zone de libre-échange continentale africaine	ZLECAF African Continental Free Trade Area

# Executive Summary

## Foundations

1. The 2022-2026 NDP is based on the tradition of development planning in the Congo and on the President of the Republic's social project, "Together, let us continue the march". This project reflects a vision of the process of building a society that ensures social progress for all, in solidarity and peace, through the creation of conditions for inclusive growth, based on a strong economy.

2. The NDP 2022-2026 is enriched by the solutions advocated in the United Nations Sustainable Development Goals (SDGs), in the African Union (AU) Agenda 2063, and in other programmes, both regional, notably the African Continental Free Trade Area (ACFTA), and sub-regional, the CEMAC economic and financial reform programme (PREF-CEMAC).

3. The NDP 2022-2026 is developed on the basis of the following guiding principles: (i) priority to the economy with the development of strategic activities likely to make it strong, diversified and resilient, (ii) translation of the strong, diversified and resilient economy into a social dividend and the strengthening of development infrastructures, (iii) implementation of the NDP focused on the expected results, (iv) ownership of the NDP by the public and private actors involved in its implementation, (v) empowerment of the actors and beneficiaries of the NDP, and (vi) reconciliation of economic growth with the protection of the environment

4. The preparation of the NDP 2022-2026 takes into account the evaluation of the last two NDPs (2012-2016 and 2018-2022) and the recommendations that resulted from it. The evaluation revealed mixed results and lessons were learned. The recommendations relate to both the development and implementation of the NDP 2022-2026.

## Background

5. The 2022-2026 NDP is set in a context characterised: at the international level, by the Covid-19 health crisis which plunged the world economy into a recession (-3.1% growth rate in 2020). In recent months, the world economy has returned to growth, which, according to the IMF's October 2021 projections, should be 5.9% in 2021 and 4.9% in 2022; at the sub-regional level, by the implementation of the Economic and Monetary Community of Central Africa's (PREF-CEMAC) economic and financial reform programme and by second generation programmes supported by the IMF; at national level, by a multidimensional economic, financial and health crisis. The 2022-2026 NDP, the medium-term economic and financial programme (2022-2024) supported by the IMF and development partners, and the response plan against COVID-19, are elements of the response to this crisis. At the same time, several favourable elements have come together. These include: (i) the viability of Congo's debt restored, (ii) the rise in oil prices, (iii) the political stability, the climate of peace and security that followed the end of the rebellion in the Pool department.

## Socio-economic diagnosis

### Social Status

6. The NDP 2022-2026 is based on a diagnostic analysis of the country's recent social and economic situation.

7. According to the International Labour Office, in 2020 unemployment affected 10.3% of the total active population, compared with 9.6% in 2019. Unemployment is increasingly affecting young people between 15 and 24 years of age, who are generally the first-time job seekers. The unemployment rate in this age group was estimated at 21.6%, compared with 6.7% for the over-25s in 2019. The poverty rate in Congo according to the World Bank was 52.5% in 2020.

8. Based on WHO (World Health Organisation) statistics, the infant mortality rate today is 34.9‰. It is 47.8 deaths per 1000 live births for children under 5 years of age. It is declining, after peaking at 114 deaths per 1000 live births in 2000.

9. The Congo's education system is characterised by gross enrolment ratios (GERs) that exceed 100% (106.1% in primary education in 2019-2020). However, primary education shows poor performance in terms of learning achievement: 66.6% of pupils do not reach the "sufficient" threshold in mathematics and 21% do not reach it in French.

10. Access to basic social services remains a concern. In 2019, only 48.3% of the population had access to electricity and 68% to drinking water. A quarter of the population has a modern private toilet. The rest use precarious sanitation facilities.

### Economic and financial situation

11. Economic activity contracted in 2020, with GDP growth estimated at -6.2%, mainly due to the impacts of Covid-19 and the collapse of world oil prices. The agricultural sector grew slowly and more slowly than expected. It averaged 1.6% annually between 2018 and 2020. The industrial sector recorded a decline in activity of -3.5% in 2020. Tourism recorded an annual average growth of -4.4% over the period 2018-2020.

12. Government revenues, dominated by oil revenues, fell sharply following the collapse of oil prices from mid-2014. They fell from 37.5% of GDP in 2014 to 12.3% of GDP in 2020. Oil revenues, even though they have fallen sharply in nominal terms (2 456.0 billion in 2014 compared with 651.0 billion in 2020), still account for an annual average of 57.1% of total state revenues over the period 2014-2019.

13. The debt ratio increased significantly after the completion point of the Heavily Indebted Poor Countries initiative in 2010, from 42.3% of GDP in 2014 to 104.1% of GDP in 2020. This increase is, in the first place, the result of a drastic fall in GDP, which has led to an increase in the debt-to-GDP ratio. At the same time, the rapid expansion of public investment in infrastructure, as well as the external borrowing associated with the financing of this investment, has contributed to an increase in the level of indebtedness.

14. According to the IMF staff mission, as of September 2021, debt sustainability has been restored. Significant vulnerabilities remain, given the risks of illiquidity (defaults) and low resilience to adverse global oil price shocks. Public debt is expected to decline to 83.3% of GDP by end-2021.

15. Before the Covid-19 pandemic, the current account balance as a percentage of GDP was already in deficit (-39.0% in 2015 and -50.3% in 2016). The external current account as a percentage of GDP was balanced in 2020, thanks to favourable developments in the oil sector and the compression of imports linked to weak growth and the sharp reduction in public and private investment.

### **Challenges ahead**

16. The diagnostic analysis of the socio-economic situation shows that the Congo still faces many challenges.

**On the economic front**, these include (i) better withstand fluctuations in commodity prices (particularly oil), (ii) create the conditions for sustainable and inclusive growth, (iii) improve the business climate in order to stimulate private investment and attract foreign direct investment (FDI), (iv) develop basic infrastructure (energy, communications, telecommunications, ...) for the competitiveness of the Congolese economy, (v) join the trajectory of irreversible sustainable development for good.

#### **On the social level:**

- **In education:** (i) strengthen the quality, capacities and efficiency of the system, (ii) manage human resources rationally and efficiently in all their components (recruitment, assignments, continuous training, careers, etc.).
- **In the area of health** (i) develop the health system, (ii) strengthen human capacities, (iii) manage the system efficiently, (iv) improve access to health services.
- **In the area of electricity, water and sanitation** (i) strengthen the production, transport and distribution capacities of water and electricity and (ii) improve access to water and electricity in peri-urban and rural areas, (iii) continue sanitation work in all the country's towns.

### **Strategic orientation**

17. The NDP 2022-2026 is based on a new approach to development that is pragmatic and therefore non-ideological. It is based on an analysis of the country's (economic and social) situation and the need to provide concrete, relevant and appropriate responses. Based on the observation that the Congo is an underdeveloped country, its national development plan has the following fundamental choices:

- Building foundations for irreversible sustainable development.

- Focus the NDP's actions on the economy to make it stronger, and thus give the State more consistent means of action to meet the main national challenges.
- Give priority to the development of economic activities within our reach, which are major creators of added value and jobs.
- Attract private capital and encourage its deployment in the various sectors of the national economy, mainly in the priority activities of the NDP.
- Rely on the private sector in general for the financing and implementation, alongside the State, on programs and projects set out in by the NDP.
- Ensure a good redistribution of national wealth through, in specifically in the development of human capital and basic social services.

### **Overall objective**

18. The NDP 2022-2026 aims to build a strong, diversified and resilient economy. To achieve this, it relies on growth-generating activities such as agriculture in the broad sense, industry, special economic zones, tourism, the digital economy and real estate. The overall objective of this NDP underpins another objective which is to consolidate the social dividend and strengthen the basic infrastructure for development.

### **Strategic pillars of the NDP**

19. The NDP 2022-2026 is structured around six strategic pillars: (i) development of agriculture in the broad sense, (ii) development of industry, (iii) development of special economic zones (SEZs), (iv) development of tourism, (v) development of the digital economy, (vi) real estate promotion.

### **Areas of support**

20. In order to ensure the proper implementation of the NDP 2022-2026, a support system is needed. This mainly concerns: (i) the preservation of peace, security and political stability, (ii) the practice of good governance, (iii) the attraction of private investment and (iv) the protection of the environment.

### **Social dividend and strengthening of basic infrastructure**

21. The implementation of the six strategic pillars of the NDP mentioned above should enable the state to have the necessary resources for the development of education, health, social protection and basic social services infrastructure. The impact of this involvement is based on a correlation between the expected effects on the social dividend and the actual achievement of the targets for each Sustainable Development Goal (SDG).



## **Macroeconomic and social impacts**

22. Over the period 2022-2026, Congo would record an average growth rate of 4.6%. Real GDP growth would rise from 2.5% in 2022 to 4.0% in 2026, with a peak of 8.4% in 2024, in relation to the increase in oil production.

23. Real non-oil GDP would evolve at a sustained and continuous pace, of greater magnitude. Growth would range from 3.5% in 2022 to 10.7% in 2026, or an average annual growth rate of 7.0%.

24. The total investment rate would rise from 19.9% of GDP in 2022 to 37.6% in 2026. Private investment would be the main driver of growth over this period.

25. The implementation of the NDP should result in a reduction in unemployment from 11.4% in 2022 to 6.5% in 2026. In 2026, the poverty rate would be 38.1%, down 14 percentage points from its 2022 level, estimated at 51.9% by the World Bank.

## **Risks**

26. Five groups of risk factors are identified: (i) risks related to the international economic situation, (ii) national economic and financial risks, (iii) global and national health risks, (iv) environmental and climatic risks, and (v) risks related to the weak adhesion of actors. All these factors are likely to compromise the proper implementation of the NDP, if they evolve in a negative way.

## **NDP funding**

27. The overall projected cost of implementing the NDP is eight thousand nine hundred and sixty-two billion five hundred and ninety-four million (8,962,594,000,000) CFA francs, i.e. an average annual cost of one thousand seven hundred and ninety-two billion five hundred and nineteen million eight hundred thousand (1,792,518.8) CFA francs. The share devoted to investment expenditure is eight thousand nine hundred and thirty-five billion one hundred and eighteen million (8 935 118 000 000) CFA francs. Expenditure related to the operationalisation of the NDP (communication, resource mobilisation, production of statistics and monitoring-evaluation) represents 0.31% of the total cost, i.e. twenty-seven billion four hundred and seventy-six million (27,476,000,000) CFA francs.

28. The amount of financing acquired for the NDP is 2,471 billion CFA francs, representing 27.57% of the total cost. The financing gap amounts to 6,491.59 billion CFA francs, or 72.43% of the overall cost.

29. It will be appropriate to mobilise more oil revenues, which are an important lever for financing economic diversification. Better mobilisation and allocation of these resources should benefit the 2022-2026 NDP projects.

## **Monitoring and evaluation**

30. The monitoring and evaluation of the NDP will focus on: (i) the monitoring of the programmes and projects selected and (ii) the evaluation of the performance of the implementation of these programmes and projects.

31. The monitoring-evaluation mechanism will include, on the one hand, the strategic steering and validation bodies and, on the other hand, the bodies responsible for coordinating links between the various development actors.

32. The strategic steering and validation bodies are (i) the Steering Committee (COPIL), (ii) the Economic and Social Policy Task Force, (iii) the Technical Coordination (TC), (iv) the Permanent Technical Secretariat (PTS), (v) the Operational Units and (vi) the Departmental Antennas. The advisory partners support the monitoring and evaluation strategy by providing technical and financial assistance for its operationalisation.

33. The monitoring and evaluation framework of the NDP 2022-2026 is based on the principles of results-based management (RBM). Each level of results in the plan is supported by key performance indicators that track progress in achieving the results.

# GENERAL PRESENTATION

34. Since the 1980s, the Republic of Congo has established development planning as one of the programmatic frameworks for government action. The 1982-1986 five-year plan, which was part of this development planning approach, as well as the 2012-2016 NDP and the 2018-2022 NDP were all the translation of the President of the Republic's vision for economic and social development into a government programme.

35. As a reference for development over the next five (5) years, the NDP 2022-2026 is based on this tradition of development planning as well as on the President of the Republic's social project, 'Together let us continue the march', proposed to the Congolese people for the presidential term from 2021 to 2026. This social project is in line with the great ambitions of the President of the Republic expressed successively in "The way forward" and in "The march towards development, let us go further together". It reflects a vision of society that envisages social progress for all in solidarity and peace, thanks to the creation of favourable conditions for shared growth, based on a strong, diversified and resilient economy.

36. Through this plan, the executive intends to keep strategic planning at the heart of public action. The 2022-2026 NDP is also inspired by the Sustainable Development Goals (SDGs) and regional programmes such as Agenda 2063, the Africa we want, and the African Continental Free Trade Area (ACFTA), as well as the CEMAC Economic and Financial Reform Programme (PREF-CEMAC).

## A. Guiding Principles of the NDP 2022-2026

37. The short-, medium- and long-term challenges of the NDP 2022-2026 require the NDP to take into account the following aspects

- (i) **The choice of economy and the prioritisation of certain activities** The NDP 2022-2026 responds to a development approach that gives priority to the economy. This choice is made not to neglect other areas, but to prioritise wealth creation in the development process. The expected catalytic effect should make it possible to achieve desired results in other areas. The growth and development dynamic embodied by the NDP thus leads to the concentration of substantial resources in economic activities deemed to be priorities;
- (ii) **Directing the benefits of the strong economy towards social progress for all.** The ultimate goal of the strong economy is the continuous increase of national wealth to serve the continuous improvement of people's living conditions;
- (iii) **Impact-oriented implementation of the NDP.** The aim is to ensure that the expected results or effects are achieved through the implementation of appropriate management mechanisms for programmes and projects included in the NDP. On the basis of previously defined objectives and indicators, and the regular rendering of accounts, the authorised bodies will ensure the proper implementation of the NDP. This approach

should guarantee the achievement of results. To this end, a clear definition of responsibilities for the implementation of the NDP, as well as accountability, are essential.

**(iv) National ownership.** This principle recalls the need for all stakeholders (public sector, private sector, civil society, etc.) in the development process, as envisaged in the NDP, to be fully aware of the NDP, to be committed to its implementation and to its success. This principle also implies constructive and effective coordination of the actions of the various stakeholders and the resulting synergies.

**(v) Accountability.** The Government, all the institutions, the population, the private sector, civil society and the group of development partners will each assume their responsibilities so that all the actions of the NDP are carried out and achieve the expected results. The Government will define, in agreement with each category of actor, the appropriate accountability mechanisms.

**(vi) Reconciling economic growth with the environment** The aim is to lay the foundations for sustainable development. In other words, it is a question of guaranteeing the well-being of the population by permanently taking into account economic, social and environmental concerns. Consequently, the NDP 2022-2026 is intended to be a framework for bringing together economic, social and environmental issues.

## **B. Major contextuel elements**

38. The main elements that deserve to be highlighted relate to the international, sub-regional and national contexts.

- **The international context**

39. The health crisis caused by the Covid-19 pandemic, which occurred in 2020, still dominates the international context at the time this NDP was drawn up. The pandemic has not spared any country and has plunged the global economy into a recession (-3.1% growth rate in 2020), the consequences of which on employment and poverty are still felt in many countries, particularly in low-income countries.

40. The prospect of the pandemic being brought under control, thanks to the vaccination campaigns conducted throughout the world, has resulted in a return to growth in the world economy, which the IMF's October 2021 projections indicate should rise to 5.9% in 2021. It would slow down in 2022, to 4.9%.

41. The emergence of new, more contagious and more virulent variants of Covid-19 could undermine the mitigating effects of vaccines to date and make the future economic, health and social situation uncertain.

42. The gradual recovery of economic activity triggered by the health lull, but also by the massive fiscal and monetary measures implemented a few months after the beginning of the health crisis, is accompanied by inflationary pressures, particularly in industrialised countries.

Energy demand, for example, which has been growing since the economic recovery, should, according to IMF forecasts, lead to an increase in oil prices in 2021 of almost 60%, above their 2020 level.

- **Sub-regional context**

43. At the sub-regional level, the Economic and Monetary Community of Central Africa (CEMAC) is committed to implementing the structural reforms recommended by the economic and financial reform programme and the second-generation programmes supported by the IMF. Each CEMAC member country has concluded an agreement with the IMF to benefit from its support in conducting a medium-term economic and financial programme.

44. According to IMF estimates, the main developments in CEMAC are as follows (i) a moderate recovery in growth in 2021, after a recession of -3.2% in 2020; (ii) a fall in average annual inflation to 2.5% in 2021, compared with 2.8% a year earlier; (iii) a budget balance, on a commitment basis (including grants), in deficit at -2.3% of GDP in 2021, compared with -3.6% of GDP in 2020.

- **National Context**

45. The Congo is facing a multidimensional crisis: economic, financial and health. The desire to resolve this crisis has led the Government to adopt three options that correspond to each of the dimensions of the crisis and are intended to provide adequate responses.

46. The NDP, a medium-term strategic tool, aims above all to create wealth. It is a way of dealing with the economic crisis. Efforts to consolidate public finances, and the prospect of signing an agreement with the IMF for access to an extended credit facility, should help to curb the financial crisis. The national response plan against Covid-19 is the appropriate response to the health crisis.

47. There are several elements that support the implementation of the NDP. These include: (i) the viability of the public debt, which was restructured and notified to the IMF following the Article IV consultations, (ii) the current rise in oil prices, (iii) the political stability, the climate of peace and security that has generally prevailed since 1997 and particularly after the rebellion that took place in the Pool department in 2016 and 2017.

### **C. Methodological approach to the development of the NDP 2022-2026**

48. The NDP 2022-2026 is the result of a participatory and inclusive process in which technical contributions were made by experts from the administrations, national consultants, civil society and private sector actors, as well as TFPs.

49. The methodological approach to the development of this NDP was also informed by the lessons and recommendations from the qualitative and quantitative evaluation of the previous NDP (2018-2022).

50. The activities summarising the methodological approach to the development and entry into force of this NDP include:

- Assessment of the NDP 2018-2022;
- Orientation and framing work for the development, organised by the Economic and Social Policy Task Force
- Consultation with the private sector
- Consultation with civil society
- Consultation with the Technical and financial partner TFPs
- Consultation with the advisory councils (youth, women, people living with disabilities, civil society);
- Consultations, organised by the technical coordination of the drafting process, with certain members of the government on specific issues in their sector;
- Technical work on the development of the NDP 2022-2026;
- Reviews and amendments of the strategic framework and its operational annexes by the Economic and Social Policy Task Force;
- Validation by the Council of Ministers of the strategic framework and its operational annexes
- Adoption by the Parliament of the strategic framework and its operational annexes;
- Promulgation of the law on the NDP 2022-2026 by the President of the Republic.

#### **D. Articulation of the strategic development framework**

51. The Strategic Development Framework, the main document of the NDP, is divided into four parts. The first part is devoted to the analysis of past NDPs and the socio-economic situation of the country. This part comprises two chapters. The first is a review of the 2012-2016 and 2018-2022 NDPs (Chapter 1). The second analyses the socio-economic situation of the Congo, particularly in terms of demography, employment, poverty, economic growth, public finances and external trade (Chapter 2).

52. The second part presents the strategy of the NDP. It deals with the strategic orientation and objectives of the plan (Chapter 3), the breakdown of the strategic pillars (Chapter 4), the accompanying areas (Chapter 5) and the social dividend and strengthening of basic infrastructure (Chapter 6).

53. The third part develops the macroeconomic and social implications of the NDP (chapter 7) and the analysis of the various risks (chapter 8) that could hinder the implementation of the NDP.

54. The fourth part presents the various tools for operationalising the NDP: the implementation framework (chapter 9), the financing scheme and the implementation of the budget in programme mode (chapter 10), the monitoring-evaluation framework and the communication strategy (chapter 11).

**PART I: REVIEW OF RECENT DEVELOPMENT  
BENCHMARKS AND SOCIO-ECONOMIC OF  
THE CONGO**



# Chapter 1: Overall assessment of the NDPs 2012-2016 and 2018-2022

## 1.1. Overall evaluation of the NDP 2012-2016

55. The 2012-2016 NDP had the following strategic objectives: (i) strengthening governance, (ii) diversifying the economy to accelerate growth and create jobs, (iii) strengthening and developing economic and social infrastructure, (iv) strengthening social development and inclusion, (v) ensuring balanced and sustainable development. These strategic objectives corresponded to the vision of the President of the Republic contained in his social project "*Le Chemin d'Avenir (Path to the Future)*", which was to diversify the economy in order to accelerate growth, create jobs, reduce poverty and boost the industrialisation of the Congo by relying on improved governance.

56. The review of the 2012-2016 NDP, carried out prior to the preparation of the 2018-2022 NDP, had led to mixed results in various areas.

### 1.1.1. Macroeconomic performance of the NDP 2012-2016

57. The objective of diversifying the Congolese economy that the government had set itself following the implementation of the 2012-2016 NDP has not been achieved. Non-oil GDP, which reflects diversification efforts, has fallen continuously, from 9.7% in 2012 to 4.6% in 2016, with an average over the five years of 7%. The share of non-extractive industries in non-oil GDP has remained consistently around 20% over the period under review, as in previous years. This underperformance is the result of the economic and financial crisis linked to the fall in the price of a barrel of oil. They are also the consequence of the weak capacity of the Congolese economy to cope with external shocks and the excessive dependence of the economy on the oil sector.

58. Economic growth performance has been encouraging. Non-oil GDP grew at an average annual rate of around 7% over the period. However, it remained below the 10% target set in the NDP. Analysis of the growth rate reveals a deceleration in non-oil GDP growth, from 9.7% in 2012 to 4.5% in 2016.

59. The fall in oil prices triggered in 2014 contributed to the underperformance of the non-oil sector, because of the spillover effects of the oil sector on the rest of the economy. But this cannot fully explain the loss of momentum since 2012. Other factors were also at work during the period and help to explain the contrasts observed. These include the slackening of efforts in the implementation and monitoring of reforms observed after the HIPC Initiative reached its completion point in 2010.

60. During the implementation period of the 2012-2016 NDP, annual inflation remained below the CEMAC community norm (3%) despite significant fluctuations in the terms of trade. The restrictive monetary policy conducted by the Central Bank during this period explains this good result.

61. The evaluation of the 2012-2016 NDP noted significant fiscal imbalances. The non-oil primary budget balance deteriorated between 2012 (-22.6%) and 2014 (-28.0%) and then improved to -11.7% of GDP in 2016. This was the result in particular of increased investment spending.

62. The current account balance deteriorated from 2015 onwards, leading to a deterioration in the overall balance and a decrease in foreign exchange reserves. The trade balance had gone from a surplus in 2011 (+37%) to a deficit in 2014 (-0.5%) and in 2015 (-16%), then stood at around 21% in 2016.

63. These results had caused foreign exchange reserves to fall from 20 months of imports in 2011 to less than 3 months in 2016. These counter-performances are the consequence of the oil shock, structural imbalances and the difficulties of adjustment to exogenous shocks.

### **1.1.2. Social performance of the NDP 2012-2016**

64. With regard to unemployment and poverty, despite the absence of precise data, the estimates made show that, on the one hand, unemployment had remained high and, on the other, the poverty rate had fallen. The poor performance of non-oil GDP compared to the NDP target had resulted in a low level of job creation. Data from the Transition to Working Life Survey (ETVA 2015) showed that youth unemployment (first-time job seekers) had risen from 25% in 2011 to 30.5% in 2016. The poverty rate was 35% in 2016, according to the World Bank's analytical work based on trends in non-oil per capita income. Although down 11 points from the 2011 level (46.5%), the poverty rate was still above the NDP target of 31%.

65. The evaluation concluded that: "The government cannot do without periodic measurements, surveys and analytical work if it intends to seriously, regularly and rigorously monitor and evaluate changes in key economic and human development indicators such as national income growth, employment, the unemployment rate and the poverty rate.

### **1.1.3. PND 2012-2016 Performance in the strategic areas of the NDP 2012-2016**

- **Reinforcing Governance**

66. The Mo Ibrahim Foundation's Global Good Governance Index (GGI) did not change during the period 2012-2015. It remained at 43.0 points out of 100, keeping Congo in the middle of the African countries. Progress in governance was made in particular in the areas of security (+4.3 points), the rule of law (+6.4 points) and gender parity (+10.3 points), while underperformance was made in the areas of quality of public management (-18.7 points), accountability (-5.2 points) and the fight against corruption (-3 points). In addition, the analysis of the World Bank's CPIA (Country Policy Institutional Assessment) reveals the persistence of

quality problems in essential public services and the weakness of public policies to promote quality. Thus, the overall CPIA index remained at 3 points out of 6.

- **Strengthening infrastructure**

67. One of the axes that provided elements of success for the 2012-2016 NDP was the construction of infrastructure, particularly roads, energy and water.

**Roads.** The length of paved roads increased from 1 976 km in 2011 to 3 675 km in 2016, a growth of 86%. The evaluation proposed a better targeting of investments coupled with a substantial improvement in the quality of services offered in order to increase economic and social profitability.

**Energy.** Electricity production was 1 054 million KWH in 2011 compared to 2 512 million KWH in 2016, an increase of over 100%. However, technical problems, including loss of energy output, remained. Only 1,152 million KWH were sold in 2016, representing a 54% loss of total production. The technical loss rate in Congo remained one of the highest in the world.

**Water.** The rate of access to drinking water in urban areas improved from 45% in 2011 to 66% in 2016. This rate remained below the NDP target (90%). Progress was more significant in rural and semi-urban areas, where the rate of access to drinking water jumped from 6.8% in 2011 to 47% in 2016. It was nevertheless below the 75% target set in the NDP.

- **Strengthening Education and Training**

68. The performance review of this axis revealed insufficient results. The gross admission rate to secondary school was 51.5% in 2011 compared to 57.6% in 2016. The gross admission rate to high school was around 24% in 2011 compared to 30% in 2016.

- **Strengthening health, social development and inclusion**

69. Some of the health indicators examined had shown that progress had been made. However, this progress had been limited. Many health problems remained. A significant decline in the maternal mortality ratio was noted (from 560 in 2011 to 436 in 2016 per 100 000 live births). The NDP target was 300 per 100 000 live births. The under-five mortality rate did not change during the period. It remained at 68 per 1000 children. It remained almost twice as high as the NDP target of 37 per 1000. The review also noted that inequalities in access to health care were increasing between poor and rich households. Similarly, the quality of services remained a major concern for the population.

- **Sustainable and balanced development**

70. Progress has been made in terms of forest management, the fight against global warming and the conservation of biodiversity. However, these performances were far from the objectives set in the PND 2012-2016. The area of planted forest increased by approximately 40%, from 72,625 inhabitants in 2011 to 100,000 inhabitants in 2016. It had not reached the 130,000 inhabitants set by the PND target. The area of managed forests has more than doubled, from 3.5 million inhabitants in 2011 to 8 million inhabitants in 2016. The PND target was 10.2 million inhabitants.

71. Between 2012 and 2016, the actions implemented by the government to ensure balanced development were carried out through the continuation of the "accelerated municipalization" of the country's departmental and district capitals. This made it possible to provide the country's various departments with modern infrastructure, in particular asphalted roads and access roads, an airport in each department, urban electricity and drinking water networks, urban roads and administrative buildings.

## **1.2. Overall assessment of the NDP 2018-2022**

72. As part of its ongoing development planning, the Congo adopted the NDP 2018-2022, which was based on the following three strategic areas: (i) strengthening governance, (ii) in-depth reform of the education system and (iii) diversification of the economy.

### **1.2.1. Macroeconomic performance of the NDP 2018-2022**

73. In the context of the persistent economic and financial crisis, one of the main objectives of the 2018-2022 NDP was to restore macroeconomic and budgetary balances. The outlook was for non-oil growth of 4.0%, a tax burden rate of 22.2% and the replenishment of foreign exchange reserves in the official operations account beyond three (3) months of imports by 2022.

74. The implementation of the PREF-CEMAC (Economic and Financial Reform Programme of the Economic and Monetary Community of Central Africa) the conclusion of an agreement with the IMF under the Extended Credit Facility (ECF) and the forecast of a good performance of oil prices had given rise to encouraging prospects for achieving this NDP objective. However, the Covid-19 health crisis has made it difficult to implement the reforms of the IMF programme and those of the PREF-CEMAC CEMAC (Economic and Financial Reform Programme of the Economic and Monetary Community of Central Africa) to achieve macroeconomic balance. The evaluation of the 2018-2022 NDP concluded that non-oil economic growth had deteriorated, averaging -1.5% during the period 2019-2021, compared with the 3.1% forecast in the NDP. It should be noted that in 2020, the economic evolution of the non-oil sector resulted in a contraction of GDP (-4.3% of non-oil GDP and -5.3% for overall GDP). The tax pressure rate averaged 12.9% over the period under review, compared to 22.2% forecast in the NDP.

75. Between 2018 and 2020, inflation remained below the CEMAC (Economic and Monetary Community of Central Africa) community norm (3%) for the same reasons mentioned above.

76. The non-oil primary balance showed an increased deficit over the 2018-2020 period. This balance stood at an annual average of -9.7% of GDP over the period under review, compared with a NDP target of 14.3% of GDP. This deterioration is mainly due to the low mobilisation of domestic revenue. The overall balance (on an accrual basis, excluding grants) was in surplus by an annual average of 1.9% of GDP, against a target of 6.8% set in the NDP.

77. During the 2018-2020 period, the pace of indebtedness accelerated, resulting in a debt level of 106.0% of GDP in 2020, compared with 76.3% in 2018. This level of debt is above the EU

standard of 70% of GDP. This situation results from the erosion of oil resources and the management of the covid-19 health crisis.

78. The current account balance was in surplus by an annual average of 4.0% of GDP over the period 2018-2020, against a forecast deficit of 12.0% of GDP. This surplus resulted from the good performance of the trade balance (CFAF 3 030.8 billion), or 46.0% of GDP, and the current transfers balance (CFAF 49.0 billion), or 1.0% of GDP. This performance of the trade balance is linked to that of exports of goods, which averaged CFAF 4 661 billion annually over the period, or 74.0% of GDP. However, this performance was facilitated by the fall in imports of goods, which stood at CFAF 1 816.8 billion (28.0% of GDP), compared to CFAF 2 578.6 billion (38.0% of GDP) forecast in the NDP.

79. The evaluation of the 2018-2022 NDP concluded that the results obtained were weak overall. There are several reasons for this weakness: (i) insufficient financial resources and known delays in their mobilisation for the implementation of the NDP 2018-2022, (ii) weaknesses in the development partnership strategy, (iii) poor identification and assessment of risks, (iv) the low contribution of the administrations to the realisation of the NDP 2018-2022 and, (v) the non-implementation of monitoring and evaluation mechanisms. It should also be noted that several other factors have hindered the implementation of the NDP 2018-2022. These include: (i) the financial crisis linked to the relatively low price of oil, which had reduced public revenue and contributed to the counter-performance of the non-oil sector, (ii) questionable choices in the prioritisation of projects to be financed by the annual budgets, (iii) the suspension of the agreement concluded with the IMF and budgetary support from the TFPs, and, (iv) the health crisis linked to Covid-19.

80. The evaluation highlighted the unavailability of reliable statistics. This state of affairs did not facilitate the establishment of reference situations and targets to be reached. It was therefore difficult to develop indicators that were supposed to provide information on the achievement of the objectives of the NDP 2018-2022. The lack of reliable statistics has also made it difficult to evaluate the plan.

### **1.2.2. Social performance of the NDP 2018-2022**

81. The underperformance of the Congolese economy over the period 2018-2020, characterised by an economic recession, has not led to a reduction in poverty or an improvement in the living conditions of the middle classes. The incidence of poverty increased from 48.5% in 2019 to 52.5% in 2020, according to World Bank estimates (2021)<sup>1</sup>.

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<sup>1</sup> World Bank. (2021). Republic of Congo - Overview: <https://www..org/fr/country/congo/overview#1>

82. Unemployment was 10.3% of the total labour force in 2020 compared to 9.6% in 2019. Unemployment among young people aged 15 to 24 (first-time job seekers) was estimated at 21.6% in 2019 (International Labour Organisation, 2021)<sup>2</sup>.

83. On the health front, the situation remains marked by high morbidity and mortality rates estimated at 39.9‰ and 6.6‰ respectively in 2019<sup>3</sup>. The infant mortality rate was 34.9‰ and the under-five mortality rate was 47.8‰.

84. Regarding access to electricity and water, the proportions of the population benefiting from these basic social services were 48.3% and 68% respectively in 2019.

### **1.2.3. Performance of the NDP 2018-2022 at the level of the strategic axes**

- **Strengthened governance**

85. In 2019, the Mo Ibrahim Foundation Governance Index for Congo (IIAG) fell by 6.9 points, from an average rating of 43 points out of 100 in 2015 to an average rating of 36.1 points out of 100 in 2019. The underperformance concerned the following components in particular: security and rule of law (-12.6 points, including -21.4 points for the rule of law sub-component), participation and human rights (-8.1 points, including -15.5 points for the gender sub-component), sustainable economic development (-0.7 points, including -18.0 points for the business environment sub-component) and human development (-12.6 points, including -14.8 points for the health sub-component). However, significant progress was made in some sub-components: personal security (33.1 points), national security (18.4 points), public management (16.3 points) and infrastructure (7.2 points).

86. Analysis of the evolution of the World Bank's public management performance indicators (CPIA) also confirms the trends in the IIAG between 2005 and 2019. The country's lower overall CPIA score in 2019 (2.7) has declined slightly after a steady increase between 2005 (2.8) and 2015 (3.0). This overall CPIA score is the result of underperformance in its various sub-components, notably: (i) debt policy and management (2.0), (ii) business regulatory framework (2.0) and, financial sector (2.5). However, some progress was noted in the quality of public administration (3.0) and budget and financial management (3.0). This progress is linked to the reforms undertaken by the government over the past few years, particularly those carried out in public finance management.

87. These results, compared to those of the implementation of the 2012-2016 NDP, show that progress in the area of governance is rather timid.

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2 OIT. (2021). <https://www.ilo.org/global/statistics-and-databases/lang--fr/index.htm>

3 World Health Organization. (2021). Monitoring health for the SDGs, sustainable development goals. Geneva: World Health Organization.

- **In-depth reform of the education system**

88. This axis was articulated around four sub-axes: (i) promoting moral, civic and physical education and the fight against anti-values, (ii) providing quality education for all, (iii) adapting the education system and its products to the market needs of an emerging economy, and (iv) improving the governance of the education system.

89. Due to insufficient data, the evaluation of this axis could only be partially carried out.

90. **Promote moral, civic and physical education and the fight against anti-values.** Between 2018-2020, actions focused on the training of some managers, teachers and facilitators as well as on the construction of school infrastructure.

91. The actions in this sub-area aimed to combat anti-values (corruption, misappropriation of funds, illicit enrichment, depravity of morals, etc.), to promote a culture of integrity, public service, respect for the individual and for public property, and to make the Congolese citizens responsible, aware of their rights and duties, and respectful of the rules and laws. It has not been possible to carry out concrete actions in this direction during the period due to a lack of funding.

92. **To provide quality education for all.** The evaluation showed that the increase in the number of pupils, year after year, has not been followed by recruitment of teachers to the civil service. Many primary schools, particularly in rural areas, are run by unqualified people known as 'volunteer' teachers. This results in very high pupil-teacher ratios, with high repetition rates and low access rates to secondary school. At the same time, some schools have been built and classrooms have been equipped, particularly with desks: fifty thousand (50,000) desks (primary, junior high and high school) over the 2017-2018 period. The admission rates for the BEPC and the baccalaureate were 57.3% and 35.7% respectively for the 2020-2021 school year, compared with 55.7% and 34.8% for the 2019-2020 school year. The creation of the Denis SASSOU NGUESSO University has made up for the lack of certain courses of study in higher education and increased the national supply of education.

93. **Adapting the education system and its products to the market needs of an emerging economy.** The evaluation of the 2018-2022 NDP did not identify any specific actions implemented to achieve the objective of this sub-axis. The technological courses created at Denis SASSOU NGUESSO University will make it possible to train human resources compatible with the market needs of an emerging economy.

94. **Improving the governance of the education system.** During the implementation period of the NDP 2018-2022, there have been no significant actions to improve the governance of the education sector. The governance problems identified in the various diagnoses of this sector still exist today. The need to organise the General States of Education remains on the agenda to improve the governance of national education.

- **Diversification, economic transformation and growth**

95. During the 2018-2020 period, the pursuit of the objective of diversifying the economy was thwarted by exogenous factors (drop in the price of a barrel of oil and the Covid-19). Non-oil

GDP growth has declined, with an average rate of -4.9% (between 2018-2020) compared with the NDP target of 4.0%. The diversification index, which stood at 0.8 in 2020, shows that Congolese exports are not diversified.

96. The underperformance of the 2018-2022 NDP in terms of economic diversification can also be explained by factors relating to both the business climate and structural problems. The Congo attracts very little non-oil foreign direct investment. The national private sector is not dynamic enough. Private investment, which was considered in the 2018-2022 NDP as the main lever for growth and structural change, has not fully played this role.

97. Judging by the achievements recorded in the strategic axes retained in the NDP 2018-2022, its implementation has not led to the structural transformation of the economy as expected. The preponderant share of the non-oil sector in GDP observed during the period is merely a mechanical consequence of the decline in oil sector activities. Two of the three main areas selected for diversification did not perform well. Average growth in the agricultural sector was -1.1% over the period 2018-2020 (0.3%, 0.9% and -4.5% in 2018, 2019 and 2020 respectively), compared with the 4.8% forecast in the 2018-2022 NDP. In tourism, growth was estimated at -9.8% on average per year, compared with an average growth of 0.6% forecast in the NDP over the same period. The manufacturing industry is one of the sub-sectors that recorded positive effects, as growth in this sector was 4.2% on average per year over the period 2018-2020, compared with 3.3% in the NDP forecast.

98. The implementation of the NDP 2018-2022 has been made difficult for exogenous reasons. The performance of the NDP has been weak overall because its implementation has come up against a combination of several adverse factors:

- The persistence of the economic and financial crisis (from 2015 to the present) and the interruption in 2020 of the agreement reached with the IMF in 2019.
- The occurrence of the global health crisis of exceptional magnitude and duration, which disrupted all macroeconomic forecasts and broke the momentum of the main structural reforms.
- The short period of full implementation of the NDP 2018-2022. The NDP would have been implemented only in 2019, technically only one year. The years 2020 and 2021 were dominated by Covid-19 and the presidential election.

99. Despite the difficult context, the implementation of the NDP 2018-2022 has resulted in some progress, including:

- The construction of new basic infrastructure.
- Improving access to electricity and drinking water throughout the country
- The financing of the health sub-sector, notably the completion of the construction and equipment of two of the twelve general hospitals.
- The implementation of public finance management reforms.



## 1.3. Recommendations for the development and implementation of the NDP 2022-2026

### 1.3.1. On the development process

#### *Choice of strategic axes or pillars*

100. The strategic axes or pillars to be retained must correspond to the fundamental development choices made by the President of the Republic and approved by the people in the March 2021 presidential election. All of this should be done with a view to prioritising the establishment of a development base.

- **Guidelines :**

- Give priority to the economic logic to fight unemployment and poverty effectively;
- Limit the number of strategic axes or pillars to avoid dispersion of resources;
- carry out in-depth analyses of the selected axes or pillars from upstream to downstream, particularly through the sectoral strategy paper.

#### *Selection of priority projects*

- **Guidelines :**

- Selecting priority projects according to their impact on development and their knock-on effects on other economic and social activities, the urgency of the problems to be solved and the ability to mobilise financial resources.
- Carry out feasibility studies of projects included in the NDP;
- Establish a framework for consultation on the choice and design of cross-cutting projects.

#### *Statistical information*

101. The process of developing the NDP 2018-2022 suffered from a lack of statistical data. This lack of reliable data prevented the matrix of NDP indicators in all sectors from being completely filled in, and thus from defining the basic values of the indicators and the targets to be reached in 2022.

- **Guidelines :**

- continue and finalise the national surveys in progress (RGPH, REGEC, EHCVM);
- carry out other national surveys (EDS, EESIC, ESISC, MICS, etc.).

### 1.3.2. On implementation

102. The recommendations concern: (i) inclusiveness, (ii) the financing scheme, (iii) public finance reforms: management in programme mode, (iv) the national statistical system, (v) the monitoring-evaluation mechanism, (vi) the transposition of the NDP into a local development plan (LDP) and, (vii) the communication strategy

### *Inclusiveness*

- **Guidelines :**

103. It is essential to involve all components of society (centralized public institutions, local authorities, private sector, civil society organizations, TFPs) in the implementation of the NDP throughout the country.

### *The funding scheme*

- **Guidelines :**

104. It's about:

- Develop an appropriate and realistic financing scheme;
- Use all relevant mechanisms to mobilise financial resources.
- Pursue public finance reforms to improve the security of internal resources;
- Increase efforts to diversify sources of financing;
- Exploit the potential of innovative financing;
- Improve the business climate to encourage domestic and foreign private investors to finance the projects included in the NDP;
- Boost public-private partnerships (PPP).

### *Program mode management*

105. The so-called means budget did not allow for an adequate allocation of resources, particularly for projects that straddle several budget years. The changeover of the state budget to programme mode will make it possible to better monitor and secure the resources needed to carry out projects spanning several budget years.

- **Guidelines:** complete the process of switching the state budget to programme mode.

### *National Statistics System*

106. The availability of reliable and up-to-date statistics is essential to measure the level of performance in the implementation of development plans and programmes.

- **Guidelines:**
  - Operationalise the Higher Commission for Statistics;
  - Validate and implement the National Strategy for the Development of Statistics (NSDS).

### *Monitoring and evaluation mechanism*

107. The non-operation of the monitoring and evaluation framework of the 2018-2022 NDP has not made it possible to control the implementation of the projects selected in the NDP

- **Guidelines:**
  - Operationalise the monitoring and evaluation framework as soon as the law on the NDP is adopted.

- Strengthen the technical and logistical capacities of the administrations involved in monitoring and evaluating the NDP to enable them to carry out their missions effectively.
- Implement the principles of accountability and responsibility of all actors at all levels of NDP implementation.

### *Transposition of the NDP into a local development plan (LDP)*

108. The NDP suffered from the lack of local implementation, thus depriving the departments of a coherent planning instrument.

- **Guidelines:** prepare local development plans as soon as the NDP law is adopted.

### *Communication strategy*

109. Unlike the 1982-1986 five-year plan, which was widely communicated at national level, the 2012-2016 and 2018-2022 NDPs were not sufficiently disseminated.

- **Guidelines:**
  - Organiser Organise awareness and ownership campaigns for the NDP at all levels (including outside the country);
  - Include a communication budget in the NDP;
  - Involve the deconcentrated and decentralised structures as well as civil society in communication with the population.
  - Establish a framework for dialogue between the departmental coordinators of the NDP and the population to ensure the latter's return to the national coordination.

# Chapter 2: Diagnostic analysis of the socio-economic situation in Congo

110. The purpose of the diagnostic analysis is to highlight the strengths and weaknesses as well as the problems that arise in society in general and in the economy in particular. The interest of such an approach lies in the fact that the strengths, disadvantages, dysfunctions and problems identified should inspire the responses to be made to the various challenges facing the country, in particular the economic and social challenges.

## 5.1. 2.1. Demographic and social status

### 2.1.1. Demographic trends

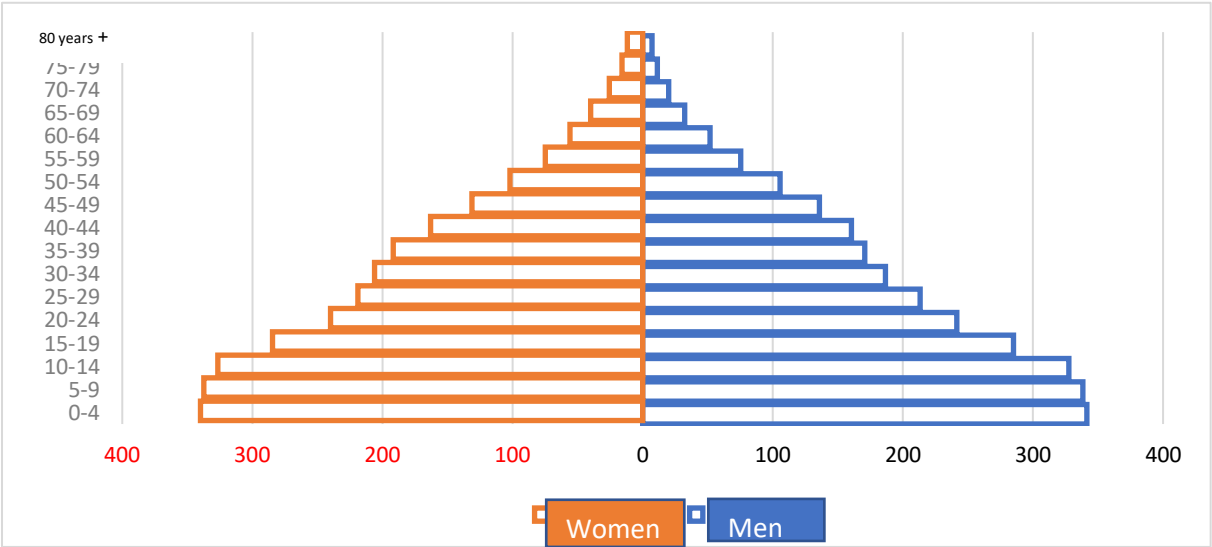
111. The Republic of Congo has an estimated population of 5,657,000 in 2021, up 2.5% from 2020 and 16.5% from 2015. The Congolese territory is among the least densely populated in Africa with 15.5 inhabitants per square kilometre.

112. The Congolese population is unevenly distributed across the country. In 2020, the two largest cities (Brazzaville and Pointe-Noire) were home to 3 089 229 inhabitants (56.5%), of which 2 031 244 were in Brazzaville (INS, 2020). The exodus of rural populations to these localities is justified by the training and employment opportunities they offer.

113. Life expectancy at birth was 65 years in 2019, 7 years below the world average of 72 years and slightly above the average for sub-Saharan Africa (60 years). The increase in life expectancy is explained by the efforts made by the government in recent years to improve health and living conditions for the population in general.

Figure 1: Population pyramid of Congo 2020

Figure 1: Age Pyramid of the Population of Congo 2020



*Source: National Institute of Statistics (2020)*

114. The working population (15 years and over) is estimated by the ILO(International Labour Office) to be 3,088,000, composed almost equally of women (1,546,000) and men (1,542,000)

in 2020. The work dependency ratio has increased from 1.75 in 2015 to 1.86 in 2020 (ILO, 2021). This implies that each economically active person has an average of two dependants.

115. The population of Congo is predominantly young. Fifty-six percent (56%) of the population is under 20 years old. This could be an asset for the development.

116. The combined effects of declining fertility and mortality have resulted in changes in the structure of the population, in particular the increase over the years of economically active adults (people aged 15-64). This, as theory and empirical studies teach, constitutes an opportunity for improving the rate of economic growth through the demographic dividend. In order for the demographic dividend to bear fruit, it is necessary to create employment opportunities for the entire working population.

117. The results of the country report (Republic of Congo-UNFPA-United Nations Population Funds 2019) reveal that this window of opportunity for the demographic dividend opened in 1990. In other words, from that date onwards, the working-age population grew faster than the number of young and elderly dependents. According to this report, in 1990 the economic support ratio was 36% with a demographic dividend of 0.01%. Projections show that this economic support ratio will increase to 44% in 2050 and the demographic dividend will increase to 0.58%.

## **2.1.2. Employment**

### ***2.1.2.1. Employment of the general population***

118. The issue of employment, particularly for young people, has remained at the heart of the authorities' concerns and at the centre of the public policies adopted by successive governments. The relatively sustained growth in the years preceding the economic crisis of 2014 did not create enough sustainable and decent jobs for the majority of Congolese. According to the latest national survey on the transition of young people to the labour market (ETVA, 2015), unemployment affects 30% of young people. The Covid-19 health crisis has exacerbated unemployment and the vulnerability of workers, particularly those in the informal sector, as well as inequalities within the population.

119. According to the ILO (International Labour Office), in 2020 unemployment affected 10.3% of the total active population, compared with 9.6% in 2019. Unemployment is increasingly affecting young people aged 15 to 24, who are generally the first-time job seekers. However, the underemployment rate of the active population is estimated to be higher, between 25 and 30%. The unemployment rate in this age group is estimated at 21.6% compared to 6.7% for the over-25s in 2019. In the 15-24 age group, unemployment affects 22.5% of young men and 20.7% of young women. Unemployment is higher in urban areas (11.1%) than in rural areas (1.1%).

120. According to ILO estimates (2021), the employment rate is 59.5% in 2020, down 3.4 percentage points from 2013 (62.9%). The self-employed make up the bulk of those in employment. In 2019, they accounted for 77.0% of employment, about the same as in 2017 (77.1%).

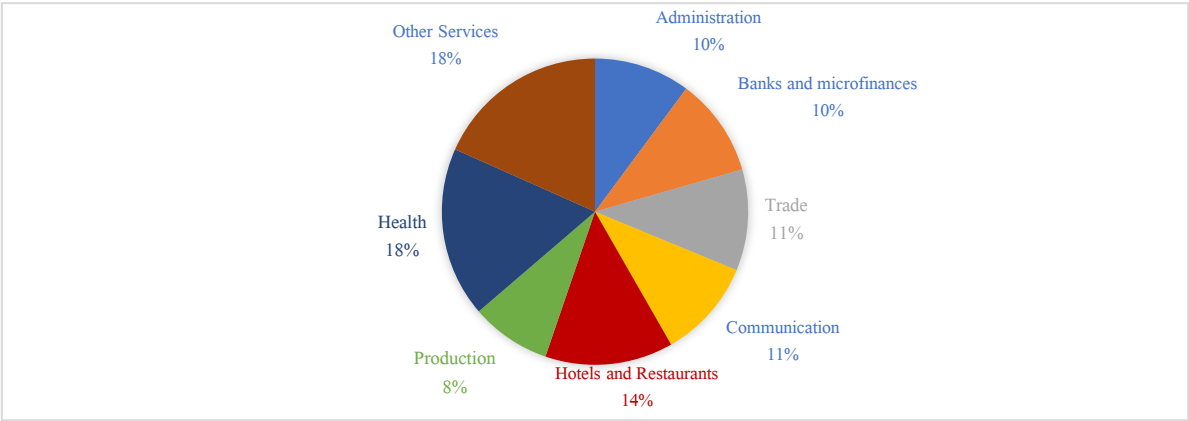
121. Regarding vulnerability, ILO estimates show that 64.6% of men are in vulnerable employment. The results of the ETVA (Survey on transition to work) (2015) had established that 59.4% of young people aged 15-29 were in vulnerable employment.

**2.1.2.2. Women's employment**

122. The issue of gender and women's empowerment remains a challenge. The representation of women in political life in 2021 is as follows: (i) 23% in the Government, (ii) 14% in Parliament, (iii) 19% in the departmental councils and (iv) 24% in the communal councils. More than 40% of the members of the chambers of commerce, industry, agriculture and trades in Brazzaville and Pointe-Noire are women.

123. The survey on the presence of women in public, parapublic and private administrations carried out by the Ministry for the Advancement of Women in 2018 shows that the representation of women is low in the various branches of socio-economic life.

Figure 2: Representation of women by industry in 2018



Source: Ministry for the Advancement of Women, 2018

124. In the area of employment, ILO estimates for 2019 indicate that the unemployment rate is higher for women (10.2%) than for men (9%). Female employment seems to be concentrated in agriculture, where women play a predominant role and represent 70% of the workforce, working mainly in the informal sector without any social security coverage.

**2.1.3. Poverty and inequality**

125. The incidence of poverty is still a concern. According to the ECOM surveys (2005 and 2011), poverty had declined by only 4.2 percentage points in 6 years, from 50.7% in 2005 to 46.5% in 2011. The data in the table below indicate that poverty was more acute in rural areas than in urban areas. Its evolution shows that in 2011, the decline in the poverty rate in large urban centres (-24 points in Brazzaville, for example) contrasts with the upward trend in the poverty rate in rural areas (+17.1 points). The depth (+11 points) and severity (+6.6 points) of poverty have also increased in rural areas. Poor people have become even poorer in rural areas.

Table 1: Changes in poverty indices by strata between 2005 and 2011

Place of residence	Poverty rate (%)			Depth of poverty (%)			Severity of poverty (%)		
	2005	2011	Variation	2005	2011	Variation	2005	2011	Variation
<b>Brazzaville</b>	53,4	29,4	-24	22	7,9	-14,1	11,6	3,2	-8,4
<b>Pointe-Noire</b>	32,2	25,5	-6,7	9,5	6,2	-3,3	4	2,3	-1,7
<b>Other municipalities</b>	51,2	55	3,8	19	18,9	-0,1	9,6	8,5	-1,1
<b>Semi-urban</b>	59,5	57,8	-1,7	28,9	19,8	-9,1	17,7	8,7	-9
<b>Rural areas</b>	57,7	74,8	17,1	20,6	31,6	11	10,1	16,7	6,6
<b>Congo</b>	<b>50,7</b>	<b>46,5</b>	<b>-3,6</b>	<b>18,9</b>	<b>16,7</b>	<b>-2,2</b>	<b>9,6</b>	<b>8,1</b>	<b>-1,5</b>

Source: INS, Congolese Household Survey (ECOM), 2005 and 2011.

126. More recent estimates indicate that the poverty rate in Congo has risen from 48.5% in 2019 to 52.5% in 2020 (World Bank, 2021). This is linked to the economic recession of recent years, aggravated by the Covid-19 pandemic.

127. The results of an INS survey (2020) reveal that the Covid-19 health crisis has had adverse effects on the satisfaction of the Congolese population's basic needs. Households have been strongly negatively affected in terms of their ability to pay rent (51.8%), electricity and water (39.1%), food (40.7%) and to cover their health needs (26.8%)

128. In terms of multidimensional poverty, 24.3% of the Congolese population was affected and the multidimensional poverty index (MPI)<sup>4</sup> was 0.112 in 2011-2012. The degree of deprivation in 2014-2015 in Congo was 46%. In other words, a poor person does not meet 46% of their needs in the areas of health, education and living conditions. In the different dimensions of the MPI, the level of deprivation of a poor person is 20.2% in education, 23.4% in health and 56.4% in living conditions.

129. A dynamic analysis of multidimensional poverty shows an ambivalent situation. On the one hand, the MPI and the incidence of the population living in multidimensional poverty had declined from 0.192 to 0.112 and 43.0% to 24.3% respectively in 2011-2012 and 2014-2015. On the other hand, the degree of deprivation increased by 1.3 percentage points (from 44.7% to 46%) during the same period. The high level of deprivation observed is mainly the result of deprivation in education (from 10.6% to 20.2%) during these two periods. The share of the population vulnerable to poverty is 21.3% in the 2014-2015 period compared to 26.2% in the 2011-2012 period, reflecting an improvement in the situation of a section of the population between these two periods. This downward trend in the precariousness of living conditions was also reflected in extreme poverty. The proportion of the population living in extreme poverty fell from 12.2% over the period 2011-2012 to 9.4% over the period 2014-2015.

<sup>4</sup> The MPI is a synthetic index constructed using ten indicators covering three dimensions. The three dimensions are: health (nutrition, child mortality); education (years of education and school enrolment); and standard of living (electricity, water, sanitation, cooking fuel, flooring, and asset ownership).

Table 2: Evolution of multidimensional poverty between 2011-2012 and 2014-2015

Indicators		2011-2012	2014-2015
<b>Multidimensional poverty index</b>		0,192	0,112
<b>Incidence of population living in multidimensional poverty (%)</b>		43,0	24,3
<b>Level of deprivation (in %)</b>		44,7	46,0
<b>Population vulnerable to poverty (%)</b>		26,2	21,3
<b>Population living in extreme poverty (%)</b>		12,2	9,4
<b>Share of deprivation in the overall poverty dimension (%)</b>	<i>Education</i>	10,6	20,2
	<i>Health</i>	32,8	23,4
	<i>Standard of living</i>	56,6	56,4
<b>Population with income below the poverty line (%)</b>	<i>1.90 USD/day (PPA)</i>	37	37
	<i>National poverty line</i>	46,5	-

Source: PNUD et OPHI, Global Multidimensional Poverty Index 2019

130. The human development index (HDI) was estimated at 0.574 in 2019, up from 0.613 in 2015. Congo was ranked 149th, and placed in the medium human development category.

131. In terms of inequality, it is clear that the Congo is a highly unequal country. The richest 10% of the population hold 37.9% of the national income. In Central Africa, only Angola has a higher rate (39.6%) (UNDP-United Nations Development Programme 2020).

132. Given the situation of poverty and the current low capacity of the national productive system to create wealth, the chances of achieving Sustainable Development Goal 1 (SDG 1) by 2030 could be compromised. SDG1 could be approached or achieved if significant and decisive actions are implemented from now until 2030. Overall, despite the integration of the SDGs into national development strategies, policies and plans, the achievement of the SDGs remains a concern.

Table 3: Status of the Sustainable Development Goals (SDGs) in the Republic of Congo

Targets	Index	2020
<b>SDG 1 : No Poverty</b>	Poverty rate at 1.90 per day (%)	67
	Poverty rate at 3.20 per day (%)	85,8
<b>SDG2 : Zero Hunger</b>	Prevalence of undernourishment (as a percentage of the population)	40,3
<b>SDG 3 : Good health and well-being</b>	Maternal mortality ratio (per 100,000 live births)	378
	Life expectancy at birth (years)	64,3
<b>SDG 4 : Quality education</b>	Primary completion rate, total (percentage of relevant age group)	71,6
	Literacy rate, total adults (percentage of people aged 15 and over)	80,3
<b>SDG 5 : Gender equality</b>	Proportion of seats held by women in national parliaments (%)	11,3
<b>SDG 6 : water and sewerage</b>	Population using at least basic drinking water services (%)	73,2
	Population using at least basic sanitation services (%)	20,2
<b>SDG 7 : Affordable and clean energy</b>	Population with access to electricity	66,2
<b>SDG 8 : Economic growth and decent work</b>	GDP per capita growth (annual percentage)	-6
	Adults with an account at a bank or other financial institution or with a mobile money service provider (% of population aged 15 years or older)	26,1
<b>SDG 9 : Industry, Innovation and Infrastructure</b>	Manufacturing, value added (as a percentage of GDP)	8,6
	Population using the Internet (%)	8,7
	Mobile broadband subscriptions (per 100 inhabitants)	6
<b>SDG 10 : Reducing Inequalities</b>	Adjusted Gini coefficient for top incomes	52
<b>SDG11 : Sustainable cities and communities</b>	Urban population (as a percentage of total)	67,4
	Satisfaction with public transport	53,2
<b>SDG 12 : Sustainable consumption and production</b>	Co2 emissions from liquid fuel consumption (kt)	2321,2
	Co2 emissions from gaseous fuel consumption (kt)	487,7
<b>SDG13 : climate change</b>	Energy-related CO2 emissions (tCO2/inhabitant)	0,5
<b>SDG14 : Aquatic Life</b>	Ocean Health Index: Clean Water Score (worst 0-100 best)	49,1
<b>SDG 15 : Life and Earth</b>	Permanent deforestation (% of average forest area over 5 years)	0,1
	Red List Index of species survival (worst 0-1 best)	1
	Corruption perception index (worst 0-100 best)	19



Targets	Index	2020
SDG16 : Peace, Justice and Strong Institutions	Press Freedom Index (best 0-100 worst)	36
	Children involved in child labour (% of population aged 5-14)	23,3
SDG 17 : Partnership for the achievement of the Goals	Public expenditure on health and education (% of GDP)	6,1

Source: World Bank and IMF, Article IV report of 05 October 2021

## 2.1.4. Access to basic social services

### 2.1.4.1. Health

#### Population health status

133. The health status of the Congolese population is marked by significant levels of morbidity and mortality estimated at 39.9‰ and 6.6‰ respectively in 2019. The maternal mortality ratio is 378 deaths per 100,000 live births (WHO, 2021). Despite its reduction over the past decades, it remains one of the highest in sub-Saharan Africa. It is far from the MDG target of less than 70 deaths per 100,000 live births by 2030. This high level of maternal mortality could be linked to the low quality of services offered, despite the high rate (90%) of births attended by skilled personnel (SARA Survey, 2019).

134. The infant mortality rate is 34.9‰. Among children under 5, it is 47.8 deaths per 1000 live births (WHO, 2021). It is declining, after peaking at 114 deaths per 1000 live births in 2000.

135. Malaria remains one of the leading causes of morbidity and mortality. This is despite free treatment and substantial improvements in the malaria situation. The incidence of malaria decreased from 80‰ in 2019 (427,465 cases) to 26‰ in 2020 (146,262 cases). At the same time, mortality at the health facility level decreased from 23% to 9% (DEP MSP, 2020).

136. Due to the near absence of the social security and health insurance system for the majority of the population, household spending on health care is done through direct payment. Social security to date covers only 5% of households (INS, 2020).

137. In 2020, households bore more than half of current health expenditure (52%) (WHO-World Health Organisation 2021), well above the 15-20% threshold recommended to avoid the risk of catastrophic expenditure. Data from the situational and quantitative analysis of health financing indicates that more than two hundred thousand (200,000) individuals face catastrophic health expenditure. Health risks are twice as high in the poorest strata because of social inequalities. Health costs negatively affect the poor's access to health services. The impoverishment of populations as a result of the current crisis has led to a decline in the financial capacity of households to use health care (NSI, 2020).

138. The adoption of free treatment for malaria, tuberculosis and caesarean sections was supposed to alleviate difficulties in accessing health services and treatment. However, due to numerous weaknesses in its implementation, the policy of free access to health care has not brought significant and sustainable improvements in access to health care. According to the WHO, the state covers only 36% of household health expenditure (WHO 2021)<sup>5</sup>.

139. The low accessibility to health care can also be explained by the level of budgetary allocations to the health sector. It is true that the resources allocated to health have increased

5 OMS (2021). Global Health Expenditure Database (GHED). <https://apps.who.int/nha/database/Select/Indicators/fr>

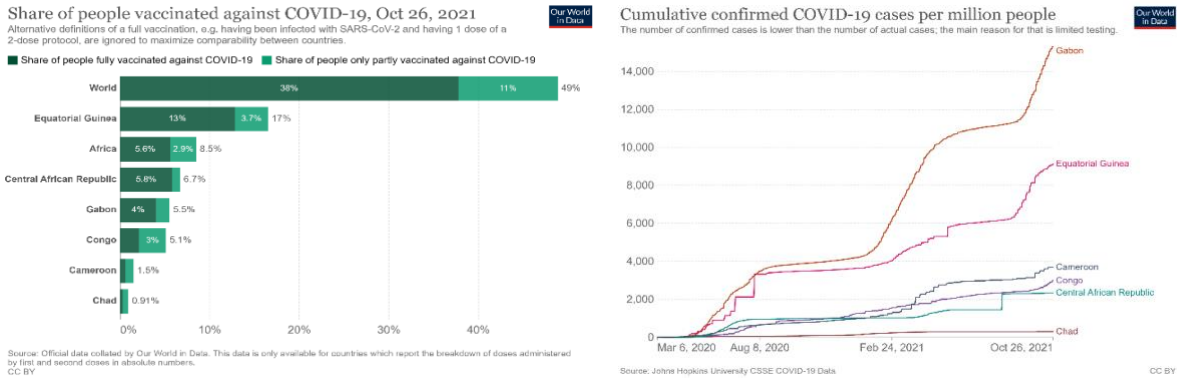
from 5% in 2015 to 8.8% of the state budget in 2019 and 12.9% in 2020. They have not yet reached the level set (15%) in the Abuja Declaration of April 2000. They also need to be better managed to make them effective.

140. According to the results of the survey on seroprevalence and other AIDS indicators in Congo, the prevalence rate of HIV-AIDS was estimated at 3.2% of the population, with disparities from one department to another (INS, 2009). Based on this prevalence, the Ministry of Health and Population estimated that in 2020, 89,000 people were living with HIV-AIDS, including 82,000 adults over the age of 15.

**Epidemiological situation of the country in relation to Covid-19**

141. Congo has adopted various response measures to curb the spread of Covid-19. The first confirmed case of Covid-19 was recorded on 14 March 2020. As of 21 October 2021, the cumulative number of confirmed cases stands at 16,868 with 249 deaths. The epidemiological situation reveals that the number of confirmed cases and deaths in Congo has increased at a moderate rate compared to the CEMAC average. However, the rate of vaccination remains slower than in some comparable CEMAC countries.

Figure 3: Epidemiological situation and share of fully/partially vaccinated persons



Source: Johns Hopkins University, CSSE COVID-19 Data

142. The vaccination campaign in the country started on 25 March 2021. According to health authority statistics compiled on 20 October 2021, Congo has vaccinated 480,880 people, against an initial target of just over 3 million (60% of the total population). This slow pace of vaccination means that the country runs the risk of maintaining restrictions for a long time and delaying the recovery of economic activity.

**2.1.4.2. Education**

143. The high enrolment of children in the primary cycle, reflected in gross enrolment rates (GER) of over 100% (106.1% in primary education in 2019-2020), reflects the government's constant efforts in the primary cycle. The country still faces several challenges that constitute constraints to human capital formation. In 2019-2020, the GER was 82.8% and 49.9% respectively in lower secondary and upper secondary education.

144. The admission of girls and boys is almost equal at pre-school and primary level. It becomes increasingly unequal in secondary school (1st and 2nd cycles). It deteriorates even more in

higher education. The gender parity index between 2005 and 2015 at primary level was 1.01, 0.89 at lower secondary level and 0.62 at upper secondary level.

145. Inequalities in access to education are observed between children from indigenous populations and those from other populations at primary level. They increase from secondary school onwards. According to the 2018 school census, conducted by the three ministries in charge of education, only 5,670 indigenous pupils (0.69%) were enrolled in primary schools and 2,873 pupils (1.1%) in 'Observe-Reflect-Act' (ORA) schools. There were only 256 in lower secondary schools and 97 in upper secondary schools. In total, less than 40% of indigenous children are enrolled in primary education (UNICEF-Congo, 2020).

146. Primary education is poorly performing in terms of learning achievement. The results of the latest PASEC evaluation carried out in 2019 reveal that 66.6% of pupils do not reach the 'sufficient' threshold in mathematics and 21% do not reach it in French. Several factors explain this underperformance, including: (i) the shortage of qualified teachers and the massive recourse to volunteer teachers, especially in rural areas, (ii) the high pupil/teacher ratio (on average 45 pupils), far from the target of the 2030 agenda (MDG4), (iii) the poor availability and quality of school infrastructure which has not kept pace with the increase in enrolment, leading to an increase in the pupil/classroom ratio estimated at 106.9 on average in 2020..

147. These constraints are not specific to the primary cycle. At the level of higher education, for example, the problem of teacher shortages is equally acute, especially in the public sector.

#### **2.1.4.3. Electricity, water and sanitation**

148. As regards electricity, 48.3% of the population had access to this service in 2019. This rate conceals disparities between urban (65.2%) and rural (12.7%) areas (WDI, 2021). According to UNICEF-Congo (2021), 68% of the population has access to drinking water. As with electricity, there are large disparities between urban and rural areas (85% versus 56%).

149. A quarter of the population has a modern private toilet. The others use precarious sanitation facilities or practice open defecation.

## **5.2. 2.2. Economic and financial situation**

### **2.2.1. Global, regional and sub-regional trends**

150. After contracting by 3.1% in 2020, the world economy is expected to grow by 5.9% in 2021, driven by an acceleration of vaccination campaigns and stimulus measures in major advanced countries. According to the latest IMF projections, released in October 2021, the economic recovery is uneven. It varies by country and sector, disruption and the extent of disease control and economic support measures. The recovery is strong in advanced countries and China. It is less strong in other countries.

151. At the continental level, while sub-Saharan African countries have managed to keep the pandemic under control, with relatively few cases, the economic consequences are significant. GDP growth in the region was forecast to be -3.0% in 2020 compared to +3.2% in 2019. GDP growth in sub-Saharan African countries was led by the two giants, South Africa and Nigeria. They recorded GDP declines of 8.0% and 4.3% respectively. South Africa has been hard hit by

the adverse effects of the pandemic (reduced supply, lower investment, etc.). It is the fifth most affected country in the world by Covid-19.

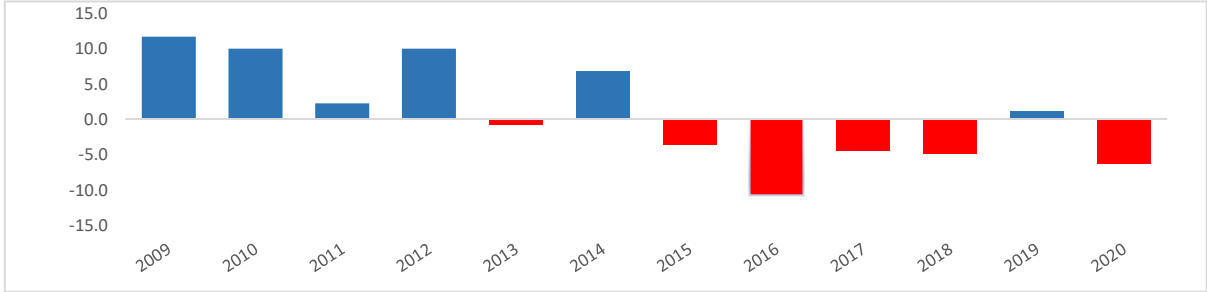
152. At the sub-regional level, economic activity in CEMAC should experience a moderate recovery (3.0%) in 2021, after a recession in 2020 (-3.2%) under the effect of the drop in oil production (in Congo and Equatorial Guinea, in particular), combined with the health (Covid-19) and security crises (Cameroon, CAR, Chad). CEMAC owes its recovery to the PREF-CEMAC and second-generation programmes supported by the ECF or the Enlarged Credit Facility (ECF). Inflationary pressures will be maintained at 2.8% in 2021 before falling to 2.5% in 2022.

**2.2.2. Growth trajectory of the Congolese economy**

**2.2.2.1. Macroeconomic trends**

153. After a strong acceleration between 2009 and 2014, economic activity deteriorated over the period 2015-2018, due to the collapse of oil prices in the second half of 2014. The GDP growth rate improved slightly to 1.0% in 2019, linked to an increase in oil and gas production. In 2020, economic activity contracted, with GDP growth estimated at -6.2%, mainly due to Covid-19 and a further collapse in world oil prices. The intermittent nature of growth underlines the vulnerability of the economy to shocks (exogenous and endogenous). The Covid-19 pandemic has increased the vulnerabilities and volatility of the national economy.

Figure 4: Evolution of the GDP growth rate from 2009 to 2020 (%)



Source : INS and World Bank

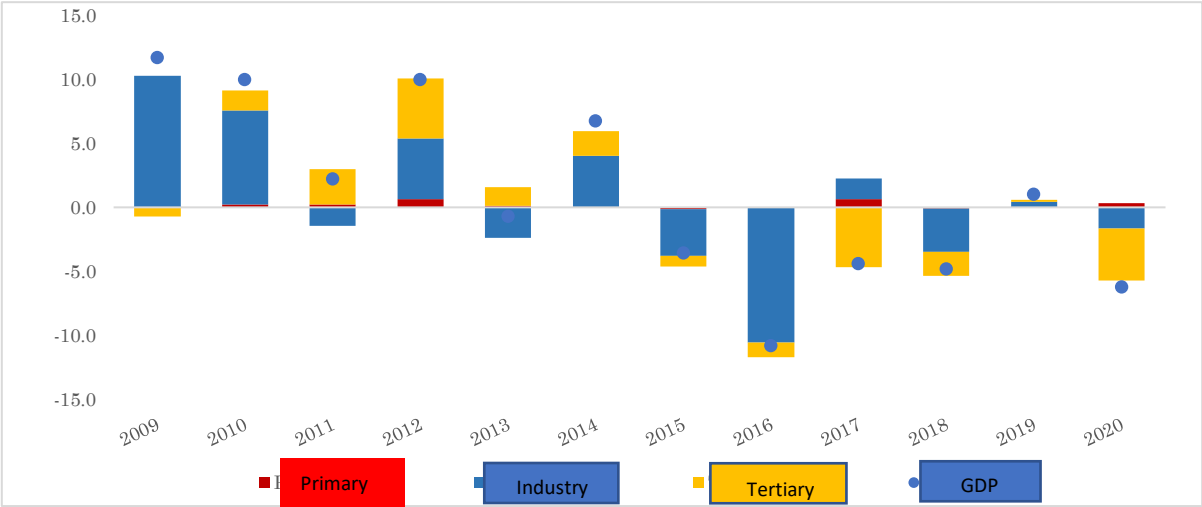
154. On the supply side, the decline in growth observed in 2020 is the result of the fall in activity in the industrial (-3.5%) and services (-9.9%) sectors. These developments reflect contributions to GDP growth of -1.7 and -4.0 percentage points. In the tertiary sector, the main factors of underperformance were, on the one hand, public administration activities and trade (-2.9 and -1.3 percentage points), linked to containment measures, and, on the other hand, transport and financial services (-0.3 and -0.2 percentage points) in relation to the closure of national borders<sup>6</sup> and the scarcity of new bank credits.

155. In the secondary sector, oil and gas extraction and construction also contributed negatively to growth (-1.8 and -0.4 percentage points, respectively), in connection with the decline in oil production and the stoppage of many construction sites.

<sup>6</sup> Following the declaration of a state of health emergency by the President of the Republic by Decree No. 2020-93 of 30 March 2020, exceptional measures were taken to prevent the Covid-19 pandemic. As regards the transport sector, the institutional measures implemented by the Government concerned the closure of land, river, sea and air borders, authorising only ships and cargo flights, so as not to suspend imports, particularly of food.

156. In contrast, there was a slight upturn in activity in the primary sector (+0.3 percentage points), marked by: (i) the recovery of agricultural production (+0.2 percentage points) and the increase in the output of forestry and logging (+0.1 percentage points).

Figure 5: Evolution of the GDP growth rate (supply side) from 2014 to 2020



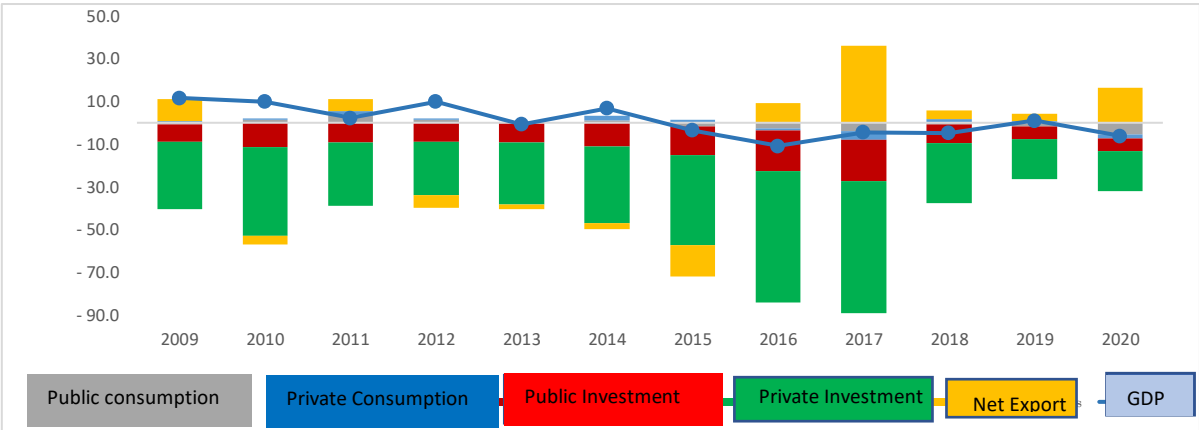
Source: NSI and World Bank Figure 5: Evolution of GDP growth rate (supply side) from 2014 to 2020

157. On the demand side, exports remained the main drivers of growth in 2020. The acceleration in exports reflects the country's dependence on crude oil exports, which contributed 16.3 percentage points to GDP in 2020. External demand grew at an average annual rate of 5.0%, over the period 2014-2020.

158. The decline (-3.7%) in public and private consumption (domestic demand) over the period 2014-2020 is mainly the result of budgetary adjustments made by the State. The decline in private consumption is mainly linked to the fall in household purchasing power. This in turn is the result of redundancies and/or staff cuts in companies in difficulty due to the economic and financial crisis or the health crisis in Covid-19.

159. Investment has also contributed to the decline in domestic demand. Between 2014 and 2020, the level of investment has been steadily decreasing, reaching its lowest level in 2017. Over the period, investment fell by an average of 18.0% per year. In 2020, due to the contraction of investment spending, which led to the halting of public works, investment contributed negatively by -11 percentage points, thus explaining 45.0% of the decline in GDP.

Chart 6: Evolution of GDP growth, demand perspective from 2009 to 2020



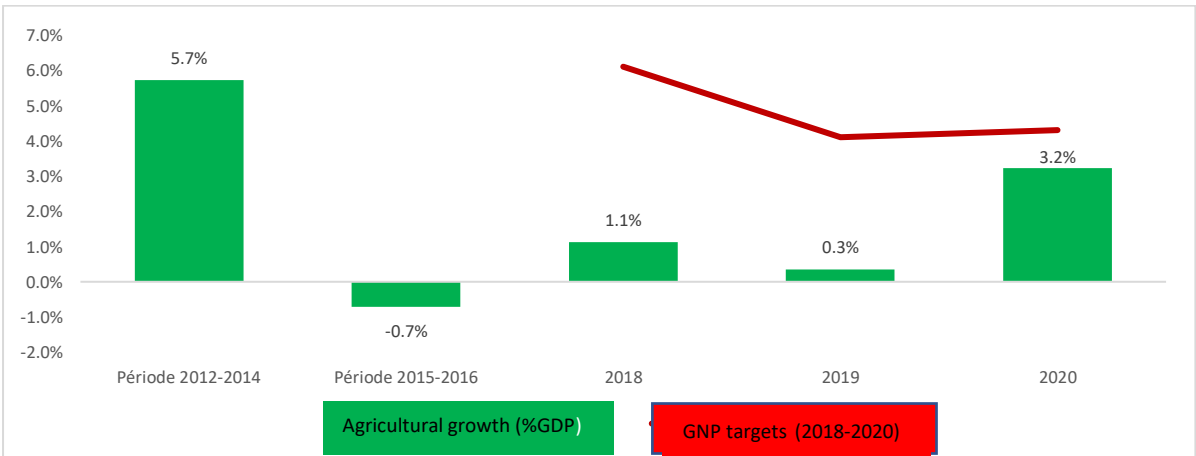
Source : INS

2.2.2.2. Production sectors

Agricultural sector

160. The agricultural sector has experienced slow growth despite the government's actions. The 2018-2022 NDP targeted an increase in agricultural production of 6.1% in 2018, 4.1% in 2019 and 4.3% in 2020. Growth in this sector has been weaker, with an annual average of 1.6% between 2018 and 2020, below the 5.7% growth observed over the 2012-2014 period. The underperformance of the agricultural sector is the result of several factors: (i) the loss of investment in the agricultural sector, (ii) the failure of policies implemented to structure the sectors, (iii) the disruption of supply chains caused by the coronavirus pandemic. This weakness of agricultural production makes the country dependent on food imports, which represent around 25% of merchandise imports, i.e. the 2nd largest item of merchandise imports, behind imports of machinery.

Figure 7: Evolution of GDP growth in the agricultural sector (broadly defined) from 2012 to 2020



Source : INS

161. In the period 2015-2020, the share of agricultural production in GDP (overall and excluding oil) increased steadily. It rose from 3.7% of GDP in 2015 to 5.2% of GDP in 2020,

an average growth of 4.5% per year. As a percentage of non-oil GDP, it had risen from 4.9% to 7.9%, representing an average annual growth of 6.5%.

### **Industry**

162. Between 2017 and 2020, the industrial sector recorded a decline in its activities from 4.5% in 2017 to -3.5% in 2020, with an average rate of 1.6%. Despite the existence of a deliberate government strategy to diversify the productive base, the secondary sector remains dominated by the extractive industry, which has little impact on the other sectors of the economy. The share of the secondary sector in GDP fell from 58.1% in 2017 to 25.9% in 2020. The hydrocarbon extraction industry is the main cause, with a share of 36.9% in 2017 and 10.8% in 2020.

163. The construction sub-sector, some manufacturing industries and woodworking industries have declined sharply, recording average growth rates of -39.5%, -19.5% and -24.8% respectively over the period 2017-2020. The underperformance of these industries is linked to the stoppage of many construction sites and the disruption of trade and the supply of intermediate and capital goods.

164. During the 2017-2020 period, other industries recorded slight performances. These include the food, chemical and non-metallic mineral manufacturing industries. They grew by an annual average of 0.6%, 2.3% and 2.4% respectively over the period. The continued growth of these industries is mainly due to the increase in domestic demand. The electricity and water production and distribution sub-sector recorded an average annual growth of 8.5% over the same period, in connection with (i) the restructuring of the sub-sector, (ii) the acquisition and installation of new energy meters, (iii) the increase in demand, (iv) the inventory and control of customers.

**Table 4: Evolution of the annual growth rate of GDP in the secondary sector from 2014 to 2020 (%)**

	2014	2015	2016	2017	2018	2019	2020
<b>The secondary sector</b>	<b>6,5</b>	<b>-6,3</b>	<b>-22,1</b>	<b>4,5</b>	<b>-7,9</b>	<b>0,8</b>	<b>-3,5</b>
<b>Extraction of hydrocarbons</b>	2,2	-9,3	-8,4	25,3	12,0	2,2	-4,9
<b>Extraction of stones, sand and clays</b>	-1,7	-1,6	-0,7	4,2	1,3	1,5	4,1
<b>Other mining activities</b>	-0,6	-24,6	0,9	-13,5	8,4	-11,2	1,3
<b>Food industry</b>	-0,8	-17,4	4,9	6,4	-15,5	2,0	11,7
<b>Woodworking, wood products or basketry</b>	-28,7	-21,9	-18,1	-3,7	-24,5	-62,2	16,3
<b>Chemical industries</b>	-13,6	-44,8	9,3	35,1	-17,3	-10,6	9,7
<b>Manufacture of non-metallic mineral products</b>	-26,8	-8,4	-8,5	1,9	12,9	-10,2	6,4
<b>Other manufacturing industries</b>	9,5	-10,8	9,3	-31,7	-11,9	-11,4	-21,0
<b>Electricity and water supply</b>	40,1	8,7	-13,5	8,0	18,8	4,6	3,4
<b>Construction</b>	22,7	6,9	-49,2	-23,1	-72,2	-10,5	-30,1

Source : INS

### **Tertiary sector**

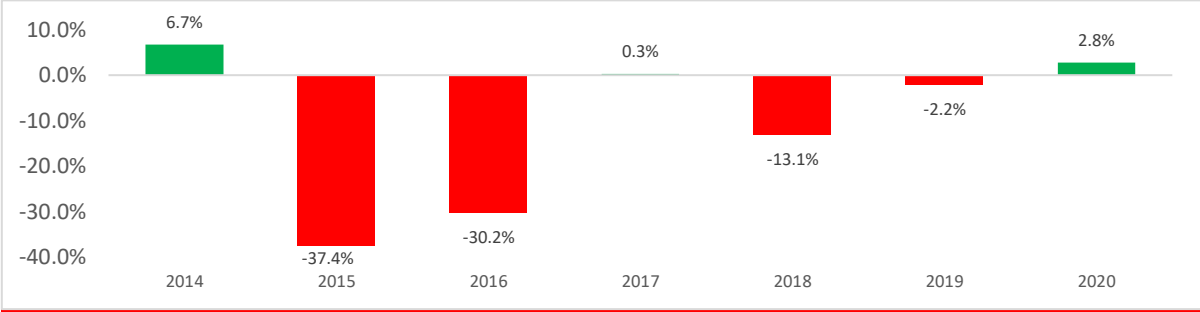
165. Overall, activity in the tertiary sector recorded an average annual growth rate of -4.7% over the period 2018-2020. This evolution is explained by the decline in the activity of the Post and telecommunications (-26.7%) and public administration activities (-24.1%). There was a good performance in banking and insurance (13.6%). During the same period, the share of the tertiary sector in GDP was on average 44.5%..

166. Although tourism is part of the tertiary sector, its integration as a strategic pillar in the NDP requires a particular diagnostic analysis.

**Tourism**

167. In the Congo, tourism<sup>7</sup> has not yet been the subject of real promotion for significant development. This justifies its low contribution to the economy in terms of employment and wealth creation. The number of tourists fell from 229,000 in 2014 to 158,000 in 2018 (UNWTO, 2019). Statistics published by the Ministry in charge of tourism help to understand this situation. Between 2014 and 2018, the number of hotel arrivals had fallen from 460,811 people to 236,147 people. The number of hotel facilities decreased from 1 381 to 969 establishments. The number of restaurants also decreased from 718 to 594. In addition, there is a lack of amusement and exhibition parks in urban centres, as well as of developed monuments and historical sites.

Figure 8: Evolution of the annual growth rate of GDP in the tourism sector from 2014 to 2016



Source : INS

168. The Congo also suffers from a lack of large theatres and cinemas, insufficient commercial centres and health care facilities of international standards, poor security at tourist sites and poorly developed transport services (air, sea, rail, road, river). The country does not organise enough tourist or commercial events, including fairs, exhibitions and major international sporting events.

**2.2.3. Competitiveness of the economy**

169. The economy as a whole is not competitive. The non-competitiveness of the Congolese economy is due to structural aspects (poor supply of electricity and water, transport routes for goods, telecoms, credit for businesses, etc.), administrative aspects (cumbersome procedures and therefore costs borne by businesses, lack of effective state support for businesses, corruption, etc.), and the lack of a competitive environment. ), administrative (increasing procedures and therefore costs for businesses, lack of effective state support for businesses, corruption, ...) and cultural (little attention paid to business life, suspicions of theft by society against successful businesses and entrepreneurs, ...). Under these conditions, it is still not easy to do business in Congo.

170. The country's attractiveness, according to the World Bank's 2020 "Doing Business" ranking, remains low. Congo ranks 180th out of 190 countries. This ranking has remained the

<sup>7</sup>The tourism proxy is the "accommodation, catering" branch



same as in 2019. The improvement in access to credit information through the establishment of a framework for the approval and operation of credit bureaus across the Central African Economic and Monetary Community (CEMAC) is the positive point noted in 2020. In general, this ranking has not improved since the creation of Doing Business by the World Bank in 2003.

171. The Heritage Foundation's Index of Economic<sup>8</sup> Freedom in 2020 showed an overall score of 41.8 points on a 100-point measurement scale, an improvement of 2.1 points over the 2019 score. This improvement is the result of progress in government spending and property rights. Between 2017 and 2020, overall scores remained below the level reached in 2014 (43.7 points)..

Table 5: Evolution of the index of economic freedom and its components

Indicator	2014	2017	2018	2019	2020
Score global	43,7	40,0	38,9	39,7	41,8
Freedom to do business	35,1	32,1	31,3	38,2	37,5
Freedom to invest	20,0	50,0	50,0	45,0	45,0
Financial freedom	30,0	30,0	30,0	30,0	30,0
Tax liability	67,5	66,8	60,8	59,5	63,3

Source: Heritage.org/The Heritage Foundation

172. The country's low attractiveness, particularly for FDI, explains the low level of investment in the non-oil sector. The 2021 World Investment Report (WIR) indicates that Congo received US\$4,016 million in FDI in 2020, corresponding to an increase of 19% compared to 2019 (US\$3,366 million). These investments were mainly directed towards financing oil activities.

Figure 9: Annual change in inward FDI between 2015 and 2020 (in millions of US dollars)

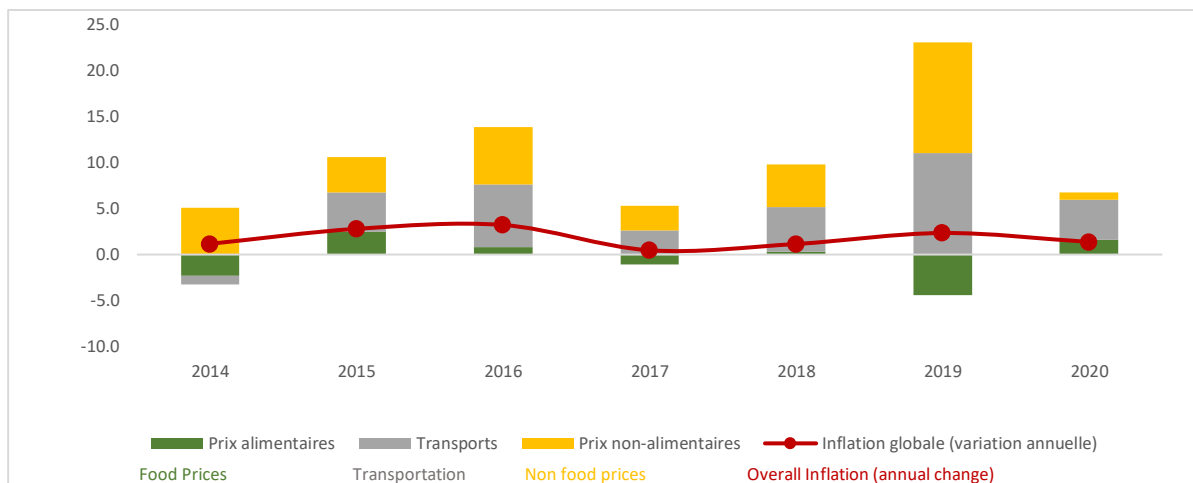


**2.2.4. Inflation**

173. After a high level in 2016 (4.6%), above the EU norm (3%), inflation remained low between 2017 and 2021. It was 1.1 in 2018 and 2.3% in 2019. It has fallen back to 1.4% in 2020. However, by function of consumption, prices of transport services in 2020 increased by 4.3% on an annual basis, reflecting an increase in the non-food price index, mainly as a result of the implementation of some countermeasures to limit the number of passengers on public transport.

174. In 2021, according to the IMF, annual average headline inflation is expected to rise slightly to 2.0%. It will remain below the 3.0% target set by the CEMAC

<sup>8</sup>Heritage.org/Index



Source : INS

### 2.2.5. Financing the economy

175. The financing of the economy is analysed through domestic credit, the capital market (money market) and microfinance.

176. During the period 2018-2020, net domestic credit averaged just over CFAF 1.6 trillion per year. Credits to the economy had stabilised at around CFAF 1 000 billion per year. Net claims on the state averaged 500 billion CFA francs with a peak of 869 billion CFA francs in 2020. Net domestic credit in 2020 increased by 36.7% to CFAF 1 931.3 billion, after CFAF 1 413.3 billion a year earlier. This increase in domestic credit is linked to the simultaneous increase in net claims on the State (+79.1%) and credits to the economy (+14.4%). The sharp increase in net claims on the State is due to the increase in the government's indebtedness to the banking system (Club de Brazzaville) in order to clear part of the domestic debt.

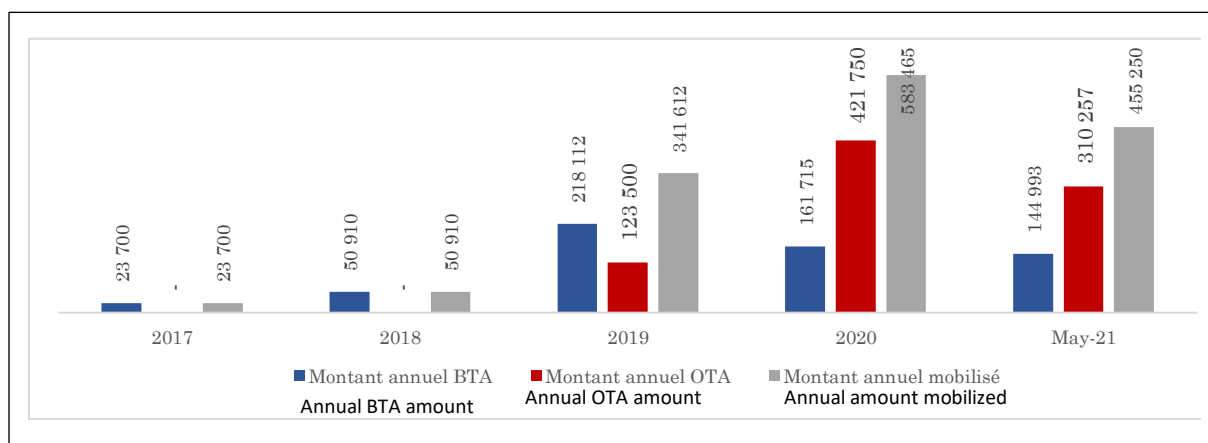
Table 6: Evolution of domestic credit of banks (in billions of FCFA)

Category	2018	2019	2020	April-2021	Average 2018 -2020
<b>Net domestic credit</b>	<b>1 689,8</b>	<b>1413,3</b>	<b>1 931,3</b>	<b>1 231,9</b>	<b>1 678,2</b>
Net claims on the State	554,3	485,4	869,4	237,6	636,4
Loans to the economy	1 135,5	927,9	1 061,9	994,3	1 041,8

Source : BEAC/ CCMB

177. As regards the banking sector, its activity has recovered thanks to the payment of the domestic debt to the tune of CFAF 300 billion, granted to the state by the banks within the framework of the so-called Brazzaville Club. This financing made it possible to increase the credits granted to the State and at the same time to restore the debt capacities of companies. As at 30 April 2021, gross credits granted to customers had increased by 16.7% compared to 2020 to reach CFAF 1,373.5 billion, of which 1,231.9 billion were domestic credits. The private sector benefited from most of the bank financing (994.3 billion). The State received CFAF 159.9 billion and public enterprises received CFAF 77.7 billion.

Figure 11: Annual evolution of amounts raised on the public securities market between 2017 and May 2021 (in millions of FCFA)



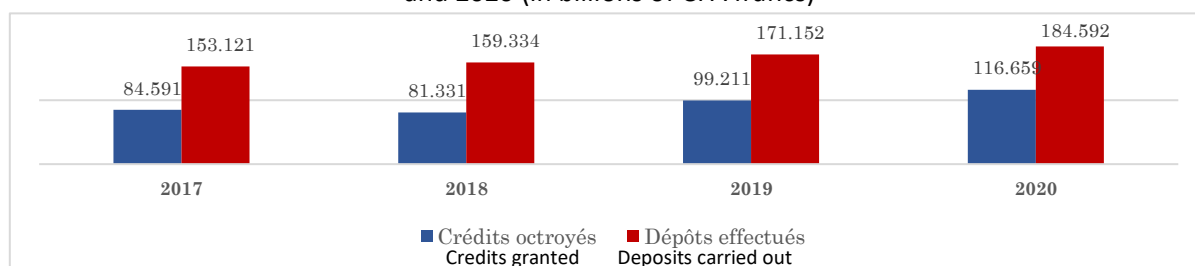
Source : BEAC

178. With regard to the capital market (money market), since the arrival of Treasury securities on the sub-regional market (February 2017), the total amount of funds raised by Congo stood at 1 454.9 billion at the end of May 2021. An analysis of developments over the period 2018-2020 shows an acceleration in the use of this market (with an increase in the amounts raised of almost 582% in 2019) and an increase of 70.8% between 2019 and 2020.

179. Outstanding Treasury securities are made up of 83.8% of Assimilable Treasury Bonds (OTAs) and 6.2% of Assimilable Treasury Bonds (BTAs). The constant choice of the Congolese Treasury to resort to long-term resources justifies the domination of OTAs in its portfolio. Non-resident investors' appetite for securities issued by the Congolese Public Treasury is strong (62.2% of total outstandings). The BEAC holds 9.4% of the outstanding Congolese Treasury securities acquired as part of the implementation of its programme to buy back public securities on the secondary market.

180. Available data on microfinance show that the contribution of this sector to the financing of the economy has increased in recent years.

Figure 12: Annual evolution of amounts collected, and loans granted by microfinance between 2017 and 2020 (in billions of CFA francs)



Source : General Director of National Financial Institutions (GDNFI)

181. The growing transformation rate of savings collected by microfinance institutions into loans (55% in 2017 and 63% in 2020) reflects the positive dynamics of the microfinance sector in financing the economy.

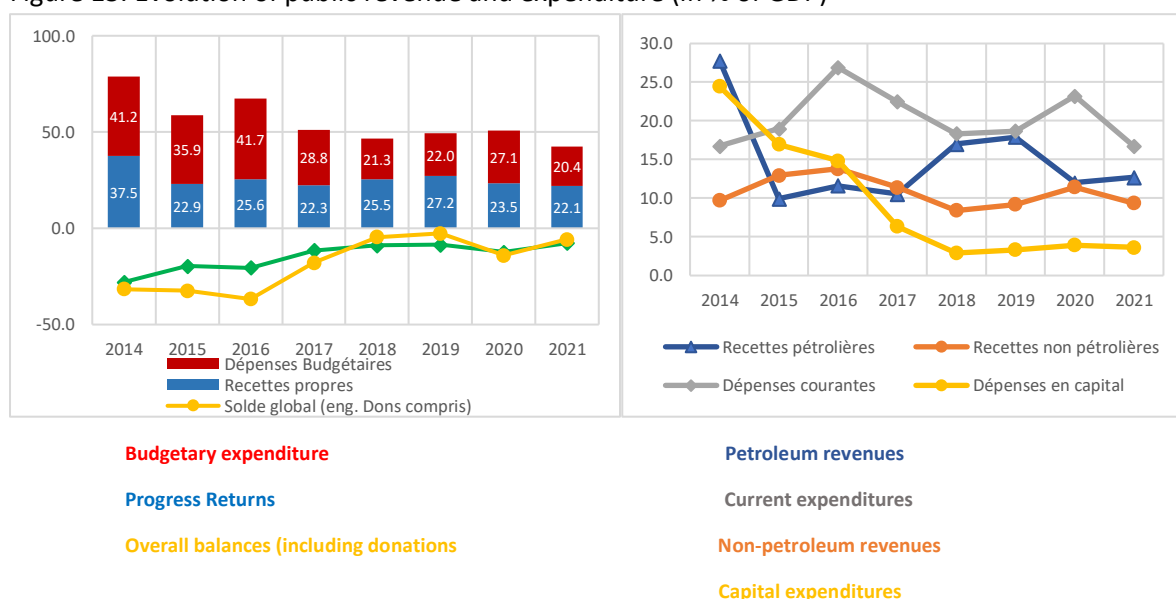
## 2.2.6. Public finances and debt

### 2.2.6.1. Public finances

182. Government revenues, largely dominated by oil revenues, have been significantly affected by the sudden collapse of oil prices in mid-2014. They fell from 37.5% of GDP in 2014 to 12.3% of GDP in 2020. Oil revenues averaged about 15.3% of GDP over the period 2014-2019.

183. For non-oil revenues, a slightly regressive trend was observed over the period. They represented 9.7% of GDP in 2014 and 9.4% in 2020. Domestic revenue mobilisation in Congo is characterised by a low tax effort due to the shortcomings of the tax administration

Figure 13: Evolution of public revenue and expenditure (in % of GDP)



Source : CCMB

184. Current expenditure showed a downward trend between 2016 and 2019. It increased in 2020 to 23.2% of GDP, mainly due to emergency spending in response to the Covid-19 pandemic. Capital expenditure underwent a drastic fiscal adjustment between 2014 (2 161.3 billion) and 2020 (2 14.1 billion). The non-oil primary deficit widened over the period 2014-2020.

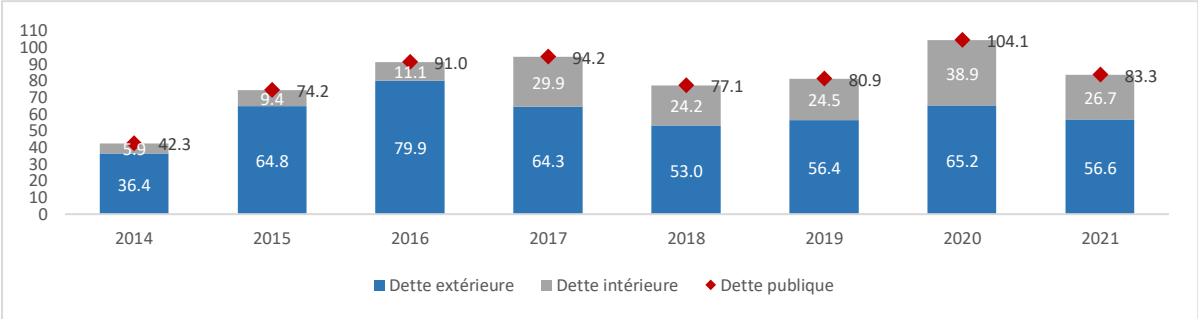
### 2.2.6.2. Congo's debt situation

185. The national debt ratio increased significantly a few years after the completion point of the HIPC initiative in 2010. It increased from 42.3% of GDP in 2014 to 104.1% of GDP in 2020. This increase is the result of both the collapse of GDP from 2016 onwards and the financing needs of public investments undertaken before the outbreak of the commodity crisis in 2014.

186. According to the latest IMF staff mission, as of September 2021, debt sustainability has been restored. Significant vulnerabilities remain given liquidity risks and low resilience to adverse global oil price shocks. The commitment of the authorities to maintain prudent fiscal and debt management policies, to pursue their reform strategy and to restructure public debt

should help improve debt sustainability. Overall debt is expected to be reduced to 83.3% of GDP by the end of 2021.

Figure 1 : Evolution of the debt ratio from 2014 to 2021 (in percentage)



External Debts Internal Debts Public Debts

Source : CCMB et CCA

187. Domestic arrears of public commercial debt have been partly repaid through domestic financing provided through the 'Brazzaville Club' (Box 1).

**Box 1. The Brazzaville Club**

The Brazzaville Club is a banking pool (BGFI Bank, LCB, Eco Bank, BSCA), created in 2020, to support the repayment of domestic arrears, i.e. 23% of the GDP accumulated by the government over the last decade. The Club buys domestic public debt held by the private sector at a nominal discount of 15-30%, except for social arrears (e.g. deferred pension payments) for which no discount is applied. The government reimburses the bank pool via an escrow account at an interest rate of 6.5%. By the end of 2020, CFAF 332 billion of arrears (6% of GDP) had been repaid via the Club.

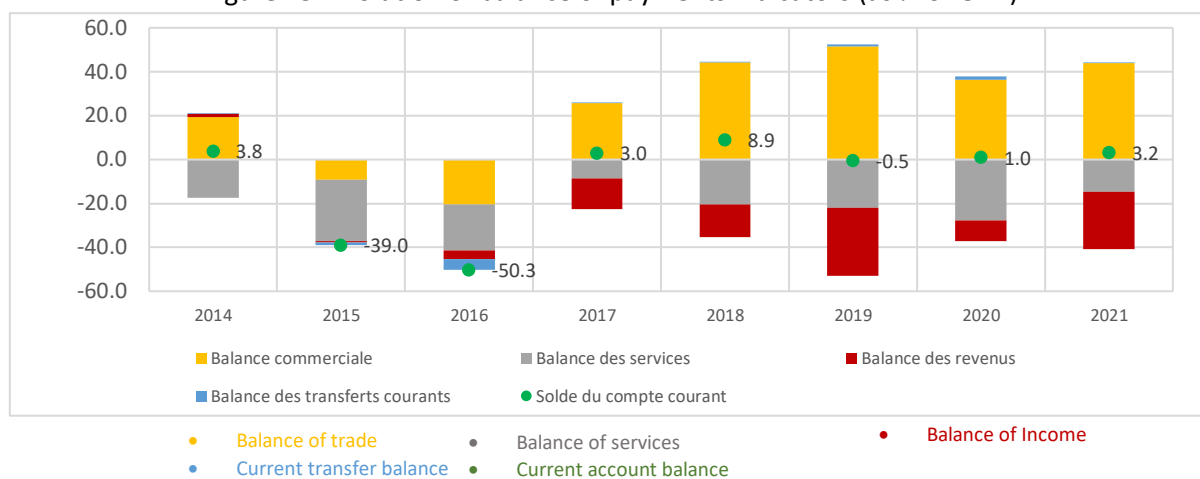
The main advantages of this operation are: (i) the reduction of liquidity pressures for the Government as repayments to the Club are spread over 8 years with a grace period of 2 years; (ii) the improvement of private sector liquidity facilitating the repayment of outstanding loans and the reduction of Non-Performing Loans (NPLs).

**2.2.7. Foreign trade**

188. The external balance is gradually improving under the combined effect of an increase in the trade balance and a reduction in the services deficit. Before Covid-19, the current account deficit was already quite large (-39.9% of GDP in 2015 and -50.3% in 2018). The external current account was balanced in 2020 thanks to favourable developments in the oil sector and the compression of imports linked to the recession and fiscal adjustment efforts.

189. The sharp reduction in imports of consumer goods and services due to the Covid-19 pandemic played an essential role in the return to balance of the current account.

Figure 15: Evolution of balance of payments indicators (as % of GDP)



Source : CCMB

### 5.3. 2.3. Challenges in laying the foundations for a strong, diversified and resilient economy

190. The above analysis of the socio-economic situation shows that the Congo faces a number of challenges in ensuring its development in general and building a strong, diversified and resilient economy in particular.

#### Box 2. Economic challenges

The Congolese economy remains insufficiently diversified and particularly vulnerable to fluctuations in raw material prices. Thus, for the period 2022-2026, during the implementation of the NDP, our country's main objective is to build a strong, diversified and resilient economy.

To achieve this ambitious objective, the major challenges to be met in the coming years are (i) the densification and diversification of the economy to better resist exogenous shocks, (ii) the creation of synergies between national economic activities for sustainable and inclusive growth, (iii) the improvement of the business environment in order to encourage the private sector and attract more foreign direct investment, (iv) good public economic and financial governance to provide a good macroeconomic and financial framework for the various economic agents, (v) the formulation of reformist and realistic public policies, (vi) the increase of credit to the economy, (vii) the increase in the quality and number of basic infrastructures (energy, communication, telecommunications, etc.) for the competitiveness of the economy, (viii) the improvement of the quality and number of public services, and (ix) the development of the public sector. (vii) increasing the quality and number of basic infrastructures (energy, communications, telecommunications, etc.) for the competitiveness of the Congolese economy, (viii) increasing the number of technical and vocational training programmes adapted to the needs of the economy; (ix) setting up an integrated national development financing framework (IINFF).

#### Box3. Social Challenges

Notwithstanding the significant performance recorded over the years, the social sectors continue to face the same diverse challenges, aggravated by the disruptive effects of the covid-19 pandemic crisis.

The main challenges are

Education sector: (i) good governance of the education system by improving education services through increased budgetary allocations; (ii) strengthening the quality, capacity and efficiency of the system; (iii) effective management of human resources in all its components (recruitment, assignments, career management, etc.); (iv) adaptation of the

education system to the needs of the population. (iv) the adaptation of education and training programmes to the needs of the economy; (v) the proper provision of school and university infrastructure and materials (classrooms and tutorials, teaching and technological materials, etc.); (vi) the improvement of the quality of basic education with a greater qualification of teaching staff.

Health sector: (i) effective management of the health system; (ii) improvement of the supply chain for medicines and other health products; (iii) resilience of the system to epidemics and health emergencies by providing health centres with equipment, medicines and appropriate human resources; (iv) effective management of human resources for health; (v) promotion and revitalisation of health districts; and (vi) strengthening of the social protection system by extending non-contributory mechanisms of protection

Electricity, water and sanitation sector: (i) strengthening the production, transport and distribution capacity of water and electricity; (ii) promoting access to water and electricity in peri-urban and rural areas to contribute to the balanced development of the national territory; (iii) promoting renewable energy; (iv) managing wastewater and rainwater as well as solid waste; and (iv) promoting the implementation of large-scale sanitation and hygiene programmes, renewable energy programmes (iv) wastewater and stormwater management and solid waste management and (iv) promoting the implementation of large-scale sanitation and hygiene programmes

# **PART II: NATIONAL DEVELOPMENT STRATEGY**



## Chapter 3: Strategic direction and objectives of the NDP 2022-2026

### 5.4. 3.1. Strategic orientation

191. The strategic direction adopted in the NDP 2022-2026 is based on a change in approach to development. It is an orientation of a second generation NDP. It focuses on a fundamental objective, that of creating wealth upstream, in order to have, downstream, the necessary levers to deal with the country's problems: economic, social, infrastructure, environmental, cultural and sovereignty in general

192. This strategic orientation is part of a process of change in the development paradigm. The idea is no longer to do everything at once to achieve development. It is now a question of moving methodically towards development with a common thread: the economy first and the rest will follow. In other words, the new development paradigm is "all economy for all social". For the "all economy", it is necessary to:

- **Focus the activities to be carried out in the NDP on the economy to make it stronger, more diversified and resilient. Focusing on the economy means giving ourselves the means to really change the lives of the population in the desired direction. It is therefore a question of building a strong economy. This requires directing the resources allocated for the implementation of the NDP towards wealth-creating activities that will generate strong and sustainable growth. These activities must be numerous, diverse and dynamic. They will enable the national economy to resist shocks (exogenous and endogenous);**

- **Prioritise the development of economic activities within our reach. With its natural endowments, our country should take full advantage of its agriculture in the broad sense, which offers enormous potential for growth, employment and resilience. The development of industry based on agriculture and the country's existing raw materials reflects the interest in basing economic development on the development of local resources. The development of special economic zones (SEZ) and their development are part of the same logic, emphasising the processing of local products and the promotion of exports. Developing tourism based on the natural, geographical and historical assets of the Congo is also part of the same approach. Making the most of the fibre optics deployed in the country, developing the digital economy and spreading it throughout the economy, is a strategic choice for the present and the future. Construction, using locally produced materials (cement, concrete iron, timber, galvanised sheet metal, PVC, electric cables, etc.) is a matter of revitalising the existing;**

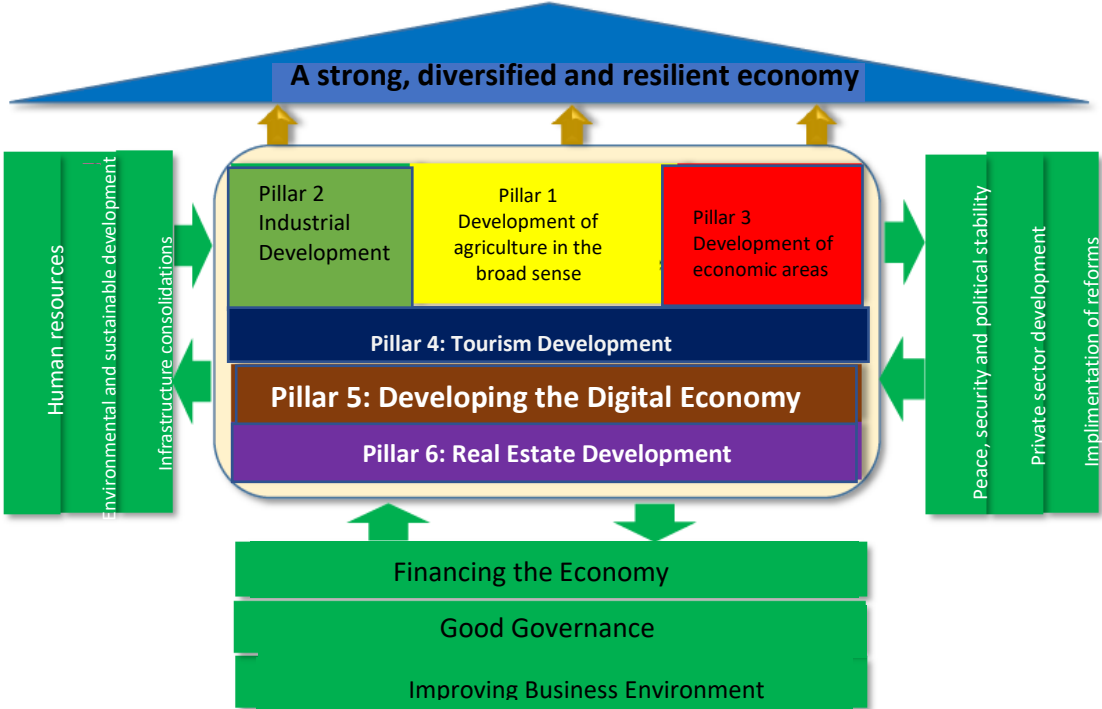
- **Attract foreign private capital and encourage its deployment in the various sectors of the national economy, particularly in the priority activities of the NDP. The narrowness of the national private sector and its limited capacity to finance productive activities makes it necessary to attract foreign private capital to strengthen national wealth creation. The recognised role of foreign direct investment in the remodelling of local**

production systems and in the development of entrepreneurship justifies such a choice in the perspective of diversification of the Congolese economy, its resilience and the development of the country;

- Rely on the private sector in general to achieve the main objectives of the NDP. For the realisation of all the programmes and projects of the NDP, the efforts of the state will not be sufficient. The state will exert pull effects on the private sector, by improving the overall competitiveness of the economy, the business climate, and other determinants to make the private sector play a greater role in the structural transformation of the economy.

193. The pillars of the strategic orientation of the NDP, by their very nature, refer to choices that favour the economic base for development. The achievement of the objectives aimed at in the implementation of these six (6) pillars is based on the efforts that the Government intends to make in the accompanying areas to enable the population to benefit from the social dividends of the NDP.

*Figure n°1 : Conceptual scheme of the NDP 2022-2026*



194. It should be noted that the NDP 2022-2026 does not exclude activities that are not part of the strategic pillars (such as health, education, defence, security and the environment) from the benefit of domestic and external financing. During the implementation period of the NDP 2022-2026, the government will continue its efforts to implement the sectoral strategies already adopted, relating to activities other than those of the NDP, and to allocate funds to the various areas of the country's life.

195. The strategic orientation of the NDP, by its very nature, refers to the choice to give priority to the economy in order to have the necessary means to resolve other problems. This choice of the economy is based on the following strategic pillars: (i) agriculture in the broad sense, with the idea of making this sector a lever for the structural transformation of the economy, the basis of a strong and sustainable growth dynamic, (ii) industry, to broaden the productive base of the economy and the opportunities for job creation, (iii) the Special Economic Zones (SEZ), (iii) Special Economic Zones (SEZs), with a view to strengthening industrialisation, attracting more private investors, both national and foreign, and establishing an export base for local processed products, (iv) tourism, with the aim of exploiting the national tourism potential to the full, (v) the digital economy, to increase the modernisation and competitiveness of the economy; (v) real estate, with a view to ensuring decent housing for all Congolese and building economic and commercial infrastructure.

196. **Development of agriculture** in the broad sense. Agriculture in the broad sense encompasses land cultivation, fishing, livestock and agroforestry. It is "(...) the surest way, within our reach, to fight effectively against unemployment, poverty, uncontrolled urbanisation, the disarticulation of the national territory, food insecurity and the foreign trade deficit". It allows us once again "(...) to achieve a real diversification of the economy as well as a better structuring of the national economic growth base quite quickly".

197. **Development of industry.** The industrial sector is an essential component of the structural transformation of the economy. It allows for the diversification and modernisation of the economy while creating jobs. It stimulates the productivity of the economy thanks to new techniques and technologies and favours the extension of the so-called formal sector. Industry contributes to the development of entrepreneurship.

198. **Development of Special Economic Zones.** The SEZs contribute to the intensification of industrial development. They raise the level of productive investments. Their development should contribute to the creation of a new national economy, boosting local entrepreneurship while achieving exports that improve the external balance. In this context of globalisation, this pillar constitutes a strategic framework conducive to improving the country's competitiveness and attractiveness.

199. **Development of tourism.** The Congo's tourism potential and its cultural, natural and historical wealth give the tourism sector the advantage of being an important pillar for the growth of the national economy. As a strategic pillar of the NDP 2022-2026, the development of tourism is part of the dynamic of inflecting the "all-oil" growth model towards the enlargement of the country's productive base through the development of other potentialities.

200. **Development of the digital economy.** The development of the digital economy is not only an imperative for the national economy, but also a condition for linking the country to modernity and the dynamics of global value chains. The digitalisation of the Congolese economic fabric, in all its components, will make it possible to raise the levels of productivity and attractiveness of the national economy. The reduction of the digital divide is likely to offer more job opportunities, particularly for young people.

201. **Real estate development.** Given the strengths of the real estate sector in terms of: (i) demand for housing driven by strong demographic growth, (ii) demand for office and commercial buildings in line with future economic growth, (iii) availability of certain construction materials (stone, sand, clay, water, cement, iron, wood, etc.), (iv) existence of an updated and incentive regulatory framework (urban planning and construction code), the Congo needs, with a view to diversifying its economy, to mobilise energies to exploit all the growth potential that this sector abounds in.

202. Apart from its six (6) pillars, during the period of implementation of the NDP, the Government will continue its action within the framework of the sectoral policies, programmes and strategies already underway. Some of these are presented in the box below:

#### **Box 4. Sectoral policies**

##### **A) National Health Policy (NHP) 2018-2030**

The overall objective is to improve the health of the population by ensuring universal access to integrated, continuous and person-centred health care by 2030. The targets for 2030 are: (i) maternal mortality is reduced from 436 to 300 maternal deaths per 100,000 live births, (ii) infant and child mortality is reduced from 52 to 20 deaths per 1.000 live births, (iii) mortality linked to communicable diseases is reduced by 20%, (iv) the prevalence of risk factors for non-communicable diseases is reduced by half, (v) the prevalence of risky behaviour among adolescents and young people is reduced by half, (vi) the vulnerability of the population to epidemics, disasters and other health events is reduced by half, (vii) half of the Congolese population is protected against the financial risk of paying for health care and services.

##### **B) Education Sector Strategy (ESS) 2021-2030**

The vision of the SES focuses on three areas: (i) to offer quality basic education that provides all young Congolese, urban and rural, from all social backgrounds, girls and boys, with the knowledge and skills, attitudes, aptitudes and basic values common to all, useful for their empowerment and social integration, so as to contribute to the sustainable development of the country, (ii) to have a training system that provides the qualifications necessary for the economic development of the country where technical and vocational colleges and high schools train, (iii) to train in higher education competent and creative executives, open to technological evolutions, actors of economic and social development, and guarantors of a training-research-development continuum, also open to the economic world in the service of the socio-professional integration of young people and the sustainable development of the country..

##### **C) National Social Action Policy (NSAP)**

The overall objective of the NSAP is to build adequate and efficient social action systems. Specifically, the PNAS has the following objectives (i) to provide the entire population with a non-contributory social protection base, including social transfers, social action services and other social intervention measures, with a view to reducing poverty, vulnerability and inequality and promoting the development of human capital, helping vulnerable households and individuals to better manage risks and guaranteeing human dignity to the entire population (ii) reduce the risk of natural and man-made disasters and their negative effects through preventive measures, disaster preparedness, rapid response and protection of victims and the promotion of post-disaster recovery; and, (iii) build a strong social welfare system with an adequate legal, institutional and operational framework for the effective fulfilment of its missions..

##### **D) National Strategy for Sustainable Development (SNDD)**

The vision of the NSSD is that by 2030, the Congo will have established the foundations for sustainable development through the rational management of natural resources, improved governance, the development and modernisation of infrastructure and basic social services, and the diversification of its economy. The objective of the NSSD is to move away from centralised decision-making towards mechanisms for rational management of natural resources based on transparency, coherence, integrity and enforceability of results. To this end, the NSSD specifically takes into account aspects aimed at (i) the improvement of public affairs management and policy promotion, (ii) the design and implementation of environmentally friendly sectoral strategies with increased social impact, (iii) decentralised and integrated planning of actions, and (iv) the mobilisation of additional funding through a coherent and attractive framework.

#### E) National Environmental Action Policy (NEAP)

The overall objective of the NEAP, which is currently being updated, is to ensure a healthy environment and sustainable development of the country. In particular, it aims to: (i) reduce the degradation of natural ecosystems, (ii) improve the living environment, (iii) ensure the sustainable and rational use of natural resources, (iv) improve the health of the population, (v) enhance the green heritage and (vi) reduce urban and marine pollution.

#### F) National Gender Policy (NGP)

The general aim of the National Gender Policy, which is currently being updated, is to clearly define the process of integrating gender issues into all development sectors in order to promote gender equality and equity in the Republic of Congo. The overall objective of the NGP is to provide the Congolese government and its partners with a framework for guiding gender mainstreaming in the national development process with a view to promoting gender equality and equity in Congo.

203. Expected effects of the NDP: the National Development Plan (NDP) 2022-2026 is focused on a single objective, the building of a strong, diversified and resilient economy for inclusive growth and irreversible sustainable development. This innovative character lies in its vocation to integrate the concerns of the various sectors of life in society, by retaining the creation and availability of wealth as the main lever for better dealing sustainably with economic, social, sovereignty and environmental protection problems.

## 5.5. 3.2. NDP objectives

### 3.2.1. General objective

204. With a view to moving away from 'all oil' and subsequently ensuring the resilience of the Congolese economy to shocks of all kinds, the NDP 2022-2026 aims to restructure the economy by relying on the opportunities offered by high-growth activities such as: agriculture in the broad sense, industry, special economic zones, tourism, the digital economy and real estate.

205. The NDP will lay the foundations for a strong, diversified and resilient economy. A strong, diversified and resilient economy is one that grows steadily at a high rate, thanks to the many and varied activities that mutually enrich and develop as a result of the many exchanges between them, and that resists negative economic downturns, just by slowing down.

The high vulnerability of the Congolese economy to external shocks, in particular to fluctuations in the world price of oil, the main source of state revenue and the main export product, requires the implementation of policies likely to contribute to the expansion of the Congo's productive base.

### 3.2.2. Specific objectives

206. More specifically, the NDP 2022-2026 aims to achieve the following objectives:

- **The beginning of a real structural transformation of the economy.** After five years of implementation of the NDP, the economy should expand both its productive base and its range of products. Activities should abound in all sectors (primary, secondary and tertiary) of the national economy;

- **Regular and strong growth of the economy.** The diversification of the economy targeted in the NDP should help solve the problem of recurrent instability of economic growth, by generating rather strong and regular economic growth. Year after year, the economy would grow at a relatively high and sustained rate;
- **A constant progression of gross fixed capital formation (GFCF) in relation to GDP.** The option to focus on the economy implies the need to focus on investment. In order for the economy to strengthen and diversify, it requires a constant increase in gross fixed capital formation. The implementation of the NDP 2022-2026 would result in a continuous increase in productive investment;
- **The creation of a large number of decent jobs in productive activities and a sharp reduction in poverty.** The reshaping of the productive system, which is envisaged in the NDP, should improve its capacity to create large numbers of decent jobs and generate inclusive growth. Employment and inclusive growth should in turn contribute to substantial poverty reduction;
- **A decrease in commodity imports, an increase in exports and foreign exchange reserves.** Through the development of agriculture in the broad sense, industry and special economic zones, the NDP aims to reduce imports and increase exports which, in turn, will contribute to the realisation of balance of payments surpluses and increased foreign exchange reserves;
- **A diversified economy at the service of social progress.** The choice to focus on the economy is to create wealth through the diversification of the sources of growth and therefore of income for the state, with the aim of financing the permanent and imperative needs of the social sectors. The wealth created annually will be allocated to investment, to the financing of the social sectors, notably health, education, social protection and sovereignty, as well as to the reinforcement of the basic infrastructure for development.

## Chapter 4: Strategic pillars of the NDP 2022-2026

### 4.1. Large Pillar 1: Development of agriculture in a wider spectrum

#### Issues and challenges

207. The Republic of Congo, because of its potential, is an agricultural country. It has 10 million hectares of arable land of which only less than 2% is exploited. It has abundant rainfall, estimated at more than 1,300 mm per year, and a vast hydrographic network. Another asset for Congolese agriculture is the presence of a dense urban market and export opportunities both to the sub-regional market and to the rest of the world.

208. To date, the agricultural sector is very underdeveloped. Its contribution to GDP has increased from an average of 5% in the period 2010-2016 to 7.8% in 2019 and 9.0% in 2020. However, over the same period, the agricultural sector has shown a decline in value added in real terms. It was CFAF 318.58 billion in 2017, CFAF 317.6 billion in 2019 and CFAF 298.54 billion in 2020. National food production is increasing, but without covering the needs of the population, forcing the country to resort to massive imports varying, depending on the year, between 500 and 700 billion CFA francs. Moreover, despite the existence of abundant natural pastures in savannah areas that can house 3 to 4 million head of cattle, and a growing domestic demand for meat products, estimated at 3.44 kg/inhabitant/year, small and large livestock breeding is still in its infancy and cannot meet local demand. Similarly, the country's assets and potential in terms of fishing and aquaculture are currently under-exploited and fish consumption, estimated at around 100 000 tonnes/year, is largely met by imports (IFAD, 2015). Food imports account for an average of 25% of merchandise imports, second only to machinery imports.

209. The agricultural sector, taken in the broad sense, is thus faced with numerous bottlenecks, the main ones being: (i) the low rate of mechanisation, estimated at 1% of agricultural work, (ii) access to quality seeds, (iii) the absence of an adapted financing mechanism, (iv) the absence of modern means of processing and preserving products, and (v) dependence on rainfall. These bottlenecks constitute challenges to be overcome.

#### Strategic and specific objectives

210. The strategic objective of this pillar is to improve the production, productivity and competitiveness of agricultural products in order to increase the income of producers and the country and to improve the agricultural trade balance, by reducing imports and increasing exports.

211. This strategic objective is broken down into five (5) specific objectives:

***Specific objective 1: Contribute to the satisfaction of the national demand for poultry products, other animal species and fishery products for mass consumption.*** Congolese food imports are 80% animal-based. Hence the need to develop all forms of animal farming.

**Specific objective 2: Increase the level of production of feed inputs.** Livestock feed is the main obstacle to the development of livestock farming in Congo. This may explain the high level of animal imports.

**Specific objective 3: Contribute to meeting the national demand for staple food and fruit crops and agroforestry products.** It will also be a question of adding value to non-wood forest products and increasing the supply of wood energy, carbon for climate regulation.

**Specific objective 4: Improve conditions for agriculture, livestock, fisheries and aquaculture.** The aim is to make it easier and more economical for producers to work as farmers, breeders, fishermen or aquaculturists.

**Specific objective 5: Strengthen resources and skills** necessary to achieve the first four (4) specific objectives mentioned above.

212. Specific objective 1 will be achieved through the implementation of two programmes: (i) the animal production development programme and (ii) the fisheries production development programme.

213. At the level of the animal production development programme, the aim will be to (i) develop the poultry, cattle, goat, sheep and pig sectors, (ii) strengthen the capacities of support structures for animal production and (iii) promote the marketing and processing of meat products.

214. Its realisation will require the implementation of the following projects: (i) development of the pig sector, (ii) development of the cattle sector, (iii) development of small ruminants, (iv) development of the poultry sector, (v) project to control epizootics and epidemio-surveillance, (vi) development of the poultry sector, (vii) support for animal sharecropping, and (viii) small-scale livestock breeding and feed manufacturing equipment.

215. For the fisheries production development programme, the aim will be to (i) improving fishing techniques, (ii) improving aquaculture techniques, (iii) promoting the marketing, processing and conservation of fishery products, (iv) combating undeclared and unregulated illegal fishing, (v) evaluating fishery resources, (vi) strengthening the capacities of support structures for fishery and aquaculture production.

216. The implementation of this programme requires the implementation of the following projects: (i) project for the development of continental fishing and aquaculture (PDPAC), (ii) project to improve the conditions for maritime fishing and the sustainability of its management in the Congo, (iii) project to promote fish farming in floating cages, (iv) project to support the development of continental fishing, (v) project to support the development of maritime fishing, (vi) project to set up aquaculture zones, (vii) project for the construction of the Yoro fishing port and access roads, (viii) project for the creation of ten fish farming areas of at least 150 ponds each by 2026, (ix) project for fish farming production of at least 123,454 tonnes, (x) project for the rehabilitation of the Dzoumouna, Madingou, Gamboma and Ewo estates by the end of 2022, and (xi) project for the construction of a school for fishing professions in Mossaka.

217. Specific objective 2 on feed production will be achieved through the implementation of one major programme. This programme aims to contribute to the increase in the production of



inputs necessary for the manufacture of livestock feed. The main objective is to enable livestock farmers of all kinds to have access to the raw material to manufacture feed, on a large or small scale.

218. Four projects are part of this programme, namely: (i) the maize project, (ii) the soybean project, (iii) the sorghum project and (iv) the cowpea project. The particularity of these inputs is that they are used in all forms of livestock production.

219. Specific objective 3 will be achieved through two (2) programmes: (i) the crop production development programme and (ii) the agroforestry programme.

220. In the crop production development programme, the aim will be to: (iii) intensify the market gardening sector in urban and peri-urban areas, (iv) develop the fruit-growing sector (citrus, pineapple, sweet bananas, mangoes, saffron, avocados, etc.) in suitable areas, (v) develop the female labour force in the agricultural sector.

221. The following projects will be implemented (i) project for the acquisition and dissemination of plant material (healthy cassava cuttings, banana shoots, cocoa plants, etc.) and agricultural equipment (i) project to acquire and disseminate plant material (healthy cassava cuttings, banana shoots, cocoa plants, etc.) and agricultural equipment, (ii) cassava project, (iii) sweet banana and plantain project, (iv) cocoa project, (v) oil palm in the savannah zone, (vi) project to set up a support fund for income-generating activities, (vii) market gardening project, (viii) project to develop storage, packaging and conservation infrastructure, (ix) project to develop hydro-agricultural infrastructure, (x) project to support agricultural mechanisation, (xi) project to support women in agricultural development.

222. For the agroforestry programme, the aim is to increase forest cover in order to develop agroforestry and to enhance the production of non-timber forest products. More specifically, it will aim to: (i) create state-owned plantations of local and exotic forest species, (ii) create intensive fast-growing plantations belonging to the private sector, (iii) create multi-purpose fast-growing species plantations belonging to local communities, (iv) set up private palm groves.

223. The projects to be implemented will be: (i) capacity building project for the National Afforestation and Reforestation Programme (ProNAR), (ii) PREFOREST project (Green Climate Fund), (iii) Prorep project (CAFI-Central Africa Forest Investment), (iv) capacity building of the Centre for the Valorisation of Non-Timber Forest Products (CVPFLN- Centre for the valorisation of non-contentious forest products), (v) Pool-Plateaux community agroforestry and wood-energy project, (vi) North Congo forest landscape project (PPFNC- North Congo Forest Landscape Project), (vii) nursery creation project in five (5) departments of Congo, (viii) capacity building of the Ministry of Forest Economy, (ix) project to establish community plantations with forest species for wood energy, (x) restoration of mangroves and associated coastal forest ecosystems, (xi) support for forest governance, (xii) development of a national framework for sustainable peatland management, and (xiii) capacity building of actors in tortilla management structures..

224. Specific objective 4 relates to the need to improve the conditions for agriculture, livestock, fishing and aquaculture in Congo. This involves modernising the means used to carry out

agricultural, pastoral, fishing and fish farming activities. The achievement of this objective will be based on a major programme to improve the conditions of agriculture, livestock, fishing and fish farming, including mechanisation, water management and irrigation.

225. The projects related to this programme are the following: (i) the project for the creation of protected agricultural zones, (ii) the project for equipping producers with small production, transport and product processing equipment, (iii) the energy and water project in production basins, (iv) the project for the creation of micro-farms for young agropreneurs, (v) the seed and fertiliser support project, (vi) the agricultural mechanisation project, (vii) the project to set up a transport unit for producers, (viii) the project to create two (2) large wholesale markets and (ix) the construction of food quality control laboratories in Brazzaville and Pointe-Noire..

226. Specific objective 5 focuses on strengthening the resources and skills necessary to achieve the other four (4) specific objectives. This will involve: (i) strengthen the legal and institutional framework of the agriculture sector in the broad sense, (ii) strengthen human resource capacities, (iii) develop an integrated system of statistics for agriculture in the broad sense, (iv) facilitate public-private partnership in all target programmes, (v) improve producers' access to sources of financing, (vi) mobilise rural and private sector actors on agricultural issues, and (vii) strengthen inter-ministerial coordination, and (viii) strengthen information and monitoring-evaluation systems for programmes.

227. The implementation of this programme calls for the implementation of the following projects: (i) strengthening the institutional capacities of the ministries involved, (ii) installation of the permanent integrated system of agricultural statistics (SPISA), (iii) national agency for the development of agriculture and livestock (ANDAE), (iv) national agency for the development of fishing and aquaculture (ANDPA), (v) revitalisation of the Agricultural Support Fund (FSA) and the Fisheries Development Fund (FAH), (vi) implementation of the Commercial Agriculture Development Project (PDAC) in partnership with the World Bank and the OFID fund (vii) implementation of the project for the integrated development of value chains in the Congo (PRODIVAC) in partnership with the ADB, (viii) project for the revival of the agricultural sector (PARSA) with the AFD, (ix) construction and equipping of the aquaculture research laboratory, (x) construction, fitting out and equipping of the veterinary diagnosis laboratory in Brazzaville and the biotechnology laboratory of the national centre for the fight against crop diseases, (xi) creation and operationalisation of the agricultural land register, (xii) development of agricultural tracks, support and accompaniment for the processing of agricultural products, (xiii) support for women's mutual savings and credit funds, (xiv) development of agricultural cooperative entrepreneurship, (xv) computerised system for verifying legality (SIVL), (xvi) mapping of mangrove areas, (xvii) mapping of peat bog areas (xviii) capacity building of actors in the management structures of the tortilla areas, (xix) strengthening of the sectoral approach to governance of the sector, (xx) strengthening of information systems and monitoring-evaluation of programmes, (xxi) strengthening of operators in the sector by favouring the sectoral and value chain approach, (xxii) establishment of the legal, regulatory and institutional framework.

## 4.2. Pillar 2: Industry development

### Issues and challenges

228. Industrial development enables countries to participate in the global value chain (GVC), which is a major source of wealth and employment creation.

229. The Congolese industrial sector, apart from the oil industry, is currently very underdeveloped and contributes little to wealth creation. The mining industry (solid mines) contributes 0.71% to GDP, the manufacturing industry 10% and the forestry industry 6%. The main constraints to the development of the sector are (i) the lack of energy infrastructure, (ii) the lack of skilled labour, (iii) difficulties in accessing finance, (iv) the low rate of local processing and (v) the unattractive business environment.

### Strategic and specific goals

230. The strategic objective of industrial development is to create a dense, dynamic and competitive industrial fabric.

231. Specifically, it will be a matter of: (i) strengthening the support mechanisms for companies, (ii) encouraging all forms of industrialisation, (iii) setting up important financial intervention tools around PPPs, (iv) supporting the informal sector towards the formal sector, (v) strengthening the qualification of human resources, (vi) developing industrial zones, free zones and free points, (vii) improving the competitiveness of the exportable offer and, (viii) developing and implementing local content.

232. To achieve this, the Government intends to make investment and innovation the engines of growth and job creation through the implementation of two main programmes. These are (i) promotion of industrialisation through the development of natural resources and (ii) promotion of industrialisation through the processing of agricultural products in the broad sense. In addition to these programmes, there are three (3) support programmes which are (i) promotion of industrialisation by ensuring environmental protection in industrial parks, (ii) promotion of industrialisation by strengthening basic infrastructure and by exploiting geographical and cultural assets, and (iii) capacity building of local SMEs/SMIs.

233. **For the programme promoting industrialisation through the development of natural resources**, which aims to develop the industrial sector through the development of natural resources, the aim is to: (i) increase the production of liquid and gaseous hydrocarbons, (ii) enhance the value of hydrocarbons in order to make the best profits through exports and local processing, and (iii) improve governance and the sustainable management of forest resources.

234. The implementation of this programme requires the implementation of the following projects: (i) construction of the second refinery, (ii) construction of an LNG extraction unit, (iii) construction of strategic and security depots for petroleum products, (iv) construction of a urea manufacturing unit, (v) construction of the gas-fired power plant, (vi) acquisition of geo-scientific infrastructure, (vii) support for the structuring of the artisanal mining sector, (viii) construction of two production units for iron ingots, copper, gold and zinc through FONDECO, (ix) construction and equipping of the Makoua ceramics factory (x) construction and equipping of a cement factory in MAFOUBOU Tao Tao (Louvakou), (xi) setting up of a computerised

verification, legality and traceability system for timber, (xii) construction of a geomatic laboratory (CNIAF), (xiii) support for 1st, 2nd and 3rd wood processing units (xiv) support for eucalyptus citriodora essential oil production units, (xv) processing of wood residues from 1st, 2nd and 3rd transformations, (xvi) development of the strategy and policies of the hydrocarbons sector, and (xvii) Guarantee and Accompaniment Impulse Fund (FIGA).

**235. The programme to promote industrialisation through the processing of agricultural products in the broad sense** aims to promote the manufacture of manufactured products (agri-food and agro-industrial) in order to ensure import substitution of agro-industrial products in the broad sense. This will involve: (i) processing agro-pastoral and fishery products, (ii) processing non-timber forest products and (iii) processing local and other materials.

236. The implementation of this programme requires the implementation of the following projects: (i) construction of the women's house, (ii) construction of infrastructure for the slaughter, conservation and processing of pastoral products, (iii) acquisition of equipment for the conservation and processing of fishery and aquaculture products (improved units for salting, drying and smoking fish), (iv) construction of rice processing units; (v) structuring of the refined edible oil sector, (vi) support for the production of paving stones by the SPC, (ii) establishment of an Economic Interest Group (EIG) for the exploitation of gypsum in Mfouati in support of the cement sector, (vii) support for the COPASOL company (a solar panel manufacturing company based in Oyo), (viii) construction and equipping of a generic drug production plant, (ix) support for craftsmen to process liana and rattan, (x) construction and equipping of medical oxygen production plants, (xi) construction of a biofuel unit based on castor oil production, (xii) construction of a wood industry in the Ouessou SEZ and (xiii) construction of a wood industry in the Pointe-Noire SEZ, and (xiv) setting up a medical gases unit at the Brazzaville military hospital.

237. With regard to the programme to promote industrialisation while ensuring environmental protection in industrial parks, which aims to develop value chains based on natural resources and respect for the environment, this will involve (i) developing product quality, standards and combating pollution and climate change.

238. The implementation of this programme requires the implementation of the following projects: (i) reinforcement of the legal framework in terms of pollution and nuisances, (ii) acquisition of equipment to control the quality of air, water and soil, (iii) implementation of a National Plan for the Management of Hazardous Waste, (iv) development of mechanisms for sanitary, phytosanitary and environmental monitoring, (v) creation of a system of surveillance, control and information concerning the risks of pollution by hydrocarbons and mining activities, (vi) promotion of clean technologies and sustainable production methods, (vii) setting up incentives for companies carrying out economic activities that respect the environment (eco-responsible activities), (viii) development studies for a "champion project" programme dedicated to this objective and enabling the development of technical and managerial skills for 150 entrepreneurs, (ix) construction of a quality control laboratory, (x) construction and equipping of an industrial standards control unit, (xi) construction and equipping of a food and pharmaceutical products control laboratory, (xii) construction and equipping of industrial trade

centres (xiii) construction and equipping of vocational and industrial high schools and (xiv) setting up of a support fund for industrial development..

**239. For the programme to promote industrialisation by strengthening basic infrastructure and exploiting geographical and cultural assets**, the objective is to strengthen infrastructure to support industrialisation while taking advantage of the country's position as a transit country and its cultural potential, specifically by strengthening energy, water and transport infrastructure.

240. The implementation of this programme requires the implementation of the following projects: (i) electrification of the Maloukou industrial zone, (ii) supply of drinking water to the Maloukou industrial zone, (iii) construction of the Sounda hydroelectric plant and associated power lines on a BOT basis, (iv) rehabilitation and extension of the Djeno power plant on a BOT basis, (v) extension of the Congo Electricity Plant (CEC), (vi) electrification of the districts of the Sangha department from the Liouesso dam, (vii) rehabilitation and extension on a BOT basis of the Djoué hydroelectric power plant in Brazzaville (viii) construction of the Ngwambouissi water plant in Pointe-Noire on a BOT basis, (ix) widening and reinforcement of the RN2, (x) construction of the Yié-Maloukou road, (xi) construction of the Ignié-Maloukou road, (xii) construction of the Ollombo-Abala road, (xiii) asphaltting of 25 km of the Boundji-Ewo road, (xiv) rehabilitation of the Congo Ocean Railway, (xv) acquisition of 50 locomotives, (xvi) dredging of the river network, (xvii) construction of the Brazzaville-Kinshasa road-rail bridge (xviii) construction of corridor 13 (Ouessou-CAR border) and (xix) continuation of work on national road No. 3 Dolisie-Ndendé-Gabon border..

241. The capacity building programme for local SMEs/SMIs, which aims to make SMEs/SMIs more competitive, will aim to: (i) strengthen the productivity of local SMEs/SMIs; (ii) contribute to the improvement of the balance of trade; (iii) strengthen technical assistance on the procedures for boosting SMEs/SMIs; (iv) support local SMEs/SMIs through digital credit software; (v) create an investment and development bank to serve small and medium-sized enterprises; (vi) develop and implement a strategy for the active participation of local SMEs in SEZs through subcontracting, joint ventures and local content; and (vii) build vocational and specialised training centres in SEZs.

242. The implementation of this programme requires the following projects: (i) strengthening of technical assistance on procedures for boosting SMEs/SMIs; (ii) support for local SMEs/SMIs through digital credit software; (iii) creation of an investment and development bank for small and medium-sized enterprises; (iv) development and implementation of a strategy for the active participation of local SMEs/SMIs in SEZs through subcontracting, joint ventures and local content; (v) support project for the local private sector; and (vi) development of the public-private consultation framework.

243. With regard to the governance of industrial development programme, the following projects will be implemented: (i) strengthening of the legislative and regulatory framework; (ii) restructuring/capacity building of public and private research training institutions, and (iii) the creation of industrialization support agencies.

### 4.3. Pillar 3: Development of special economic zones

#### Issues and challenges

244. The need for sustained growth in various sectors of the economy calls for the development and servicing of geographical areas specifically dedicated to accelerating development. The opportunities offered by SEZs (Special Economic Zones) for development are severalfold: (i) SEZs increase the performance of diversification sectors, particularly agriculture and industry, through their value chain, (ii) SEZs ensure the attractiveness of the country, (iii) the development of SEZs favours the revival of the economy, (iv) SEZs guarantee the existence of a better structured local fabric of SMEs/SMIs, (v) SEZs allow for an increase in the trained and qualified workforce as well as job creation, (vi) SEZs improve the living and housing conditions of the populations in these areas and (vii) SEZs guarantee the transfer of technology and industrial know-how by ensuring that local "captains of industry", entrepreneurs and craftsmen work with international industrialists.

245. To date, a law provides for four (4) SEZs: (i) Pointe-Noire: 2,990 hectares, (ii) Oyo-Ollombo: 760,318 hectares, (iii) Ouesso: 379,639 hectares, (iv) Ignié: 223,810 hectares. Despite the Government's efforts to make the SEZs operational, their implementation is slow to materialise. There are several reasons for this situation: (i) the failure to fully compensate landowners to be expropriated (very low rate of expropriation, 33 ha expropriated out of a total of 1,366,757 ha, i.e. 0.002%), (ii) the absence of developers or planners, (iii) the absence of interested local and foreign entrepreneurs, (iv) the absence of a qualified local workforce.

246. The development of SEZs faces five major challenges: (i) finding developers for the development and servicing of the zones, (ii) mobilising funds to develop the zones, including obtaining a pro-diversification budget from the State, (iii) structuring and supporting SMEs/SMIs to enable them to become partners or subcontractors for foreign investors, (iv) the capacity to encourage the implementation of an active youth training policy to ensure that SEZs have qualified personnel, (v) the development and implementation of an effective communication and marketing policy to promote SEZs, and (vi) the availability of qualified manpower to work as soon as production activities are launched in SEZs.

247. As regards the development of local SMEs/SMIs, it is hampered by: (i) poor efficiency of financial support structures, (ii) the absence of incubators capable of launching new national entrepreneurs, (iii) poor access to bank credit, (iv) difficulties in non-bank financing, (v) asphyxiating parafiscality, (vi) complexity of the procedures for setting up a business, (vii) poor local and external promotion of products made in Congo, (viii) weak application of the legal framework, (ix) difficulties in accessing finance and raw materials, (x) low production capacity, (xi) marketing difficulties (lack of marketing techniques and unfair competition), (xii) the multiplicity of administrative controls, and (xiii) the inadequacy of technical support and skilled labour.

248. These difficulties constitute challenges to the development of SEZs.

## **Strategic and specific objectives**

249. The strategic objective of this pillar is to operationalise the Special Economic Zones. Specifically, the aim is to attract foreign investors. To achieve this, the Government intends to organise its actions around the following programmes (i) steering the policy and sectoral strategy of SEZs and (ii) developing and making SEZs viable.

250. **For the SEZ policy and sectoral strategy steering programme**, which aims to ensure SEZ governance, the aim will be to (i) strengthening the special legal and institutional framework for SEZs, (ii) improving the business climate, (iii) linking basic training to SEZ occupations, and (iv) implementing an effective strategy for mobilising the financing required for development work.

251. The realisation of this programme requires the implementation of the following projects: (i) strengthening the legal and institutional framework for SEZs and economic diversification; (ii) developing the sectoral policy and strategy of the Ministry of SEZs and economic diversification; (iii) updating feasibility studies; (iv) developing a communication strategy; (v) preparation of feasibility studies for the construction of basic infrastructure; (vi) training of young people in the trades to be developed in the SEZs; (vii) organisation of international forums to attract potential developers; and (viii) strengthening governance and improving the business climate.

252. For the **SEZ viability programme**, the objective of which is to create the conditions for the attractiveness of special economic zones, developers and investors, it will be necessary to: (i) continue surveying work; (ii) continue land surveys; (iii) compensate those expropriated from the SEZs; and (iv) build the basic infrastructure of the SEZs.

253. The implementation of this programme requires the implementation of the following projects: (i) development of infrastructure in the SEZs, (ii) continuation of land survey work, (iii) continuation of compensation for those expropriated from the SEZs, (iv) construction of basic infrastructure in the SEZs, (v) construction and equipping of one-stop shop buildings in the SEZs, and (vi) construction and equipping of the headquarters (R+7) housing the management bodies of the SEZs, and (vii) construction of skills training centres in SEZs..

## **4.4. Pillar 4: Tourism development**

### **Issues and challenges**

254. The wealth of biodiversity makes our country a vast and relatively virgin natural garden, located in the heart of the Congo Basin, commonly called "the second lung of the planet". It is also an exceptional tourist attraction, notably due to its climate, relief, hydrography, fauna and flora. Thus, tourism is one of the pillars of the NDP, contributing to the diversification of the national economy.

255. Congo is rich in natural resources and has several tourist sites: the Brazzaville cataracts, the Loufoulakari waterfalls, the Congo River and its tributaries, Ile Faignand, Ile Mbamou, the royal palace of Mbé, the Lesio-Louna nature reserve, the coastline and its beaches, the Diosso gorges, the Bas-Kouilou river, the Conkouati-douli national park, the Dimonika biosphere

reserve, the Tchimpounga nature reserve, the Odzala-Kokoua and Nouabalé-ndoki national parks, the large rivers (Alima, Sangha, . .) and their tributaries, the equatorial forest in the Cuvette and Sangha, the area where the rivers meet at Mossaka, etc..

256. Tourism is still underdeveloped in our country. Over the last five years, tourism growth has remained low and its contribution to GDP has never reached 5%. The fundamental reason for this is that many tourist sites remain inaccessible and undeveloped, despite their undeniable appeal. This situation shows that the Congo has so far underperformed in the development of tourism. To date, no specific policy for the promotion and development of tourism activities has been effectively implemented.

257. To ensure the development of tourism over the next five years, the Government must address three main challenges: (i) the development of tourist and leisure sites, (ii) capacity building of human resources and (iii) improving the legislative and regulatory framework.

### **Strategic and specific goals**

258. The strategic objective of this pillar is to improve and diversify the tourism offer. Over the next five years, the Government will have to create a favourable environment for the development of tourism in order to increase its contribution to GDP to 10%.

259. Specifically, it is a question of: (i) diversify and therefore expand the tourism offer, (ii) put in place all the infrastructure to support tourism activities, (iii) build the infrastructure for the tourism and leisure offer, (iv) make the existing tourist sites viable and (v) steer the development of tourism.

260. To achieve all its objectives, the Government will implement the following programmes (i) construction and development of access roads to tourist sites, (ii) construction and equipment of tourist and leisure facilities, (iii) development of tourist sites and (iv) management of tourism development.

261. **For the programme for the construction and development of access roads to tourist sites**, which aims to develop the infrastructure for access to tourist sites, it will involve (i) developing, building and rehabilitating access roads, (ii) installing telecommunications, electricity and water infrastructures to serve the tourist sites.

262. The implementation of this programme will require the following projects: (i) development of the access road to the Loufoulakari Falls (Pool), (ii) development of the access road to the Lac Bleu site in the Louvakou district in the Niari department, (iii) development of the access road to the Bay of Loango, (iv) development of the access road to the Djoué cataracts site in Brazzaville, (v) development of the access road to the Mount Mfouari wildlife reserve in Nyanga in the Niari department, (vi) construction of telecommunication and energy infrastructure for the falls, (vii) construction of a water supply and sewerage system for the communication and energy infrastructure for the Loufoulakari waterfalls (Pool), (viii) construction of telecommunication, communication and energy infrastructure in the Louvakou district (Niari), (ix) installation of telecommunication, communication and energy



infrastructure at the Bay of Loango, (ix) installation of telecommunication, communication and energy infrastructure at the Djoué cataract site in Brazzaville, (x) installation of telecommunication, communication and energy infrastructure at the (x) installation of telecommunication, communication and energy infrastructures at the Mount Mfouari wildlife reserve in Nyanga in the Niari department, (xi) development of the coastal access road (côte sauvage in Pointe-Noire, 100 pas du roi),(xii) development of the access road to Lake Nanga (Loufouleba) in Pointe-Noire (xiii) development of the access road to Lac télé in Likouala,(xiv) development of the access road to the Sossi site in Louvakou, in the department of Niari,(xv) development of the access road to the Lac bleu site (Lésio-Louna), (xvi) development of the access road to the Lac télé community reserve in Likouala, (xvii) development of the access road to the Conkouati-Douli national park, in the department of Kouilou, (xviii) development of the access road to the Odzala-Kokoua national park in the departments of Sangha and Cuvette-Ouest (xix) development of the access road to the Nouabalé-Ndoki national park in the department of Sangha, (xx) development of the access road to the district of Divénié in the department of Niari (Dimani falls), (xxi) development of the access road to Inoni-Mbé, (xxii) development of the access road from Dioso to the headquarters of Bouali, (xxii) development of the access road to the Tchimpounga nature reserve in the Kouilou department, (xxiii) development of the access road to the Moukouili waterfalls in Divénié in the department of Niari, (xxiv) installation of telecommunication, communication and energy infrastructures on the coast (côte sauvage in Pointe-Noire, 100 pas du roi) (xxv) installation of telecommunication, communication and energy infrastructures at Lake Nanga (Loufouleba in Pointe-Noire), (xxvi) installation of telecommunication, communication and energy infrastructures at Lake Télé in Likouala, (xxvii) installation of telecommunication, communication and energy infrastructures at the Lac Bleu site (Lésio-Louna), (xxviii) installation of telecommunication, communication and energy infrastructures at the Lac Télé community reserve in Likouala, (xxix) installation of telecommunication, communication and energy infrastructures at the Conkouati-Douli national park in the department of Kouilou, (xxx) installation of telecommunication, communication and energy infrastructures at the Odzala-Kokoua national park in the departments of Sangha and Cuvette-Ouest, (xxxi) installation of telecommunication, communication and energy infrastructures at the Nouabalé-Ndoki national park in the department of Sangha (xxxii) installation of telecommunication, communication and energy infrastructures in the district of Divénié, department of Niari (Dimani falls), (xxxiii) installation of telecommunication, communication and energy infrastructures at the Tchimpounga nature reserve in the department of Kouilou, (xxxiv) installation of telecommunication, communication and energy infrastructures at the Moukouili falls in Divénié in the department of Niari, and (xxxv) setting up a tourism, hotel and leisure information system (SITHL).

**263. For the construction and equipment of tourism and leisure infrastructures programme**, which aims to strengthen the structures of the tourism and leisure offer, the aim is to (i) build and rehabilitate tourism infrastructures and (ii) strengthen support infrastructures and services for tourism.

264. The implementation of this programme involves the following projects: (i) creation of a zoo-botanical park on the outskirts of Brazzaville called Louna Parc, (ii) creation of a zoological and botanical park in Mbouambé-Léfini, (iii) erection of a stele in memory of King MAKOKO

(ILOO I) at MBE, (iv) erection of a stele in memory of King MOE-POATY at Bouali (Diosso), (v) creation and management of a protected area in the Messok-Dja forest massif (vi) creation of an exhibition park for products made in Congo, (vii) rehabilitation of the Grand Hôtel de Dolisie (GHD), (ii) rehabilitation of the reading and cultural activity centres (CLAC), (viii) rehabilitation of the Brazzaville zoological and botanical park, (ix) construction of two (2) amusement parks in Brazzaville and Pointe-Noire, (x) construction of two water parks: one (1) in Brazzaville and one (1) in Pointe-Noire, (xi) creation of leisure centres in public places in the Republic of Congo, (xii) putting into operation health centres around tourist sites, (xiii) construction of large shopping centres in Brazzaville and Pointe-Noire, (xiv) construction of two large theatres in Brazzaville and Pointe-Noire, (xv) securing tourist structures (tourist sites, hotels and restaurants) and (xvi) support for the development of transport services.

**265. For the programme to develop tourist sites**, the aim will be to (i) developing tourist structures and (ii) building and developing structures in the reserves.

266. This programme requires the implementation of the following projects: (i) inventory of tourist sites and intangible cultural heritage, (ii) development of tourist structures at the Loufoulakari Falls in the Pool department, (iii) development of the Blue Lake site in the Louvakou district, in the Niari department, (iv) tourist development of the coastline (Côte Sauvage in Pointe-Noire, 100 pas du Roi), (v) tourist development of Lake Nanga (Loufouleba) in Pointe-Noire, (vi) development of tourist structures in the Loango Bay, (vii) development of the Sossi gite in Louvakou, in the Niari department, (viii) construction of tourist structures in the Djoué cataracts site in Brazzaville, (ix) construction of tourist structures in the Mbamou and Faignond islands, (x) construction of tourist structures in the Mount Mfouari wildlife reserve in Nyanga in the Department of Niari, (xi) construction of tourist structures in the Ntokou (Cuvette)-Pikounda (Sangha) park (xii) construction of tourist structures in the Lac Bleu site (Lesio-Louna), (xiii) construction of tourist structures in the Lac Télé community reserve in Likouala, (xiv) development of tourist structures in the Conkouati-Douli national park in the Department of Kouilou, (xv) development of tourist structures in the Odzala-Kokoua national park in the Departments of Sangha and Cuvette-Ouest (xvi) development of tourist structures in the Nouabalé-Ndoki national park in the department of Sangha, (xv) development of the Dimani Falls tourist site in the district of Divénié in the department of Niari (Dimani Falls), (xvi) development of tourist structures in the Tchimpounga nature reserve in the department of Kouilou and (xvii) development of the Moukouili Falls tourist site in Divénié in the department of Niari..

**267. The Tourism Development Steering Programme** aims to improve the governance of the tourism and leisure sector. This will involve: (i) reform the legal framework of the tourism and leisure sector; (ii) increase human resources in the tourism and leisure professions and (iii) promote tourism.

268. The implementation of this programme requires the implementation of the following projects: (i) development and implementation of mechanisms for mitigating human-wildlife conflict in the Republic of Congo, (ii) development of the law on the leisure development fund, (iii) updating of the texts creating the Higher Council for Tourism (CST), (iv) development of the law reorganising the tourism development fund, (v) development of the application texts

(statutes) of the office for the promotion of the tourism industry; (vi) elaboration of the application texts of the SOCITOUR law, (vii) elaboration of the application texts of the law establishing the one-stop shop for tourism (GUT), (viii) elaboration of the application texts regulating the tourism sector, (ix) elaboration of the law regulating the leisure sector and the application texts (x) construction and equipment of the Higher Institute of Environment and Tourism in Impfondo in Likouala, (xi) creation of a national school of tourism and hotel management, (xii) creation of the tourism training institute in Pointe-Noire; (xiii) development of a training policy for tourism professions, (v) development of training programmes by integrating new communication technologies, (xiv) support for the ongoing training of staff in tourist accommodation establishments, (xv) support for the training of agents of the Ministry of Tourism and Leisure, (xvi) training and socio-professional integration of women and young girls in sustainable trades, (xvii) training and reintegration of young people in tourism trades, (xviii) training and equipping of eco-guards and anti-poaching surveillance units (protected areas, USLAB and PROGEPP), (xix) implementation of the office for the promotion of the tourist industry in the department of Brazzaville, (xx) implementation of the office for the promotion of the tourist industry in the department of Pointe-Noire, (xxi) implementation of the one-stop shop for tourism in Brazzaville, (xxii) implementation of tourist information offices (BIT) for the European zones (Paris), (xxiii) implementation of tourist information offices (BIT) for the American zones (xxii) organisation of Eductours, (xxiii) setting up of dynamic screens in the major cities and public places with a strong influence (Brazzaville and Pointe-Noire), (xxiv) creation of a paper and digital magazine called : la lettre touristique du Congo, (xxv) mapping of tourist areas in the Congo; (xxvi) introduction of the tourist visa, (xxvii) Brazzaville international tourism fair, (xxviii) reform and drafting of application texts on the tourism development fund, and (xxix) editing and production of tourism and leisure promotion media (lettre touristique du Congo magazine).

## **4.5. Pillar 5: Development of the digital economy**

### **Key issues and challenges**

269. Digital transformation is a strategic lever in the economic diversification process. The Head of State has placed at the heart of his social project, "Together, let's continue the march", the need to digitalise the Congolese economic fabric in all its components and to reduce the digital divide in the country. The promotion of the digital economy will make it possible to: (i) facilitate the processing and circulation of information, (ii) create jobs and wealth, (iii) have a positive impact on other sectors of activity, (iv) develop e-business, (v) develop e-gouv, (vi) develop the e-citizen, (vii) improve the quality of public service, (viii) increase transparency at all levels, (ix) increase the performance of companies and (x) facilitate monitoring and control.

270. Digital activities are governed by legal provisions designed to guarantee cybersecurity (Law No. 26-2020 of 5 June 2020) and the protection of personal data (Law No. 29-2019 of 10 October 2019), as well as to combat cybercrime (Law No. 27-2020 of 5 June 2020 on combating cybercrime). To date, the following projects are being implemented: (i) the finalisation of the first two phases of the National Coverage Project (PCN), (ii) the launch of the third National Coverage Project phase, (iii) the launch of fibre optic connection work between Congo and

Central African Republic, (iv) the finalisation of fibre optic interconnection work between Congo and Cameroon.

271. Despite these projects, the mobile broadband subscription rate (per 100 inhabitants) is only 6.0% (in 2020) and the level of internet penetration among the population remains low (9.7% in 2020), thus creating a digital divide between urban and rural areas, on the one hand, and wealthy urban dwellers and those without means, on the other. Yet the proportion of people with a mobile phone, one of the vectors of digital technology, is 104.7% (in 2020).

272. The deployment of the digital infrastructure continues through the following projects: (i) the delegation of the management of fibre optic services of the Electric Energy of Congo (E<sup>2</sup>C) network, (ii) the operationalisation of the ARPCE (Post and Electronic Communications Regulatory Authority) data centre, (iii) the construction of the data centre of the ministry in charge of finance, (iv) the construction of the Government data centre, (v) the dematerialisation of tax payments, (vi) the establishment of the dematerialised platform for information on the Covid-19, (vii) the operationalisation of the digital hub and the digital stamp, (viii) the democratisation of e-banking and mobile money, (ix) the establishment of the mobile post office, (x) the fibre optic interconnection between the Congo and the DRC and (xi) the operationalisation of the fibre optic interconnection between the Congo and Gabon.

273. Despite all these efforts, real progress towards the creation of a digital economy in strategic sectors at national level is not yet being made at a sustained pace. The country faces several challenges over the next five years. These are (i) extending the fibre optic network throughout the country, (ii) providing the country with telecommunications, mobile telephone, energy and communication infrastructure, (iii) providing the country with storage capacity (data centre), (iv) improving the digital environment for start-ups, (v) the digitalisation of procedures for creating companies, (vi) the development of e-business, e-gouv and e-citizens, (vii) the establishment of a framework to reduce the cost of access to electronic communications and (viii) the strengthening of digital courses in schools and universities.

### **Strategic and specific goals**

274. The strategic objective of this pillar is to digitalise the economic fabric in all its components. Specifically, it will involve: (i) continuing the implementation of the regulatory and institutional environment, (ii) developing digital infrastructures, (iii) developing platforms and digital entrepreneurship, (iv) developing skills, research and industrial production linked to the digital economy, (v) steering the development policy of the digital economy, (vi) developing financial services and (vii) reducing the digital divide.

275. To achieve these objectives, the Government intends to organise its actions around the following programmes: (i) development of digital infrastructure, (ii) development of digital platforms and entrepreneurship, (iii) development of skills, research and industrial production related to the digital economy, (iv) reduction of the digital divide and (v) steering the policy for the development of the digital economy.

276. **The digital infrastructure development programme** aims to provide the national territory with digital infrastructure. The aim is to implement the following projects (i) national coverage in optical fibre, (ii) networking of the country in telecommunication infrastructures,

(iii) networking of the country in mobile telephone infrastructures, (iv) networking of the country in storage infrastructures ("Data centre") and (v) finalisation of the securing of telecommunication, communication, mobile telephone and "Data centre" infrastructures and (vi) networking of the country in energy infrastructures.

**277. The implementation of the programme for the development of digital platforms and entrepreneurship**, which aims to develop platforms and entrepreneurship in the digital economy sector, will be achieved through the implementation of the following projects: (i) strengthening of digital confidence mechanisms; (ii) development of e-business; (iii) development of e-gouv; (iv) development of the e-citizen; (v) development of a strategy to raise awareness of digital platforms among the population; (vi) transition from analogue to digital production/broadcasting centres (Radio, TVC and Télédiffusion du Congo); (vii) securing digital platforms (information systems); (viii) putting in place instruments to improve the digital environment for start-ups and (ix) digitalising the formalities for creating businesses and (x) digital production of directories.

**278. For the programme Development of digital skills, research and industrial production.** The aim of this programme will be to: (i) develop research and innovation linked to digital technology; (ii) promote industrial production in digital technology; (iii) develop digital curricula and intensify initial and continuous training; (iv) introduce digital technology modules into the curricula of training schools for trainers; (v) provide training in digital technology; (vi) develop incubators at national level; and (vii) strengthen human resource capacities in digital technology.

279. The implementation of this programme requires the implementation of the following projects: (i) development of digital research and innovation; (ii) promotion of industrial production in the digital sector; (iii) development of digital curricula; (iv) introduction of digital modules in the curricula of teacher training colleges; (v) digital training; (vi) development of national incubators; and (vii) strengthening of human resource capacities in the digital sector.

**280. For the programme to reduce the digital divide**, which aims to reduce inequalities in people's access to information and communication technologies (ICTs) between urban and rural areas and between citizens.

281. The implementation of this programme requires the implementation of the following projects: (i) equipping public administrations with digital terminals; (ii) developing digital financial services; (iii) supporting the fund for universal access and service of electronic communications and (iv) setting up digital community centres..

**282. For the steering of the digital economy development policy programme** which aims to improve the legislative, regulatory and institutional framework of the digital economy sector.

283. The realisation of this programme requires the implementation of the following projects: (i) creation of the national observatory of the digital economy; (ii) finalisation of the legal framework favourable to the development of the digital ecosystem; (iii) creation of bodies for securing information systems; (iv) updating of the national strategy for the development of the digital economy; (v) reforms on the rationalisation of the organisation of the public administration; and (vi) strengthening of the legislative, regulatory and institutional framework.

## 4.6. Pillar 6: Property development

### Issues and challenges

284. As one of the pillars of the development strategy for the five-year period 2022-2026, real estate development responds to the need to involve this sector in the process of diversifying the Congolese economy. The sustained growth in terms of real estate infrastructure needs in several areas, notably agriculture, industry, tourism and the digital economy, as well as the strong demand for housing linked to population growth, justify the strategic nature of the real estate sector in Congo.

285. The diagnostic analysis of the real estate sector shows that, despite the potential and opportunities it offers, it is still faced with numerous constraints. Numerous challenges need to be met to make it a lever for strong and sustainable growth.

286. Real estate has the specificity of benefiting from many advantages: (i) the availability of certain construction materials, (ii) the existence of an updated legislative framework (urban planning and construction code), (iii) the existence of master plans for the cities of Brazzaville and Pointe-Noire, (iv) the existence of a legal system for public-private property development, (v) a strong demand for decent housing induced by sustained demographic growth.

287. The constraints on the development of this sector stem from both institutional weaknesses and the absence of a coherent policy in this sector. The main constraints noted concern: (i) the non-existence of master plans for urban development in the country's towns outside Brazzaville and Pointe-Noire, (ii) the absence of a framework for construction prices, (iii) the low production capacity for local construction materials, apart from cement, (iv) the low capacity of banks to grant property loans, (v) insufficient land reserves, particularly in the main cities, requiring recourse to expropriation and compensation for public utility, and (vi) the preponderance of the informal sector (more than 8% of buildings are produced by handymen)..

288. Despite the existence of a growing real estate demand and the public real estate development company (SOPRIM), the supply of housing (economic and social) remains below the demand, with a deficit in real estate production, particularly in housing, estimated at around 15,000 units per year.

### Strategic and specific goals

289. The aim of this pillar is to increase the real estate supply. Faced with the challenges identified, the development strategy for real estate promotion intends to provide adequate responses in favour of the development of the real estate sector with the aim of making it a source of wealth creation, employment and improvement of the well-being of the population through the improvement of the living environment.

290. Specifically, the aim is to: (i) strengthening the institutional, legal and organisational framework of the real estate sector; (ii) increasing the supply of decent housing at lower costs and (iii) increasing the supply of real estate for economic activities.

291. To this end, the Government will implement the following programmes: (i) development of real estate infrastructure, (ii) promotion of housing and decent housing and (iii) governance of real estate development.

292. **For the real estate development governance programme**, which aims to strengthen the institutional, legal and organisational framework of the real estate sector, the aim is to (i) improving the institutional and legal framework and (ii) strengthening the organisational framework.

293. Within the framework of this programme, the projects to be implemented are the following: (i) elaboration of the sectoral policy of the Ministry in charge of construction, urbanism and housing; (ii) elaboration of the national housing strategy; (iii) elaboration and/or updating of the master plans of cities and local urbanism plans; (iv) development of a framework for construction price lists; (v) structuring of the building and public works trades through chambers of trade; (vi) popularisation of the town planning and construction code; and (vii) support for initial and ongoing training in the property trades.

294. **For the programme to promote housing and decent housing**, which aims to increase the supply of real estate in the form of housing accessible to the greatest number of people, the aim will be to (i) facilitating access to secure land, (ii) facilitating access to real estate financing, (iii) building decent housing and (iv) facilitating access to decent housing for as many people as possible at a lower cost. The implementation of the following projects: (i) the construction and completion of housing in Diosso, (ii) the construction of buildings (housing) in Pointe-Noire (Camp IGET), (iii) the construction of an SS+R+6 building by the property development company (SOPRIM) at the Lumumba roundabout in Pointe-Noire; (iv) construction and completion of housing in Owando (Linengue 1 and 2), construction of housing in Camp-Clairon, (v) construction of housing with the ADH group and (vi) construction of housing with BADEA (Arab Bank for Economic Development in Africa) financing, (vii) MAMBO social housing and Barnier case; (viii) construction and equipment of two units of second and third industrial transformation of wood in the ZES and the industrial parks, (ix) completion of the tails of accelerated municipalizations in the departments, (x) restructuring of the precarious districts (Project DURQUAP), (xi) construction of the departmental directions of the ministry in charge of the construction (xii) rehabilitation and equipment of departmental directorates of the ministry in charge of construction, (xiii) construction and equipment of schools and academies, (xiv) creation of a National Housing Fund, (xv) project to improve supply and access to housing credit, and (xvi) launch of the national housing company.

295. **For the Real Estate Infrastructure Development Programme**, which aims to increase and modernise real estate infrastructure, the aim is to build and rehabilitate administrative, public and economic infrastructure.

296. The implementation of this programme requires the implementation of the following projects: (i) construction of the departmental directorates of the Ministry in charge of construction; (ii) rehabilitation and equipment of the departmental directorates of the Ministry in charge of construction; (iii) construction of the headquarters (R+4) housing the management bodies of the SEZs and the free trade zones; (iv) restructuring of precarious neighbourhoods (DURQUAP project); (v) construction of the International Business City in Brazzaville and

consulting engineer (Cité Gouvernementale); (vi) construction of a commercial centre in Mpila (twin towers) and consulting engineer; (vii) construction of buildings at the Moukondo SS+R+4 roundabout; (viii) construction of an R+4 building at Patte d'Oie; and (ix) construction and equipping of two units of secondary and tertiary industrial wood processing in the SEZs and industrial parks.



## Chapter 5 : Areas of support

297. The effective implementation of the NDP requires strong measures, the main ones being in the following areas: (i) peace, security and political stability, (ii) governance, (iii) support for and development of the private sector, and (iv) reconciliation between the objectives of economic growth and environmental protection.

### 5.6. Peace, security and political stability

298. Taking into account the interdependence between peace, security, political stability and development, the Government intends to continue and strengthen the actions already undertaken to consolidate peace, security and political stability in the framework of the implementation of the NDP 2022-2026.

299. The actions envisaged in the field of peace, security and political stability concern

- strengthening the rule of law, stability and democracy;
- Strengthening social cohesion and peace by continuing efforts to clear salary and pension arrears, and by maintaining dialogue with the social partners.
- Strengthening the role of the public force in the defence of territorial integrity and the security of people and property
- Eradicating the infringement of the free movement of people and goods.
- The intensification of the fight against crime in all its forms
- The perpetuation of the permanent political dialogue;
- The implementation of the consensual recommendations of the various political dialogues.

### 5.7. Good governance

300. The improvement of governance over the next five years will consist of the following actions

- Revising the legal framework for combating fraud and stepping up the implementation of legal and judicial reforms while ensuring their proper application.
- Computerise all public administrations.
- Continue and finalise, in particular, the development of the computerisation of financial registers;
- Complete the process of switching the State budget to programme mode;

- Rationalise the functioning of the State and improve its productivity;
- Fight with determination and efficiency against corruption, misappropriation of public funds and all other economic and financial crimes and offences, as well as against impunity;
- Carry out regular controls and audits of the management of public administrations and bodies.
- Institute the obligation to account for acts of management of public affairs;
- Finalise the development of a single computerised file of the Directorate of Pay and the Directorate General of the Civil Service;
- Modernise the management of land and the state domain;
- Strengthen the decentralisation process;
- Transfer competences and resources to local authorities in accordance with the laws on decentralisation;
- Draw up local development plans and modalities for transposing the NDP 2022-2026 in the departments;
- Establish and maintain political and social dialogue, as well as transparency and trust between political leaders and the population.

## 5.8. Support and development of the private sector

301. The success of the NDP depends in part on the involvement of the private sector in activities directly or indirectly related to the six strategic pillars. It is essential to put in place measures to attract national and international private investors and to encourage existing businesses.

302. These measures include: (i) improving the business environment and (ii) supporting businesses.

### 5.8.1. Improving the business environment

303. The related actions are :

- **Guarantee legal security for all companies** by making the legal framework for business legible, attractive and stable and by ensuring the impartiality, intelligibility, celerity and respect of legal decisions.
- **Adapt taxation and parafiscality to the requirements of accelerated development, based on the creation of more jobs and wealth.** It is necessary to put an end to tax levels that discourage investment and hinder the development of existing private initiatives. The actions to be implemented are: (i) setting a tax ceiling for each category of business, (ii) modifying the tax base (abolishing taxes on production tools and investment), (iii) not taxing profits reinvested in the priority sectors of the NDP, (iv) reducing the number of parafiscal taxes, (v) lowering the rate of levy on salaries for new jobs created in the priority sectors of the NDP, (vi) resolving the constraints linked to VAT credits.
- **Update the conditions for granting tax and customs benefits.** Tax and customs benefits will be calibrated to direct private investment towards the strategic pillars

retained in the NDP. The actions relating to this update mainly concern the revision of the regulation on the investment charter, in particular (i) updating the terms and conditions of eligibility for tax and customs benefits, (ii) the choice of sectors benefiting from the benefits granted, (iii) the nature of the products to be exempted from customs duties, (iv) the modulation of the tax abatement rate;

- **Lighten and simplify fiscal, social and administrative control procedures.** The multiplicity of controls, some of which are not justified, negatively affects the business climate. It is therefore urgent to put an end to the continuous increase in controls and to provide a global response that is satisfactory for all stakeholders. To this end, an inventory of the controls carried out is an essential step towards rationalising these procedures. This approach should lead to (i) the elimination of illegal fees created by certain public administrations, (ii) the reduction of the number of controls by eliminating those that are abusive and superfluous, (iii) the strengthening of the dialogue mechanism in the control procedures.
- **Ensure better insolvency resolution and contract enforcement. To achieve these objectives, various actions will be implemented:** (i) strengthening the capacities of magistrates and other legal practitioners for a more effective application of OHADA uniform acts, (ii) reducing the time taken for legal proceedings, (iii) enhancing the role of the Mediation and Arbitration Centre of Congo (CEMACO) and (iv) activating all the tools that promote the protection of the investor;
- **Eliminate bottlenecks in transactions. The actions to be deployed to this end are:** (i) set up a National Trade Facilitation Committee; (ii) improve the determinants of cross-border trade, (iii) reduce transit costs, (vi) eliminate unjustified controls, (v) optimise the logistics chain.
- **Ensure the availability of financial information.** The actions to be associated with this objective are (i) optimising the information system for investors, (ii) consolidating the database on projects, (iii) centralising the balance sheets of Congolese companies, (vi) creating a credit bureau, (v) strengthening the resources of the national centre for economic information and management advice (CНИЕCG).

### 5.8.2. Business support

304. It is structured around three main measures: (i) densification, (ii) financial support and (iii) dialogue.

- **Densification of the private sector.** It requires the following main actions: (i) strengthening support for business creation, (ii) simplifying creation procedures, (iii) developing youth and female entrepreneurship, (iv) enhancing the value of the various trades linked to the development of the pillars of the NDP, (v) gradually transforming informal sector entities into formal businesses, (vi) eliminating market distortions (monopolies, barriers to entry, etc.);
- **Permanent dialogue with private sector organisations.** The following actions will be implemented (i) the revitalisation of consultation platforms (sectoral and general)

between the private sector and the public authorities, (ii) the setting up of public/private technical commissions on certain aspects of business life (domestic debt, parafiscality, VAT credits, business controls, hiring, labour control, local content, etc.) and, (iii) the multiplication of exchanges with the private sector before and during the drafting of the finance law

- **Financial support to the private sector.** There is an urgent need to create an adequate financial ecosystem that can accompany the process of economic diversification driven by the private sector. This implies the following actions: (i) the mobilisation of financial aid for business creation, especially in the sectors covered by the strategic pillars of the NDP, (ii) the creation of a structure designed to carry out shareholding, (iii) the use of innovative financing methods, (iv) the appropriate positioning of the Impulse Fund, (iv) the appropriate positioning of the Impulse, Guarantee and Accompaniment Fund (FIGA), taking into account the orientations of the NDP, (v) the acceleration of the payment of domestic commercial debt, and (vi) the operationalisation of the offer of savings products adapted to the informal sector and the mobilisation of savings for long term loans, and (vii) the promotion of access to financial markets.

## 5.9. Economic growth and environmental protection

305. The protection of the environment and the improvement of the population's living environment are among the concerns of the public authorities. It is one of the major priorities of public policies adopted and implemented by the Government.

306. Faced with the many threats posed to the planet by climate change, in particular the alarming increase in greenhouse gas emissions, the Government has committed itself in recent years to an ambitious environmental protection policy. It will continue to do so during the implementation of the NDP by using instruments such as the "Congo<sup>9</sup> Basin Blue Fund" to both preserve the environment, particularly the forests, and guarantee economic development, enabling the population to improve their standard of living in a well-protected environment.

307. The actions to be carried out in this context concern: (i) the continuation of efforts undertaken since 2006 to lay the foundations of a green economy within the framework of the national REDD+ strategy, (ii) the fulfilment of commitments made by the Congo in the field of the environment at the international level, (iii) the promotion of agriculture and livestock breeding compatible with environmental protection, (iv) the use of natural fertilisers, a source of growth and employment.

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<sup>9</sup>On 9 March 2017 in Oyo (Cuvette department), twelve countries of the Central African and Great Lakes sub-region signed the agreement establishing the Blue Fund for the Congo Basin

## Chapter 6: Social dividend and strengthening basic infrastructure

308. The expected social impacts of the NDP will be seen through the direct and indirect effects that its implementation will have on social life, particularly on human capital and the development of basic infrastructure. Highlighting the social dividend of the NDP means presenting the elements showing how the different strategic pillars of the NDP will help to achieve most of the SDGs. This reflects the commitment of the Congolese government to integrate the SDGs into national policies.

### 6.1. Human Capital

309. The social dividend of the NDP in terms of the development and preservation of human capital will be reflected in progress in the areas of training, health and social protection

#### 6.1.1. Education

310. In the Congo's National Human Development Report (RNDH 2020) on human capital development, it was pointed out that human capital development faces many constraints, including a low level of resources.

311. The implementation of the NDP, by its very nature, offers the government the opportunity to invest substantially in raising the quality of human capital. This imperative of massive investment is due to the fact that the Congo must have a quality workforce in line with the needs of implementing its development policies. The State will provide for this by creating new wealth that can be invested in the training of human resources.

312. Thus, in the area of education, with a view to achieving the SDGs and the objectives of the NDP 2022-2026, several actions are required in the various segments of education, in accordance with the education sector strategy 2021-2030.

##### 6.1.1.1. Basic education

313. To strengthen human capital at the grassroots level, the government intends to: (i) increase investment in basic education through the construction of modern school infrastructures and their provision with equally modern equipment, (ii) enable the majority of the population to acquire basic knowledge, (iii) reduce inequalities in access to education services through appropriate measures.

##### 6.1.1.2. Technical and vocational education and training

314. In order to adapt human capital to the needs of the economy in general and the objectives of the NDP, the Government will undertake the following actions in the area of technical and

vocational education and training (i) investment in the training of specific and increasingly qualified human capital to respond to the urgent need for competitiveness that industrialization implies in the context of a globalized economy and continental African free trade (ZLECAF), (ii) the strengthening of training courses (iii) aligning curricula with the needs of agriculture, industry, tourism, the digital economy and real estate, which are the focus of skills needs under the 2022-2026 NDP.

### **6.1.1.3. Higher education and scientific research**

315. With a view to achieving structural transformation in order to build a strong, diversified and resilient economy, it is essential, in higher education and scientific research, to: (i) increase the supply of higher education and improve its quality, (ii) improve access to higher education, (iii) link research to development needs, and (iv) devote a significant share of budgetary resources to research and development activities.

### **6.1.2 Health**

316. Several factors contribute to the poor performance of the health sector, including those related to access and quality of care. Obstacles related to the quality of care include: (i) the low availability of medical equipment and drugs, (ii) the lack of qualified and motivated health workers. Obstacles related to access to care relate to (i) the high cost of health care in relation to household income, (ii) insufficient public resources devoted to the health system to make it accessible to all at the lowest cost, and (iii) the high risk of catastrophic health expenditure.

317. The implementation of the NDP, which aims at strong and sustainable economic growth that generates income for the state and the population, will enable the state to allocate more resources to the health sector, and households to have the purchasing power necessary to access quality health care.

318. In the short term, the budgetary allocation for health should reach the levels recommended by the Abuja Declaration and in the long term those of the WHO. The budgetary impact of the implementation of the NDP 2022-2026 will facilitate the fulfilment of the government's political commitment to the universal health coverage programmer, and ultimately improve access to health care for poor households. This offers the opportunity to reduce catastrophic health expenditure and ultimately the health burden of the poor. All this will contribute to poverty reduction and health equity.

319. Within the framework of the NDP, care will be taken to guarantee the health capital of the population through the implementation of the National Health Policy (NHP) with the following actions:

- ***improving the quality of health services.*** *It will focus on:* (i) the provision of health centers with appropriate equipment, medicines and human resources in order to improve the resilience of the health system to epidemics and health emergencies, (ii) the decentralization of medical analysis centers to enable mass screening and rapid treatment of patients and (iii) the optimization of health system governance.

- ***Eradicating malnutrition and combating child mortality.*** Nutritional deficiencies in early childhood affect cognitive development, motor skills, learning ability and behaviour. To address this, it is imperative to increase investment in the fight against malnutrition to improve the quality of human capital, especially for children living in poverty. In order to effectively combat child mortality, the Government will focus on: (i) improving and structuring local prevention capacities (access to long-lasting insecticide-treated nets, latrine construction, basic hygiene, etc.) and management of the diseases that cause the greatest number of child deaths and (ii) the periodic conduct of surveys on mortality and the prevalence of child diseases for better decision-making.
- For several years, the Republic of Congo has been increasing the number of projects in favour of mother and child health. Thanks to funding from the implementation of the NDP, these projects will continue throughout the country. These projects range from the modernisation, construction and equipment of health structures to the recruitment and training of health personnel.

320. The overall impacts of NDP in the health sector could contribute to accelerate the achievement of SDG2 and SDG3.

### **6.1.3 Social protection**

321. The social protection challenge remains the provision of a social benefit floor to reduce the vulnerability of households, and individuals, to help them better manage social risks and to ensure their dignity.

322. The implementation of NDP, which offers opportunities for the creation of formal jobs, should create an environment conducive to expanding national coverage in the area of social protection. Formal wage employment and the possibility of accelerating the transition of workers from the informal to the formal sector, thanks to the expansion of economic activity in various strategic pillars of the NDP, are likely to bring many people into the social protection guaranteed by work.

323. The impact of NDP in terms of wealth creation through economic diversification, which is supposed to ensure strong, inclusive and sustainable growth, will be reflected in the increased room for manoeuvre in the financing of new social protection schemes, pension funds and health insurance, thus strengthening the social and economic inclusion of the poor, vulnerable people and workers in the informal sector.

324. To expand the social protection coverage of the population, the resources generated by the implementation of the NDP will help the Government to: (i) operationalise universal health insurance (UHI) and other new social security schemes, (ii) strengthen social action, within the framework of the non-contributory component of social protection, by increasing the financial and operational capacities of social demand management structures (social action districts, structures for people living with disabilities, structures for vulnerable children, etc.).

## **6.2 Strengthening basic infrastructure**

325. The quantity and quality of basic infrastructure and services are among the determinants of development in general and private sector development in particular. They are an important lever for the competitiveness of the country and of the companies located there.

326. In terms of basic infrastructure, the Congo still suffers from a deficit despite the efforts made by the government. The NDP, which aims to bring about the structural transformation of the economy, should help the country to equip itself with quality basic infrastructure in order to sustain economic growth and economic diversification. Water, electricity, sanitation, roads and telecommunications infrastructure will be given special attention in the implementation of the NDP and will thus form part of the social dividend expected from the NDP. As the NDP is implemented, the wealth created will be partly invested in these basic services and infrastructures.

### **6.2.1 Water, electricity and sanitation**

327. The constraints on the provision of and access to water and electricity, which affect both human welfare and economic activity, will need to be addressed with the implementation of the NDP. By focusing on more effective financing for improved sanitation and hygiene, better access to health professionals and more advice on how to reduce environmental pollution, significant progress is expected.

328. With regard to water and electricity, the construction and rehabilitation of production and distribution infrastructures have been included in the NDP. They aim to strengthen the supply of electricity and drinking water. The following projects can be mentioned in particular: (i) drinking water supply to the Maloukou industrial zone, (ii) construction of the Sounda hydroelectric power station and associated power lines on a BOT basis, (iii) rehabilitation and extension of the Djeno power station on a BOT basis, (iv) extension of the Congo electric power station (CEC) (v) electrification of the districts of the Sangha department from the Liouesso dam, (vi) rehabilitation and extension on a BOT basis of the Djoué hydroelectric plant in Brazzaville, (vii) construction on a BOT basis of the Ngwambouissi water plant in Pointe-Noire. Solutions outside the national grid are planned to ensure broad access to electricity. These include support for COPASOL (a solar panel manufacturing company based in Oyo) to facilitate the electrification of localities off the national grid using solar energy.

329. The NDP 2022-2026 offers the possibility of achieving the goals related to access to drinking water and electricity for all, which are the subject of MDGs 6 and 7. In terms of induced effects, the availability of water and electricity improved by the implementation of the NDP will make it possible to create new jobs, particularly due to the proliferation of activities in the informal sector.

### **6.2.2 Roads**

330. The strategic orientations of the NDP open up real prospects for the development of road infrastructure.



331. In terms of road infrastructure development, the NDP has selected several projects to be implemented, such as (i) widening and reinforcement of the RN2, (ii) construction of the Yié-Maloukou road, (iii) construction of the Ignié-Maloukou road, (iv) construction of the Ollombo-Abala road, (v) asphaltting of 25 km of the Boundji-Ewo road, (vi) construction of the Brazzaville-Kinshasa road-rail bridge, (xviii) construction of Corridor 13 (Ouessou-CAR border) and (xix) continuation of work on National Road No. 3 Dolisie-Ndendé-Gabon border. All these projects contribute, among other things, to: (i) improving the mobility of people and goods, including agricultural products; (ii) facilitating access to health and education centres; and (iii) strengthening economic exchanges with countries in the sub-region.

332. In short, the NDP 2022-2026 is a strategic framework whose implementation should provide the Congolese people with an undeniable social dividend that should contribute to the fight against poverty, inequality and exclusion.

# **PART III : MACROECONOMIC IMPLICATIONS**

## Chapter 7 : Macroeconomic outlook

333. The economic forecasts for the period 2022-2026 were made using the PREMA-CONGO and MBF-Central models. The first model was used to project macroeconomic aggregates (GDP, prices, current account and money supply) and the second to project budgetary revenue and expenditure, based on general and sectoral assumptions.

334. Two scenarios have been selected: the reference scenario and the optimistic scenario (NDP). For each scenario, the assumptions made, the growth profile and the evolution of resources from 2022 to 2026 are presented.

### 7.1. Assumptions underlying the forecasts

Two scenarios have been selected: the reference scenario and the optimistic scenario (NDP). For each scenario, the assumptions made, the growth profile and the evolution of resources from 2022 to 2026 are presented:

- Oil production is projected to grow as follows: 110.1 million barrels in 2022; 111.7 million barrels in 2023; 124.6 million barrels in 2024; 121.6 million barrels in 2025 and 113.0 million barrels in 2026;
- The price of oil per barrel (Congolese price) would vary as follows: \$65.0 per barrel in 2022; \$63.0 per barrel in 2023; \$60.0 per barrel in 2024; \$58.0 per barrel in 2025 and \$56.0 per barrel in 2026;
- The exchange rate (dollar/CFA) used would be 1 dollar for 530 FCFA over the entire period.

The other main general assumptions are:

- Mitigation of the health crisis with the continuation of vaccination campaigns against Covid-19;
- The implementation of the medium-term programme, supported by the IMF's Extended Credit Facility (ECF);
- The continued implementation of the (ECONOMIC and MONETARY COMMUNITY of CENTRAL AFRICA)EMCCA economic and financial reform programme (EFRP-EMCCA);
- Increased capital expenditure in 2025 and 2026, following the implementation of the EFC programme supported by the IMF;
- The implementation of a strategy to attract domestic and foreign private investment.

335. The sectoral hypotheses are based on the achievement of the overall objective of the NDP, which is to create a strong, diversified and resilient economy. The implementation of the NDP should make it possible to boost the expected dynamics in the non-oil sector. This dynamic would result from the performance of the branches of activity of the strategic pillars of the NDP. The sectoral developments selected are shown in Annex B.

## 7.2. Growth and investment rates

### 7.2.1. Overall growth

336. Over the period 2022-2026, the Congo would record an average growth rate of 4.6%. Real GDP growth would rise from 2.5% in 2022 to 4.0% in 2026, with a peak of 8.4% in 2024. This growth in the NDP scenario would be higher than in the reference scenario.

**Table 7: Growth ( in %) in the scenarios**

	2022	2023	2024	2025	2026	2015-2019	2022-2026
<b>NDP scenario</b>							
<b>Global GDP</b>	2.5	3.2	8.4	4.8	4.0	-4.5	<b>4.6</b>
GDP oil	0.8	1.5	11.5	-2.4	-7.1	1.6	<b>0.9</b>
GDP excluding oil	3.5	4.5	6.4	9.7	10.7	-7.4	<b>7.0</b>
<b>Reference scenario</b>							
<b>Global GDP</b>	2.5	2.8	7.0	1.7	0.5	-4.5	2.9
GDP oil	0.8	1.5	11.5	-2.4	-7.1	1.6	0.9
GDP excluding oil	3.5	3.7	4.3	4.4	5.2	-7.4	4.2

*Source: Macroeconomic and Budgetary Scoping Committee (MBSC)*

337. Overall real GDP would grow to reach a peak in 2024, in line with the evolution of oil production. Real GDP excluding oil would evolve at a sustained and continuous rate, of greater magnitude than in the reference scenario. Growth would thus go from 3.5% in 2022 to 10.7% in 2026, i.e. an average annual growth rate of 7.0%.

### 7.2.2. Evolution of the investment rate

338. The overall investment rate would rise from 19.9% of GDP in 2022 to 37.6% in 2026. Private investment would be the main driver of growth over this period.

**Table 8: Investment rates (in %) in the scenarios**

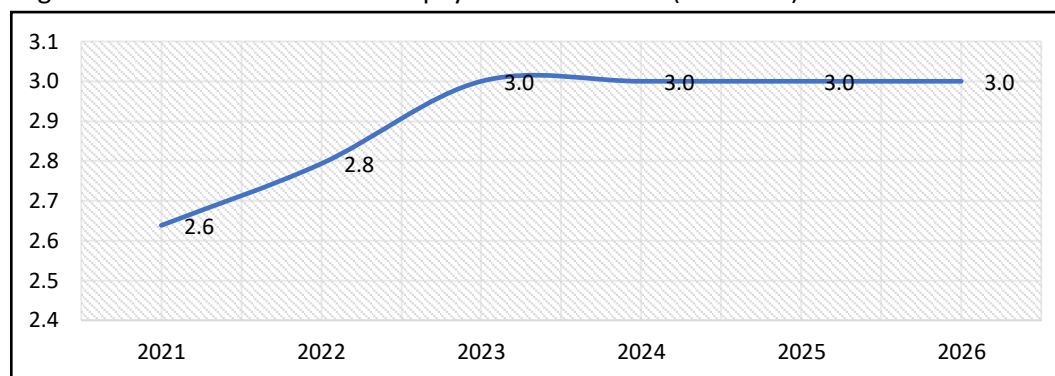
	2022	2023	2024	2025	2026
<b>NDP scenario</b>					
Public	3.5	3.9	4.1	4.4	4.7
Private	16.4	18.8	21.7	26.5	32.9
<b>Total</b>	<b>19.9</b>	<b>22.7</b>	<b>25.8</b>	<b>30.9</b>	<b>37.6</b>
<b>Non-oil inv. rate</b>	<b>14.4</b>	<b>16.9</b>	<b>21.4</b>	<b>26.6</b>	<b>33.0</b>
<b>Reference scenario</b>					
Public	4.2	4.7	4.5	4.9	5.3
Private	9.3	11.2	12.1	13.7	1.8
<b>Total</b>	<b>13.5</b>	<b>15.8</b>	<b>16.6</b>	<b>18.6</b>	<b>21.1</b>
<b>Non-oil inv. rate</b>	<b>5.7</b>	<b>7.3</b>	<b>8.4</b>	<b>9.9</b>	<b>11.7</b>

Source : MBSC

### 7.3. Inflation trends

339. With regard to inflation, the projections of the National Institute of Statistics (INS) show a price trend that would be below the recommendation of the CEMAC sub-region (3%) in 2022 before stabilising at 3.0% from 2023 onwards, a level in line with the community norm. Analysis of the graph below shows that the inflation curve would stabilise at 3% in the last four years of the period under review.

Figure 16: Evolution of balance of payments indicators (% of GDP)



Source : IMF

### 7.4. Resources

340. Own-source revenue would increase from XAF 1 835.7 billion in 2022 to XAF 2 169.8 billion in 2026, in line with the evolution of non-oil revenue. Non-oil revenues would increase until 2026, rising from CFAF 759.7 billion in 2022 to CFAF 1 239.8 billion in 2026, due to the good performance of tax and non-tax revenues. Oil revenues would rise until 2024, then fall to CFAF 930.0 billion in 2026, in correlation with oil production.

**Table 9: Own resources in the NDP scenario**

	2022	2023	2024	2025	2026
<b>OWN INCOME</b>	<b>1835,7</b>	<b>1855,6</b>	<b>2005,8</b>	<b>2138,8</b>	<b>2169,8</b>
<b>OIL REVENUES</b>	<b>1076</b>	<b>1029</b>	<b>1094</b>	<b>1022</b>	<b>930</b>
<b>NON-OIL REVENUES</b>	<b>759,7</b>	<b>826,6</b>	<b>911,8</b>	<b>1116,8</b>	<b>1239,8</b>
TAX REVENUES	720,4	784,8	867,2	1068,5	1188,9
NON-TAX REVENUES	39,3	41,8	44,7	48,3	50,9

Source : CCMB

## 7.5. Evolution of the current account

341. Over the period 2022-2026, the current account balance would deteriorate. It would be in surplus from 2022 to 2024 and then become in deficit until 2026. During the years when the balance is positive, this surplus would tend to decrease, falling from XAF 659.1 billion in 2022 to XAF 19.1 billion in 2024, in particular in connection with the deterioration of the trade balance. During the years when the current account balance is negative, the deficit would worsen, falling from CFAF -189.4 billion in 2025 to CFAF -349.9 billion in 2026, in relation to the negative balances of the services and income balances, as well as the decrease in the positive balance of the trade balance.

**Table 10: Current account balance in the NDP scenario**

Entitled	2022	2023	2024	2025	2026
<b>Current account balance</b>	659,1	261,5	19,3	-189,4	-349,9
Trade balance	3212,4	2860,6	2417,3	2113,3	2032,8
Balance of services	-985,9	-1053,2	-1303,8	-1268,6	-1218,7
Income balance	-1576,0	-1560,2	-1106,6	-1057,5	-1191,9
Current transfers balance	8,6	14,2	12,4	23,5	27,9

Source : BCAS/MBSC

## 7.6. Developments in the monetary situation

342. Over the period 2022-2026, the money supply would grow from CFAF 3 344.4 billion in 2022 to CFAF 6 418.2 billion in 2026. In detail, the money supply and its counterparts would evolve as follows:

- Net external assets would vary by -2.9% in 2022; 18.9% in 2023; 30.9% in 2024; 14.2% in 2025 and 20.9% in 2026
- Net claims on the State should vary by 20.6% in 2022; 33.7% in 2023; 11.4% in 2024; 11.8% in 2025 and 9.9% in 2026;
- Credits to the economy would evolve by 9.6% in 2022; 10.0% in 2023; 1.2% in 2024; 20.0% in 2025 and 10.6% in 2026;

- The money supply would increase by 15.3% in 2022; 26.9% in 2023; 6.0% in 2024; 25.1% in 2025 and 14.0% in 2026.

**Table 11: Monetary situation in the NDP scenario**

Labels	2022	2023	2024	2025	2026
Net External Assets	587,6	698,4	914,4	1044,1	1262,5
Net Domestic Credit	2756,9	3546,6	3586,9	4586,3	5155,7
Net receivables from the State	1468,0	1962,0	2186,0	2444,0	2685,0
Credits to the Economy	1137,4	1251,6	1266,0	1519,6	1680,6
Monetary Mass (M2)	3344,4	4245,0	4501,3	5630,4	6418,2

Source : BEAC/CCMB

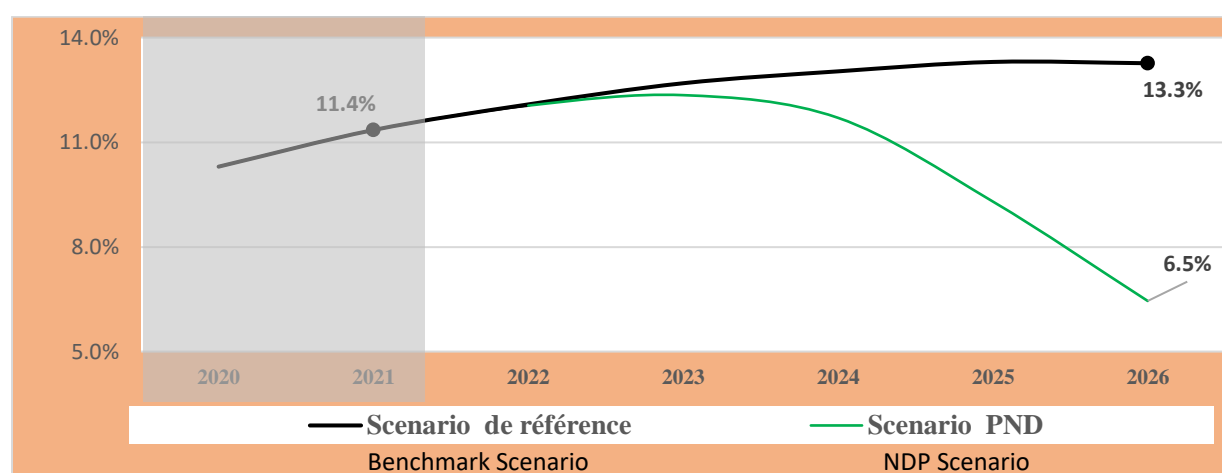
## 7.7. Impact of growth on employment and poverty

343. The resulting performance will have a significant impact on reducing poverty and unemployment rates.

### 7.7.1. Reducing unemployment

344. In the context of African countries, it is recommended to have an economic growth rate higher than 5.0% in order to hope for a reduction in unemployment. According to the NDP scenario, during the first two years of implementation of the NDP, the Congolese economy would post non-oil growth rates of less than 5.0 per cent and increase unemployment by 1 percentage point. In contrast, over the last three years of implementation, unemployment should fall by 5.9 percentage points to 6.5% in 2026. The implementation of the NDP should result in a reduction in the unemployment rate by 4.9 percentage points, from 11.4% in 2022 to 6.5% in 2026.

**Figure 17: Evolution of the poverty rate over the period 2020-2026 according to the scenarios**



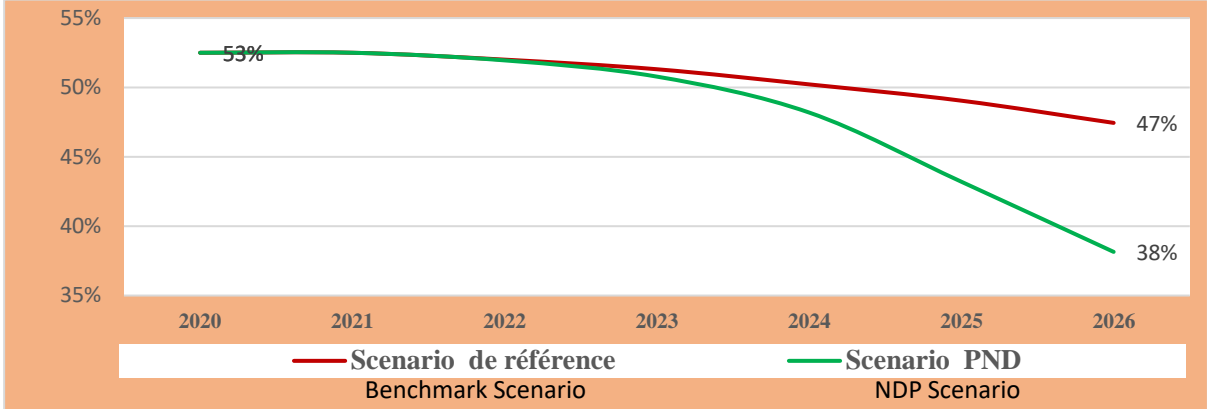
Source : CCMB

### 7.7.2. Poverty reduction

345. Based on the NDP scenario, the Congolese economy is expected to grow at an average annual rate of 7% over the period of the plan's implementation. According to demographic

projections, the Congolese population is growing at an annual rate of 2.8%. This should result in an increase in GDP per capita of 4.2% on average per year over the period of implementation of the NDP. This increase corresponds to a generalised rise in income and therefore to a reduction in poverty.

**Figure 2 : Evolution of the poverty rate over the period 2020-2026 according to the scenarios**



Source : CCMB

346. On this basis, at the end of the NDP implementation period, the poverty rate in the NDP scenario would be 38.1%, down 14 percentage points from its 2022 level, estimated at 51.9% (World Bank).

347.



## Chapter 8 : Risk Assessment

348. Implementation of the NDP is not immune to the risks inherent in the national, sub regional and international environments. These risks can compromise the achievement of the expected results of the NDP. Five groups of risk factors have been identified: (i) risks related to the international situation, (ii) economic and financial risks, (iii) health risks, (iv) environmental and climatic risks and (v) risks related to the low level of support from stakeholders.

### 8.1. Risks related to the international situation

349. The current international context is characterised by a resurgence of multifaceted tensions, including a simmering trade war between the major economies and the continuing Covid-19 pandemic. An open trade war could lead to a general increase in export tariffs and slow down global growth, resulting in a decline in demand, particularly for commodities. In addition, the health shock is likely to cause economic disruption (workplace closures, disruption of supply chains, reduction in the workforce) that could seriously affect national economic activity and the implementation of the NDP.

### 8.2. Economic and financial risks

350. The NDP financing scheme provides for contributions from the state, the private sector, TFPs and other development partners. The mobilisation of resources is to some extent linked to the conclusion of the agreement and the successful completion of the IMF-supported programme. A non-agreement or even a suspension of support for the programme due to difficulties in implementing certain reforms, coupled with a failure to restructure the external public debt, may affect the mobilisation of resources for the NDP. As the Congo is placed among the countries at risk of debt distress, its room for manoeuvre for financing the NDP through non-concessional loans could be reduced.

351. The resurgence of the Covid-19 pandemic in the Congo's trading partners, with the corollary of a slowdown in economic activity, it may lead to a decline in demand for exported products and thus in the country's revenues. A large-scale resurgence of the pandemic in Congo's development partner countries is likely to lead them to refocus their priorities on national concerns. This would have an effect on the development assistance programmes that countries like Congo need.

352. The fall in the price of certain raw materials also presents a risk for the financing of the NDP, especially in a context where the Congo will remain heavily dependent on oil.

353. Domestically, an accumulation of domestic debt may reduce the capacity of the national private sector to generate margins to finance activities under the strategic pillars of the NDP.

### 8.3. Environmental and climatic risks

354. The Climate change, could result in an increase or decrease of rainfall, poses a threat to the NDP, particularly in its agricultural development component. Too much rainfall, with flooding and erosion, can have adverse effects on housing, health, land transport and crops. Too little rainfall (long periods of heat and drought) can affect the performance of agriculture in the broadest sense, but also electrical power through the stretching of rivers. Other environmental risks may come from oil, forestry or mining operations which carry the seeds of pollution.

### 8.4. Health risks

355. A resurgence of the Covid-19 pandemic could lead to a sharp drop in economic activity (due to the number of deaths and sick people which could reduce the level and quality of the available workforce, and the supply difficulties that could result), which would be detrimental to the achievement of the NDP objectives. And the mobilisation of resources to deal with the pandemic could crowd out NDP-related capital expenditure.

### 8.5. Risks related to low stakeholder ownership

356. As a framework for guiding national development in the mid-term, the NDP will need the support of all stakeholders. The chances of its successful implementation depend on the capacity and willingness of all stakeholders to act in a concerted manner at all levels. An appropriate framework for the implementation of the NDP is recommended in order to promote this consultation, among other things.

### 8.6. Risks and mitigation measures

357. The table below summarises the risks and proposes mitigation measures.

**Table 1 :** Risks and mitigation measures

Risks	Mitigation measures
<p><i>Risks related to the international situation</i></p> <ul style="list-style-type: none"> <li>renewed multi-faceted tensions in international relations ;</li> <li>- risk of open trade war;</li> <li>- fall in the price of certain raw materials such as oil.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening inter-African economic links ;</li> <li>- diversification of economic and financial partners;</li> <li>- diversification of the country's exports.</li> </ul>
<p><i>Economic and financial risks :</i></p> <ul style="list-style-type: none"> <li>under-financing of the 2022-2026 NDP (low mobilisation of internal resources, low concessional debt capacity).</li> </ul>	<ul style="list-style-type: none"> <li>- increase tax revenues;</li> <li>- make substantial savings on current expenditure;</li> <li>- diversify the country's exports.</li> </ul>

<p><i>Environmental and climate risks</i></p> <ul style="list-style-type: none"> <li>• flooding ;</li> <li>• - reduced electricity production from hydroelectric dams;</li> <li>• - seasonal instability.</li> </ul>	<ul style="list-style-type: none"> <li>• Development and implementation of climate change adaptation programmes;</li> <li>• - promotion of new sustainable production and consumption patterns.</li> </ul>
<p><i>Health risks</i></p> <ul style="list-style-type: none"> <li>• resurgence of the Covid-19 pandemic</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen the Covid-19 response programme;</li> <li>• - promoting and developing telework.</li> </ul>
<p><i>Risks related to low stakeholder buy-in</i></p> <ul style="list-style-type: none"> <li>• low ownership of national development stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• effectively implement the institutional framework for the implementation of the NDP 2022-2026</li> </ul>

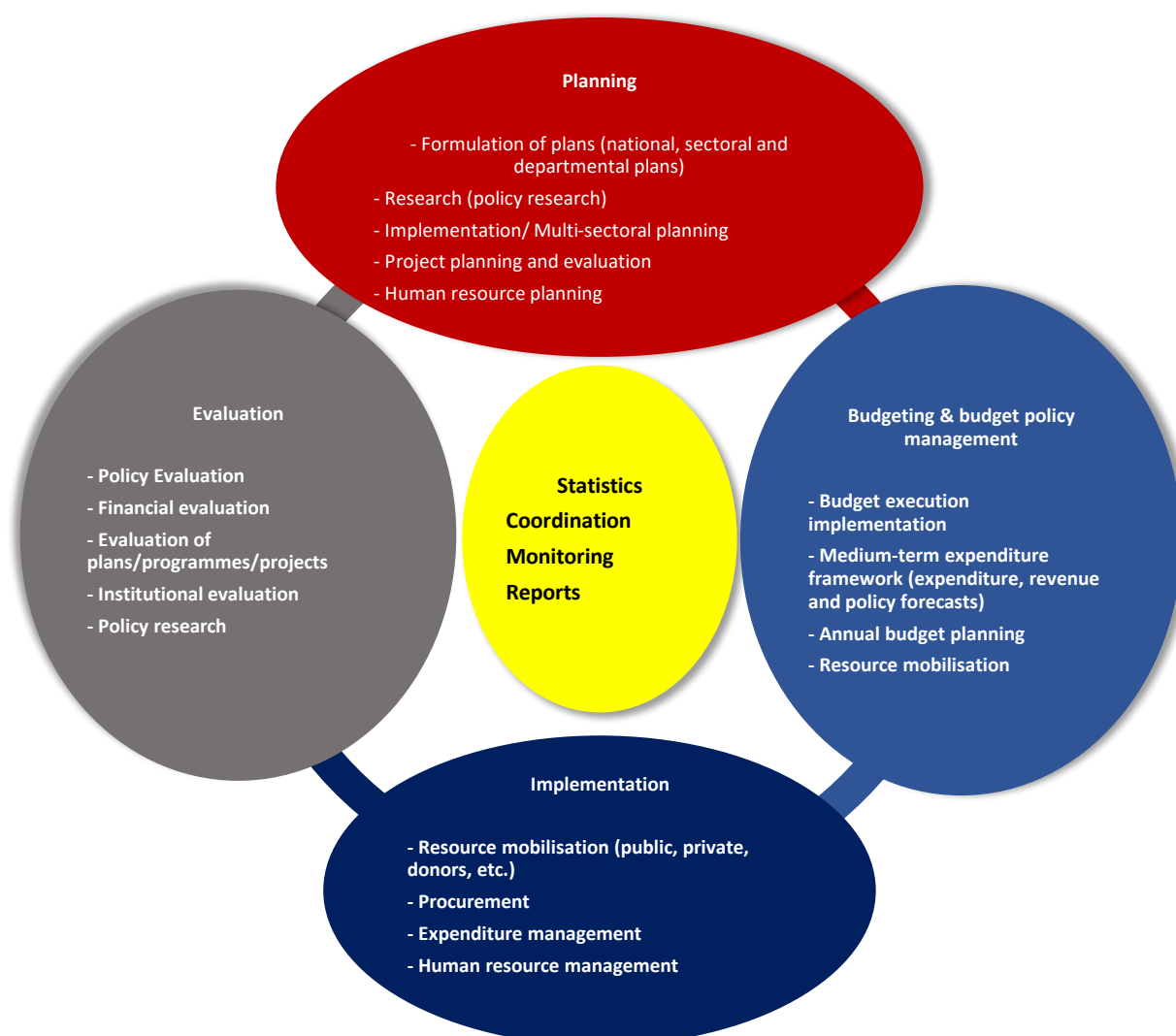
# **PART IV: TOOLS FOR OPERATIONALISING THE 2022-2026 NDP**

# Chapter 9: Implementation Framework

## 9.1. Overview

358. The successful implementation of a development plan depends on the consideration of all facets of the implementation cycle. This cycle revolves around strategic planning, budgeting and budget policy management, annual priority setting, implementation, monitoring and evaluation of the NDP. It is reinforced by effective coordination and an efficient mechanism for producing statistics for the assessment of performance indicators (see figure below). The implementation of the NDP will be effective if all components of the cycle are coherently and effectively articulated.

*Figure 2: Conceptual framework for the implementation of the NDP 2022-2026*



359. The planning of the various actions, resource mobilisation, budgeting and execution, monitoring, evaluation and dissemination of results are essential elements of the

implementation of the NDP. Strengthening the production and use of statistics as well as the coordination and supervision of the implementation of the NDP are essential for its success.

360. History and experience show that the cumbersome implementation of national development plans remains a major challenge. This cumbersomeness is due to specific problems, including: (i) weak coordination of implementation, (ii) weak planning and budgeting for set targets, (iii) weak monitoring and evaluation systems, (iv) limited funding, and (v) weak national statistical system (NSS).

## 9.2. Implementing components

361. The NDP 2022-2026 consists of three (3) components, the inclusion of which leads to effective implementation. These components are as follow :

- (i) **Action Plan.** It summarises the current status of each strategic pillar. It describes the challenges and recommends interventions through programmes/projects. The action plan also details the sources of funding, timelines, activities, expected results and responsible entities ;
- (ii) **Financing strategy.** It describes all the coordinated actions for the mobilisation of financial resources to be allocated to the implementation of the NDP programmes and projects. It specifies in particular the sources and modalities of the various financing ;
- (iii) **Monitoring and evaluation strategy.** It focuses on the monitoring and evaluation of the NDP 2022-2026. The monitoring and evaluation strategy links inputs, implementation and outcomes through progress and stakeholder reports.

## 9.3. Implementation structure of the NDP 2022-2026

362. A number of institutions have been identified to oversee the implementation of the NDP 2022-2026. These are the Institutions of the Republic, the Government, the Parliament, the departmental branches and the stakeholders (private sector, TFPs, and civil society), whose functions in the implementation are among others

- **Institutions of the Republic.** This includes the large role in decision-making that will be played by the institutions of the Presidency of the Republic, the Prime Minister's Office, the Court of Auditors, the GSI, etc.
- **Government.** The implementation of the NDP will be coordinated at Government level. The Government :
  - will implement the operational procedures;
  - will prepare the work plan for the implementation of the twenty-seven (27) NDP programmes ;
  - will work to ensure the flow of financial resource requirements ;
  - will make the NDP monitoring and evaluation system effective.

- **Parliament.** The National Assembly and Senate will be responsible for ensuring accountability, transparency and value for money. This will be done through parliamentary oversight and voting on finance laws or agreements with development partners submitted to parliament;
- **Private sector and civil society.** The private sector and civil society will be involved in the coordination of the NDP through the various platforms or consultation frameworks. The private sector and civil society should, in particular, participate in the process of developing departmental strategic plans. The Government will receive feedback on the implementation of the NDP from, among others, the private sector, civil society organisations and development partners. As a stakeholder in programme implementation mechanisms, the private sector and civil society will take part in the validation of evaluation reports. The Government will strengthen, through appropriate mechanisms, the process of consultation and participation of the private sector in the implementation of the NDP ;
- **Departments.** The implementation of the NDP 2022-2026 at departmental level will be contextualised in each department of the country. This will be done for the programmes and projects under their jurisdiction, as specified in the strategic framework for monitoring and evaluation of the NDP. The ministries in charge of the NDP programmes will liaise with the departmental structures in order to provide policy guidance and ensure effective supervision of the projects implemented in the various departments.

363. Country level coordination will progressively seek to strengthen synergies between institutions for efficient and effective implementation of programmes at all levels. This country level coordination will galvanise the participation of state and non-state institutions in the implementation of national development interventions in order to contribute to the achievement of agreed national goals.

## 9.4. Implementation of strategy

364. The implementation of the NDP will involve the formulation of policies, guidelines and strategies related to the division of responsibilities.

365. The success of the implementations will depend on the effective execution of functions and responsibilities by the different bodies and institutions involved.

366. The projects and programmes to be developed and implemented will be in line with the sectoral priorities as identified in the Multi-Annual Priority Action Programmes (PAP) linked to the six (6) strategic pillars, which will articulate the specific interventions to be implemented annually by the identified institutions. The institutions will jointly undertake the programming and sequencing of projects and activities through joint annual operational plans that will serve as the basis for budgeting and financing mechanisms. Programme implementation, monitoring and evaluation will also be undertaken jointly.

367. Institutions that will jointly address a particular development result will develop an integrated implementation plan. They will also develop inter- and intra-institutional synergies that will result in complementary efforts to implement various strategies to achieve the

development results. The Relationships between different institutions will be clearly defined and developed in a way that promotes the improvement of results by all stakeholders.

368. This entire implementation strategy will be guided by the following requirements.

- (i) **Aligning the plans of ministries, operational units and government structures with the NDP.** Ministries, departments, government structures and local authorities should align their sectoral plans with the NDP ;
- (ii) **The shift from resource to programme budgets.** To ensure proper monitoring of project financing, it will be necessary to implement the state budget in the form of programme management. This change aims at greater efficiency in the use of public finances, through the search for performance, rationalisation, optimisation of public spending, securing investment and greater accountability of stakeholders ;
- (iii) **Strengthening data access systems.** To facilitate the monitoring and evaluation process, the Government, in collaboration with the private sector, will strengthen systems and strategies for data collection, processing, archiving and dissemination. The data will include indicators for monitoring and evaluating the implementation of the NDP ;
- (iv) **Involvement of the national community in the implementation of the NDP.** In implementing this plan, the Government will encourage citizens to contribute to the success of the NDP by getting involved in civil society actions related to the plan. The Government will continue to raise awareness of the opportunities arising from the NDP through the media, newspapers and conferences.



## Chapter 10: Financing Scheme and Implementation of the Programme Budget

369. The financing scheme is designed to ensure the availability, transparency, effectiveness and efficiency of the resources mobilised. It takes into account the constraints linked to the context in which the NDP should be implemented.

### 10.1. Funding scheme

#### 10.1.1. Cost of the NDP

370. The overall cost of the NDP is projected at eight thousand nine hundred and sixty-two billion five hundred and ninety-four million (8,962,594,000,000) francs CFA , representing an average annual cost of one thousand seven hundred and ninety-two billion five hundred and nineteen million eight hundred thousand (1,792,518.8) francs CFA. The share devoted to capital expenditure is eight thousand nine hundred and thirty-five billion one hundred and eighteen million (8 935 118 000 000 )francs CFA . The costs related to the operationalisation of the NDP (communication, resource mobilisation, production of statistics and monitoring-evaluation) amounts to twenty-seven billion ninety-six million (27,476,000,000) francs CFA, which is 0.31% of the overall cost of the NDP.

#### 10.1.2. Financing the NDP

371. The financing of the 2022-2026 NDP is broken down into two parts:

- - financing those resources that are already secured: acquired financing (A) ;
- - financing those resources that are to be sought: the financing gap (B).

*Table 2 : NDP funding plan (in billions of CFA francs)*

YEARS	2022	2023	2024	2025	2026	TOTAL FORWARD	%	%
<b>COST OF NDP 2022-2026</b>	<b>891,90</b>	<b>2067,70</b>	<b>2148,59</b>	<b>2068,50</b>	<b>1785,89</b>	<b>8 962,59</b>	<b>100,00</b>	<b>100</b>
<b>FUNDING ACQUIRED</b>	<b>387</b>	<b>443</b>	<b>475</b>	<b>564</b>	<b>602</b>	<b>2471</b>	<b>27,57</b>	<b>100</b>
<b>1- GOVERNMENT'S OWN RESOURCES</b>	<b>193</b>	<b>215</b>	<b>233</b>	<b>300</b>	<b>350</b>	<b>1291</b>	<b>14,40</b>	<b>52,25</b>
FAR	161	175	183	275	325	1 119,00	12,49	45,29
FLOATING PARTY AT MORE THAN \$65/BARREL	32	40	50	25	25	172	1,92	6,96
<b>2- EXTERNAL FUNDING</b>	<b>194</b>	<b>228</b>	<b>242</b>	<b>264</b>	<b>252</b>	<b>1180</b>	<b>13,17</b>	<b>47,75</b>
A- DONATIONS AND LEGACIES	37	42	44	55	60	238	2,66	9,63
B- LOANS	132	156	163	169	147	767	8,56	31,04
C- PARTNERSHIPS (PPP)	25	30	35	40	45	175	1,95	7,08
							0,00	
<b>FUNDING GAP / FUNDING TO BE SOUGHT</b>	<b>504,90</b>	<b>1624,70</b>	<b>1673,59</b>	<b>1504,50</b>	<b>1183,89</b>	<b>6491,59</b>	<b>72,43</b>	<b>100</b>

YEARS	2022	2023	2024	2025	2026	TOTAL FORWARD	%	%
<b>1- TRADITIONAL EXTERNAL FUNDING</b>	<b>320</b>	<b>499</b>	<b>567</b>	<b>756</b>	<b>850</b>	<b>2 992,00</b>	<b>33,38</b>	<b>45,91</b>
<i>A-NON -CONCESSIONAL LOANS</i>	-	-	-	100	150	250	2,79	3,84
<i>B- CONCESSIONAL LOANS</i>	70	199	207	224	250	950	10,60	14,58
<i>C- PRIVATE EXTERNAL FINANCING (FDI)</i>	250	300	360	432	450	1 792,00	19,99	27,5
<b>2- INNOVATIVE EXTERNAL FUNDING</b>	<b>103</b>	<b>347</b>	<b>402,9</b>	<b>358</b>	<b>303,7</b>	<b>1 514,60</b>	<b>16,90</b>	<b>23,24</b>
<i>A- THEMATIC FINANCIAL MARKETS</i>	28	140	137,9	128	95,7	529,6	5,91	8,13
<i>B-PARTNERSHIPS (PPP)</i>	75	207	265	230	208	985	10,99	15,11
<b>3- DOMESTIC FUNDING</b>	<b>81,9</b>	<b>778,7</b>	<b>703,69</b>	<b>390,5</b>	<b>30,19</b>	<b>1984,98</b>	<b>22,15</b>	<b>30,85</b>
<i>NATIONAL PRIVATE FUNDING</i>	81,9	778,7	703,69	390,5	30,19	1984,98	22,15	30,85

#### 10.1.2.1. Acquired funding

372. The amount of financing acquired for the 2022-2026 NDP is 2,471.0 billion francs CFA, representing 27.57% of the overall cost of the 2022-2026 NDP. This amount will be covered by :

- The State's own resources to the amounts to 1,291.0 billion francs CFA, which is 52.25% of the financing acquired, representing 14.40% of the overall cost of the 2022-2026 NDP ;
- External resources to the value of 1,180.00 billion francs CFA, that is 47.75% of the financing acquired, representing 13.17% of the overall cost of the 2022-2026 NDP.

#### 10.1.2.2. Funding gap

373. The funding gap for the 2022-2026 NDP is 6,491.59 billion francs CFA, equivalent to 72.43% of its overall cost. This financing gap will be financed by :

- resources from traditional external financing, amounting to 2,992.0 billion francs CFA, which is 45.91% of the gap, representing 33.38% of the overall cost of the NDP ;
- resources from innovative external financing, amounting to 1,514.6 billion francs CFA, that is 23.24% of the gap, representing 16.90% of the overall cost of the NDP;
- resources from domestic financing, to the sum of 1984.98 billion francs CFA, which is 30.85% of the gap, representing 22.15% of the overall cost of the NDP.

#### 10.1.3. Financing constraints of the Congolese economy

374. The government's ability to raise funds is limited by: (i) constraints related to the conclusion of an agreement with the IMF, (ii) constraints arising from the debt and own resources strategy, and (iii) the low attractiveness of the country for foreign direct investment (FDI).

### *10.1.3.1. Constraints related to the conclusion of an agreement with the IMF*

375. The implementation of the IMF-supported programme will take place during the first three years of NDP implementation. As a result, the NDP financing policy to be put in place should be in line with the constraints imposed by the agreement to be concluded with the IMF.

376. To support debt sustainability, it is important that financing is sound and prudent, appropriate to the country's economic situation. Financing policy will necessarily have to take into account the concessionality constraint of 35% grant element, which is recommended for all low-income countries having or negotiating an IMF-supported macroeconomic recovery programme.

### *10.1.3.2. Constraints arising from the debt strategy*

377. The medium-term debt management strategy (MTDS 2022-2024) recommends a prudent framework policy marked by the following constraints :

- exclusive recourse to concessional loans (low rates and long maturities);
- maintaining the balance between loans denominated in foreign and local currencies (priority recourse to currencies with a fixed parity with the CFAF) ;
- the gradual lengthening of the duration of public securities on the domestic market ;
- the requirement for a better combination of domestic and external debt.

### *10.1.3.3. Low attraction of the country to foreign direct investments*

378. The success of the NDP 2022-2026 in terms of expected results depends largely on the contribution of the private sector to the financing of activities relating directly or indirectly to the programmes of the six (6) pillars of the NDP. To achieve this, the government will face the following two major constraints (i) the improvement of the business climate and (ii) the implementation of incentive measures that improve the competitiveness of companies.

## **10.1.4. Financing strategy**

379. In light of these various constraints, the financing of the 2022-2026 NDP will require the contribution of other financing instruments in addition to those used to date. Thus, the government will mobilise resources by taking into account the financial potential at national and international level. These are

- the State's own resources
- securities from the regional (or even international) monetary and financial market
- external concessional loans
- external non-concessional post-programme loans
- donations and legacies;
- public-private partnerships (PPP);

- domestic private investment ;
- foreign direct investment;
- innovative financing.

#### *10.1.4.1. Internal resources*

380. Their mobilisation will be based on the identification of potential niches and their optimisation to ensure sustainable financing of the economy. This involves the state budget with its own resources. It is the primary resource for financing the 2022-2026 NDP. These resources come from oil revenues, tax revenues, the use of public securities and the sale of a fraction of the capital of public companies on the stock market.

##### **a) Oil revenues**

**381.** Oil revenues will account for about half of the state budget's own revenues in 2020. The Congo will remain heavily dependent on oil for the next few years, despite the volatility of its price. This also indicates that oil resources will constitute the largest share of FAR. Thus, a better allocation and use of oil revenues will help finance projects that will contribute to the diversification of the economy and build up national savings.

##### **b) Tax and customs revenues**

382. These require an effort to rationalise public spending, a strong mobilisation of tax and customs revenues and a formalisation of the informal sector. Direct taxation of the informal sector has proved difficult. The low rate of formalisation of this sector means the long-term loss of a potentially important source of tax revenue

##### **c) The use of public securities**

383. The issuance of public securities has been used for some years as a source of financing to supplement state revenues. For the financing of the NDP 2022-2026, the state can issue securities on both the money and financial markets.

384. The banking system will again be called upon, following the example of the "Club de Brazzaville", the use of ATBs and ATBs, bond loans and assistance from the local banking system. These instruments offer the advantage of reducing the exchange rate risk, as they are denominated in national currency and favour the development of the domestic market.

##### **❖ Monetary market**

385. On the monetary market, domestic financing could be done mainly through the use of assimilable treasury bonds (ATB) and assimilable treasury bills (ATB).

##### **❖ Regional financial market**

386. Public offering. This method of financing responds to the need to develop and deepen the domestic market, in order to have less volatile resources in terms of volumes, financial conditions and refinancing of maturities in the coming years.

387. On the financial market, financing would be done through the issue of bonds. These instruments offer the advantage of reducing the exchange rate risk, as they are denominated in national currency.

#### **d) The sale on the stock exchange of a fraction of the capital of public companies**

388. In accordance with the community commitments made by the state relating to the strengthening of the financial market (Central African Stock Exchange), the sale of a fraction of the capital of public companies constitutes an opportunity to mobilise financial resources. Indeed, thanks to a good evaluation of these companies, the transfer can generate significant income for the state, which would use it to finance the NDP.

##### *10.1.4.2. External resources through traditional funding*

389. The conclusion of an agreement with the IMF is necessary to mobilise external resources, and beyond that, to develop South-South cooperation in the context of concessional lending. Traditional sources of funding include bilateral and multilateral funding.

390. A decline in support from the main traditional donors has been noted in recent years. This decline has been aggravated by the occurrence of the health crisis linked to COVID-19, which has had as its outcome the slowdown of the world economy. A better mobilisation of these traditional resources remains dependent on the conclusion of an agreement with the IMF.

- **Bilateral funding**

391. Financial support from new economic partners, such as China, India, Turkey or the Arab Funds, which had made it possible to compensate for the drop in support from traditional donors and to strengthen the resources and volume of official development assistance, also slowed down.

392. **Increasing and diversifying aid flows from South-South cooperation.** Global south-south cooperation flows are growing by more than 10% per year, and this trend is expected to continue for at least the next 15 years unless there are economic disruptions in key countries such as China, South Korea, Turkey and India. The Congo could therefore foresee an increase in funding from South-South cooperation at least until 2030. But it would be necessary to ensure that this cooperation is mostly concessional (unlike the large loans recently committed which have been mostly non-concessional) by better negotiating the terms of loans, Cameroon has increasingly engaged in South-South cooperation, notably with China. But the amount of disbursements received from this South-South cooperation, as well as the concessionality of their loans, remain less favourable than what is observed in many other African countries. In addition, there are other opportunities for South-South cooperation that the Congo has not sufficiently or only marginally exploited, such as South Africa, Brazil, India, Indonesia, or Singapore. These countries have concessional financing windows and very positive experiences that can be shared with the Congo and help it to achieve its development objectives.

##### *10.1.4.3. Multilateral funding.*

393. **The International Bank for Reconstruction and Development (IBRD).** Thanks to the revision of the World Bank's partnership framework with the Republic of Congo, which covers the period 2019-2024, the Government will have to seize the opportunity offered from 1 July 2022 by the renewal of the resources of the International Development Association (IDA) window, especially as these resources can give access, in the context of a project with a regional

vocation, to additional resources from the Regional IDA window, on the basis of a ratio of 1 to 3.

394. With the resources from the International Bank for Reconstruction and Development (IBRD) window still available to the Republic of Congo, it is likely that World Bank funding for the period 2022-2026 will be higher than for the period 2018-2021.

395. The Government is already preparing a 100 million USD project financed from IBRD resources, the Digital Transformation Acceleration Project.

396. **The African Development Bank**, through the preparation of the African Development Bank's Country Strategy Paper for the period 2023-2026, will be further solicited to offer development projects or programmes in line with the objectives of the NDP.

397. As far as the African Development Bank is concerned, the financing outlook is positive for the period 2022-2026.

- **Foreign direct investment (FDI).** As the leading destination for FDI in Central Africa, the Republic of Congo received \$4015.5 million in foreign direct investment in 2020 (UNCTAD, 2021). However, over 90% of FDI flows are concentrated in the oil sector. It is therefore imperative to undertake substantial reforms of the investment policy framework and the business climate in order to attract and benefit more from foreign direct investment, and to promote the development of strategic sectors (agriculture, industry, etc.). This is all the more crucial as the development of special economic zones, which requires a significant inflow of FDI in the non-oil sector, is one of the strategic pillars of the NDP 2022-2026.

#### *10.1.4.4. Innovative financing and Public-Private Partnerships (PPP)*

398. Tapping into innovative sources of finance should also contribute to financing the NDP.

- **Mobilising resources from global environmental funds.** The world is facing a climate change crisis. The international community is unanimous in strengthening efforts to protect the planet. The Congo, through the Congo Basin, offers an opportunity to mobilise resources from global climate funds in connection with its sustainable development programme. The main funds that can be tapped in the short term are: the Green Climate Fund, the Climate Investment Fund (CIF), the Special Climate Change Fund (SCCF), the Green Climate Fund, the African Climate Change Fund (ACCF), the Global Environment Facility (GEF), the Central African Forest Investment (CAFI), or the Adaptation Fund.
- **Marketing of carbon credits.** The commercialisation of carbon credits, linked to the Reducing Emissions from Deforestation and Forest Degradation (REDD+) process, is a potential source of revenue to support sustainable development in Congo. The recently discovered peatlands, which sequester more than 30 billion tons of carbon, are an additional asset.
- **Public-Private Partnership (PPP).** PPP is at the centre of discussions on the financing of national development plans in Africa, including large infrastructure

projects. The total amount mobilised for infrastructure in sub-Saharan Africa has averaged USD 4 billion per year since 2012. In the case of Congo, the creation of a ministerial department on PPP is a privileged pillar for the financing of major projects.

#### *10.1.4.5. Domestic funding :*

399. Supporting and exploiting innovative sources of finance should also contribute to financing the NDP.

#### **10.1.5. Prior reforms**

400. The government must carry out significant reforms in 2022 to improve the business climate and set up a governance framework for public-private partnerships and innovative financing

401. This includes :

- accelerating the concrete implementation of the national committee for consultation between the private sector and public administrations ;
- accelerate the structuring of the platforms of the private sector's representative organisations, to ensure a coherent and effective dialogue ;
- simplify and lighten taxation and parafiscality, and accompany it with a business tax system that is more oriented towards private sector growth, in particular by generalising the use of digital platforms for paying for public services, in order to combat the harassment of economic operators, on the one hand, and to encourage the gradual migration of the informal sector towards the formal sector, on the other;
- improving the legal and judicial environment for businesses, by providing the Congo Mediation and Arbitration Centre with support for the popularisation of OHADA law and the training of all those involved (judges, court clerks, court officers and private sector lawyers, including commercial courts);
- strengthen the capacities of the official support structures, namely the Investment Promotion Agency, the Congolese Agency for Business Creation, the Agency for the Development of Small and Medium-sized Enterprises, the Impetus, Guarantee and Support Fund, the Congolese Employment Agency and the National Fund for Supporting Employability and Learning, to facilitate recourse to bank financing via the risk-sharing mechanism with banks and microfinance, to develop better access to credit, to promote market access, to adapt vocational training to the needs of VSEs, SMEs, the craft industry and the informal sector, and thus to contribute to improving the business climate;
- facilitate the establishment of export-oriented companies and attract FDI through the development of special economic zones and the revision of the investment charter
- - adopt, following Decree No. 2021-339 of 6 July 2021 on the powers of the Minister for International Cooperation and the Promotion of Public-Private Partnerships, a national strategy for the development of PPPs that takes advantage of the lessons

learnt from the Symposium on PPPs, organised by the Centre for Prospective Development in collaboration with the PPP Med Africa Club, from 17 to 19 December 2020, in Brazzaville, as well as the experiences of leading African countries in terms of PPPs;

- - Organise crowd funding or the collection of financial contributions from a large number of individuals, through a public or private organisation under the supervision of the State, for the benefit of a particular project or company with a view to broadening the financing of various companies and other economic entities.

## **10.2. Program mode budgeting**

402. The programme budget, in the sense of the organisation of the activities of public authorities, brings together the authorisation of appropriations intended for the implementation of actions or a coherent set of planned actions. It is accompanied by objectives and results indicators, and requires steering that gives rise to new managerial functions.

403. Le basculement vers le budget programme ou budget par objectif dans le cadre du PND 2022-2026 correspond à une réforme budgétaire et comptable, levier de la réforme de l'Etat. En effet selon ce principe, la gestion du budget ne tournerait plus autour des moyens, mais autour des résultats obtenus dans le cadre de programmes pluriannuels. The switch to the programme budget or budget by objective within the framework of the NDP 2022-2026 corresponds to a budgetary and accounting reform, a lever for state reform. According to this principle, the management of the budget would no longer revolve around means, but around the results obtained within the framework of multi-annual programmes.

### **10.2.1. Principles**

404. The objectives of the multiannual budgetary approach are to :

- contribute to overall budgetary discipline by ensuring that the future budgetary impact of public policies is compatible with the State's financial possibilities and in line with the medium-term macroeconomic framework
- allow for the programming over time of resource reallocations according to possible new priorities.
- provide managers with greater predictability in managing their programmes.

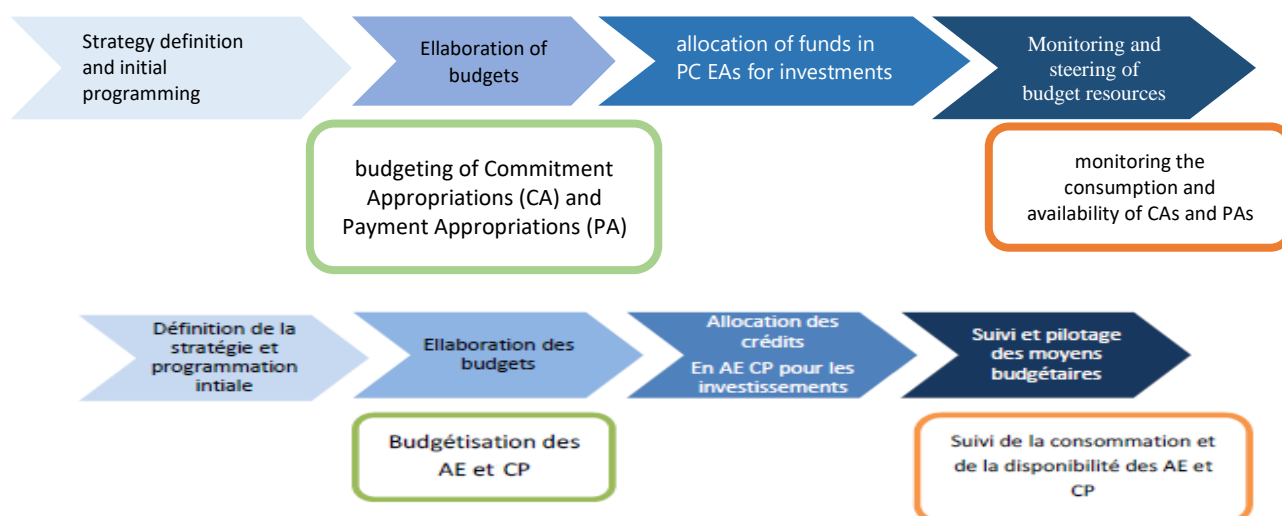
405. These approaches do not call into question the principle of annuality of the budget. Multi-annual expenditure programmes, such as MTEFs, are indicative beyond the year of the budget.

### **10.2.2. Tools and mechanisms**

406. In this case, the NDP 2022-2026 constitutes the national policy framework document from which all sectoral strategies must derive. In terms of budgeting and financial programming, the various tools resulting from its breakdown (PPAP, PAP, MTBF, MTEF, SFOT)) must be the essential determinants of the annual budgetary tranches within the framework of the mechanisms of commitment authorisations (CA) and payment credits (PC).



**Figure 3 : Budgeting process**



407. Through these mechanisms, the preparation and examination of the finance bill, which used to focus on the quantitative evolution of appropriations, without systematically relating it to the expected and obtained results, will henceforth be concentrated on discussions relating to the objectives and the cost/efficiency ratio of public policies.

408. With these new rules, the Parliament will make available to the ministers leading the strategic pillars the envelopes of globalised credits, in return for the definition of objectives with indicators to measure the results obtained.

### **10.2.3. Objectives of the programme budget in the implementation of the NDP 2022-2026**

409. For the implementation of the NDP 2022-2026, the programme budget has three fundamental objectives :

- To promote strategy through greater clarity of the strategic choices of public finances and the strengthening of the budgetary orientation debate ;
- improve transparency by giving parliamentarians a more active role through the extension of the right to amend and by giving the Economic and Finance Committee of both chambers easier access to information;
- increase efficiency by giving managers more freedom through more commitment to results and more transparency on the use of resources.

# Chapter 11: Monitoring and evaluation and communication strategy

## 11.1. Monitoring and evaluation

410. The primary objective of establishing a permanent and effective information system for monitoring and evaluating the NDP and LDPs is to: (i) ensure the Government's commitment to accountability for development results; (ii) define mechanisms for measuring the performance, effectiveness and efficiency of the NDP's priority policies, programmes and projects; (iii) provide channels for effective feedback or resource allocation on the implementation of economic and social policies; and (iv) strengthen the basis for a transparent process by which Congolese citizens and other development actors can undertake a shared assessment of results.

### 11.1.1. Monitoring and evaluation of programmes and actions

411. The NDP monitoring and evaluation strategy will determine the mechanism for monitoring the performance of the NDP, including clearly defined monitoring, inspection, review and evaluation steps, as well as tools for data collection, management and analysis. Tools for the collection and management of quality data and the use of reports for evaluation are part of the strategy. This approach, which reflects the institutionalisation of monitoring and evaluation activities, provides elements for the coordination and operationalisation of monitoring, evaluation and reporting systems.

412. **The monitoring of NDP programmes** is done through five blocks of activities: (i) monitoring of ministerial action programmes (monitoring of annual performance reports); (ii) monitoring of the public investment programme (PIP); (iii) monitoring of the government's macroeconomic and financial programme; (iv) monitoring of the governance reform programme; and (v) monitoring of the co-financed public investment programme. This work is essentially the responsibility of the ministry in charge of planning in collaboration with the sectoral ministries.

413. **The evaluation of the performance** of the implementation of the NDP 2022-2026 is the other major activity of the NDP monitoring and evaluation system after the monitoring of programmes and actions. Capitalising on the achievements and taking into account the requirement of results-based management (RBM), the new approach of the evaluation strategy is based on three conceptual foundations which guarantee the establishment of a more effective monitoring-evaluation mechanism:

- i) **Formative evaluation** consists of a critical analysis of all the data collected for dynamic monitoring. It assesses the way in which the objectives pursued are progressively achieved. In the context of the joint annual reviews of the NDP 2022-2026, it explains any deviations and proposes readjustments to the implementation of the strategy and actions;

- ii) **The mid-term evaluation** aims to note the main advances and to propose, if necessary, modifications aimed at refining and modifying the pillars/programmes of the strategy according to the constraints that have arisen and the blockages noted under the responsibility of the Technical Coordination of the monitoring and evaluation mechanism. The results of this evaluation will be examined by the Council of Ministers;
- iii) **the summative or final evaluation**, carried out at the end of the implementation of the NDP 2022-2026, provides a general assessment. It necessarily leads to a final certification of the level of achievement of the objectives and the degree of overall success of the NDP 2022-2026. It is carried out under the responsibility of the Technical Coordination of the monitoring and evaluation mechanism.

### **11.1.2. Institutional mechanism for monitoring and evaluation of the NDP 2022-2026**

414. The monitoring and evaluation mechanism of this new programmatic framework for government action is based on the shortcomings noted in the previous monitoring-evaluation mechanism, the challenges and the lessons learned from the final evaluation of the NDP 2018-2022. These elements revealed, among other things, the non-operationalisation of the monitoring-evaluation mechanism and the insufficiency of reliable statistical data to support the implementation and planning of development policies, the weakness of coordination of implementation and of the National Statistical System (NSS), as well as the lack of communication between the various actors of the mechanism

415. On this basis, the new **framework** describes the institutional design, roles and responsibilities of public sector institutions, civil society, the private sector and development partners involved in the implementation of public projects and programmes by linking producers and users of information into a coherent system. It also sets out the framework for effective management of development results at all levels, in order to improve the reporting and feedback mechanism in all aspects of development.

416. The 2022-2026 mechanism will include, on the one hand, the strategic steering and validation bodies and, on the other hand, the bodies responsible for coordination between the various development actors.

417. The Steering Committee (COPIL). This is the decision-making body and the highest instance of the evaluation mechanism for the implementation of the NDP 2022-2026.

- **Missions:** (i) set the development priorities selected in the NDP each year, (ii) decide on the allocation of resources according to the priorities defined, (iii) approve the annual performance report on the implementation of the NDP and transmit it to Parliament and (iv) provide the necessary arbitrations in the last instance.
- **Composition:** The Steering Committee is chaired by the Prime Minister, Head of Government. He is assisted by the Minister in charge of planning. The Steering Committee includes the members of the Government responsible for the pillars of the NDP and those whose involvement is effective for the implementation of the NDP, as

well as the ministry in charge of State control. However, for specific issues, the Steering Committee may call on any resource person for advice.

- **Functioning:** The Steering Committee has a secretary placed under the responsibility of the Director of the Cabinet of the Minister in charge of Planning, assisted by the Director General of Planning and Development, the Director General of the National Centre for Studies and Evaluation of Public Investment Projects (CSEPIP) and the Director General of the National Institute of Statistics (NIS). It meets at least twice a year in ordinary session. However, the Steering Committee may meet in extraordinary session.

418. **Technical coordination (TC).** This is the second body of the system. It operationalises the decisions and strategic orientations of the Steering Committee. Its mission is to ensure the functioning of the evaluation mechanism, the effectiveness of the administrative and technical monitoring activities and the availability of the various products expected in order to animate the monitoring-evaluation mechanism.

- **Tasks :** (i) ensure the implementation of the NDP evaluation mechanism and the operationalisation of the institutional framework provided for this purpose; (ii) ensure the animation of the participatory process around the implementation and evaluation of the NDP; (iii) operationalise the strategic and political orientations given by the Steering Committee; (iv) execute the decisions of the Steering Committee and ensure their follow-up; (v) examine and validate, at its level, the proposals and draft technical documents submitted by the CTP; (vi) ensure the follow-up of the availability of the evaluation products.
- **Composition:** The minister in charge of planning is the chairman, the minister in charge of finance the vice-chairman. The director of the cabinet of the minister in charge of planning acts as reporter of the work. The members are representatives of the ministries and institutions directly involved in the implementation of the NDP. They are appointed by the minister in charge of planning upon designation by their respective supervisory authorities.
- **Functioning:** The TC has a secretariat placed under the responsibility of the director of control and evaluation of investments of the Directorate General of Planning and Development (DGPD) assisted by the director of monitoring and evaluation of projects of the National Centre for Studies and Evaluation of Public Investment Projects (CSEPIP) and the director of synthesis and economic analysis of the Directorate General of the National Institute of Statistics (INS). The TC meets at least four times a year, convened by its chairman. Draft documents and reports prepared by the TC are sent, if necessary, to the Task Force for its opinion. Final documents and reports are sent to the Steering Committee for decision.

419. **The Standing Technical Committee (STC).** This is the third body in the system. The STC is the linchpin of the monitoring and evaluation system. It provides technical expertise for the monitoring of programmes and actions and for the evaluation of the performance of the implementation of the national development plan 2022-2026.

- **Missions** : (i) assume the technical activities of monitoring of programmes and actions and evaluation of the performance of programmes and actions of the NDP 2022-2026; (ii) operationalise the orientations of the technical coordination (TC); (iii) examine the files to be transmitted to the TC; (iv) ensure the technical and material organisation of the annual reviews, mid-term, final and ex-post evaluations of the performance in the execution of the NDP 2022-2026; (v) elaborate, in collaboration with the various development actors, the draft reports relating to technical monitoring and evaluation activities; (vi) elaborate and revise the matrix of indicators of the results of monitoring and evaluation of the NDP; (vii) inform the NDP 2022-2026 website about activities, products or any useful information relating to the tasks of the TC; (viii) elaborate the draft budgets of the TC.
- **Composition:** The STC is chaired by the Director of the Cabinet of the Minister in charge of Planning with the Director General of Planning and Development (DGPD) as vice-chair.

It is composed of the following members:

- the Director General of the National Centre for Studies and Evaluation of Public Investment Projects (CNEPIP);
- the Director General of the National Institute of Statistics (NIS) ;
- the director general of the economy (DGE) ;
- the Director General of the Centre for the Application of Statistics and Planning (CASP) ;
- the Director General of the Development Partnership;
- the Director General of the Congolese Amortization Fund (CCF);
- the director general of the budget;
- an expert in communication.

The STC may call on any resource person, without voting rights.

**Functioning:** The STC has a secretary composed of the Director of Investment Monitoring and Evaluation (DIME), the Director of Project Monitoring and Evaluation (DPME) and the Director of Economic Synthesis and Analysis (DESA) of the NSI. It meets at least four times a year.

The STC relies on the operational units and the departmental sections to carry out its tasks.

420. **Operational cells.** Six operational cells have been identified, namely:

- the operational unit headed by the Director General of Planning and Development in charge of planning work related to the monitoring and evaluation of the NDP ;
- the operational unit headed by the Director General of the National Centre for Studies and Evaluation of Public Investment Projects, responsible for studies related to the monitoring and evaluation of the NDP ;

- the operational unit headed by the Director General of the National Institute of Statistics, responsible for statistical work related to the monitoring and evaluation of the NDP ;
- the operational unit headed by the Director General of the Economy in charge of macroeconomic and budgetary work related to the monitoring and evaluation of the NDP ;
- the operational unit headed by the Director General of the CCA in charge of financing work related to the monitoring and evaluation of the NDP;
- the operational unit headed by a communication expert, responsible for communication work related to the monitoring and evaluation of the NDP.

421. The responsibilities of each operational unit are defined by an order of the minister in charge of the plan, president of the TC.

422. The composition and organisation of each operational unit defined by an order of the minister in charge of planning, president of the TC (Technical Coordination), includes, in particular, executives from the DGPD (Directorate General for Planning and Development), the CNEEPIP (National Centre for the Study and Evaluation of Public Investment Projects), the INS (National Institute of Statistics), the DGPAD, the DGE, the DGGT, the CCA, the DGB and the directorates of studies and planning of the sectoral ministries.

If necessary, the minister in charge of planning, president of the TC, by an order, creates other operational cells.

423. **Departmental sections.** The role of the departmental sections is to coordinate the performance evaluation of the programmes and actions of the NDP 2022-2026 at departmental level.

424. Under the coordination of the departmental plan directors, the departmental sections are composed of departmental directors of statistics and those concerned with the implementation of the six pillars of the NDP.

425. The departmental sections meet as often as necessary by decision of the President of the Standing Technical Committee. The secretariat of the departmental sections is provided by the departmental director of statistics.

426. The monitoring and evaluation of the Local Development Plans (LDPs) follows the scheme adopted for the monitoring and evaluation of the NDP. It is based on a system comprising the above-mentioned bodies:

- a steering committee;
- a technical coordination ;
- a permanent technical committee.

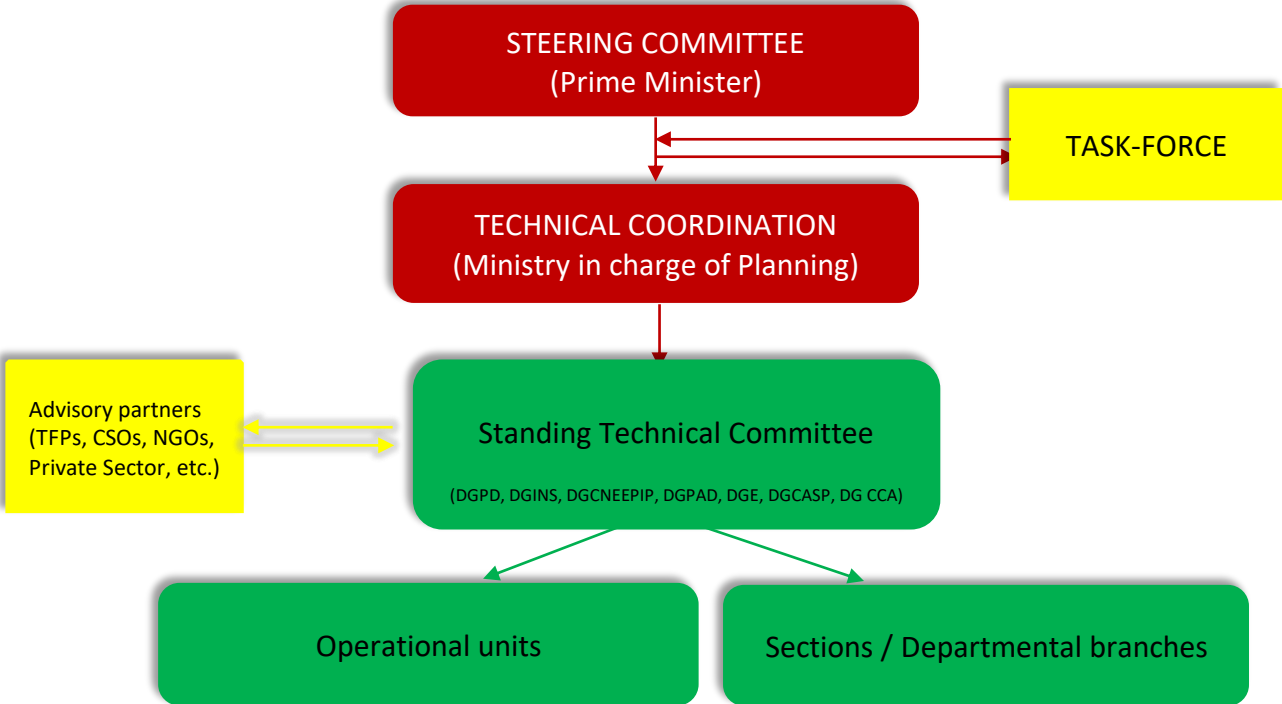
427. In carrying out these tasks relating to the monitoring and evaluation of the LDPs, the Permanent Technical Committee (PTC) relies not only on the operational units but also on the departmental branches instead of the departmental sections.

428. **Operational units.** The missions, composition and functioning are unchanged and referred to above.

429. **Departmental branches.** They are the focal points of the monitoring and evaluation mechanism of the permanent technical committee in the departments. They coordinate the performance evaluation of the implementation of local development plans.

- **Tasks:** they are responsible, in particular, for: (i) transmitting information on the implementation of the LDP (Local Development Plan) to the permanent technical committee; (ii) carrying out all analysis and interpretation of statistics; (iii) monitoring all plans and programmes; (iv) participating in the work of annual, mid-term, final and ex-post reviews and evaluations of performance in the implementation of the LDP.
- **Composition:** a representative of the Prefect of the department as president, the departmental director in charge of planning and development as vice-president, the departmental director of the INS, a representative of the departmental council in charge of planning, one representative per municipality; a representative of the NGOs (non-governmental organisations); a representative of the private sector; departmental representatives of development partners and a representative of economic operators.
- **Functioning:** The secretariat of the departmental offices is provided by the departmental director of planning, as first secretary, assisted by the departmental director of statistics, as second secretary. The departmental offices meet at least four times a year.

Figure 4 : Diagram of the institutional set-up of the NDP 2022-2026



430. The monitoring and evaluation framework of the NDP 2022-2026 is based on the principles of results-based management (RBM). Each result level of the plan is supported by key performance indicators that track progress towards the achievement of results. The monitoring arrangements are such that the lower level reports consistently on the indicators to the higher level, while the implementing structures perform their functions in an interdependent and integrated way to achieve the plan's results. As such, these structures collect and document performance data useful for measuring progress and reporting. This monitoring and evaluation framework applies to all stakeholders and defines the roles and responsibilities of all actors in carrying out monitoring and evaluation activities.

## **11.2. Communication strategy**

431. An essential component of the NDP, the communication strategy aims to ensure the visibility and readability of the NDP 2022-2026 and, consequently, the programmes for diversifying the economy through the private sector.

### **11.2.1. Objective of the communication plan**

432. The aim of the development plan is to provide sustainable solutions that can be maintained over the long term, so that people can take charge of their lives without necessarily needing social assistance. This is why national development plans promote the empowerment of people.

433. It is therefore essential to put in place an effective communication plan, appropriate to achieve this noble objective. It is about developing a tool for social and political influence that promotes participation and social change through the methods and instruments of interpersonal communication, community media and modern information technologies. Communication is not a complement to project management, but a cross-cutting activity aimed at strengthening dialogue with beneficiaries, partners and authorities in order to foster local ownership of programmes, produce a sustainable impact, and promote the actions to be taken by the Government in implementing the NDP.

434. The development of the communication plan essentially involves :

- The definition and preparation of the communication tools and media necessary for the implementation of the communication plan
- Designing a communication methodology through widely distributed media (TV, radio, written press, social networks, website, etc.);
- The proposal of a timetable for the organisation of workshops to popularise the programmes linked to the process of implementing and completing the NDP 2022-2026;
- The proposal of a roadmap as well as the related costs.

### **11.2.2. Content of the communication plan**

435. The NDP 2022-2026 has as its key element the diversification of the economy through agriculture, tourism, industrial development and the digital economy; a logical follow-up to the previous NDP 2018-2022, whose strategic priority pillars focused on strengthening governance, in-depth reform of the education and training system, and the diversification of the national economy, with particular emphasis on agriculture and tourism.



436. The communication plan will be implemented through two main communication pillars: institutional communication and development communication. Institutional communication presents the activities, objectives and results of a national development plan

437. Communication for Development, known as C4D, is a tool for social and political influence. It promotes participation and social change through the methods and tools of interpersonal communication, community media and modern information technology.

438. The communication strategy will be carried out through a variety of tools and channels.

Having defined the different targets upstream, with knowledge of the socio-cultural environment in which we are evolving, in order to achieve our objective, different types of tools necessary for the implementation of the communication strategy relating to the NDP are retained. These include: press relations, interpersonal or event communication, ATL communication (press, radio, television, etc.) and digital communication (Facebook, YouTube, WhatsApp, web pages, SMS, etc.).

## CONCLUSION

439. The Congo National Development Plan (PND 2022-2026) is designed to be a solid strategic orientation instrument whose objective is to establish priority economic development programmes towards the construction of a strong, diversified and resilient economy for inclusive growth and irreversible sustainable development.

440. The process of developing the NDP 2022-2026 was participatory and inclusive, and therefore took into account the aspirations of the sectoral ministries and the population. The 2022-2026 NDP is part of a dynamic of sustained economic growth, which cuts across all sectors of the Congo's economic and social life.

441. The strategic orientations of this NDP, as they have been conceived, make this strategic framework a reference framework for development that gives priority to the economy in order to lay the real foundations for the structural transformation of the Congolese economy

442. Ofcourse, the economy is the priority of the NDP 2022-2026, but an economy whose benefits will be at the service of social progress.

443. Under an optimistic scenario, the macroeconomic framework forecasts that the average non-oil economic growth rate will be 7.0% over the period and will reach 10% in 2026.

444. The growth of real income will therefore contribute to improving the living conditions of Congolese citizens. The creation of new wealth is geared towards raising the level of human development.

445. In short, an economy whose main dividend will be social but also that of increasing basic infrastructures.

446. The implementation of the NDP 2022-2026 is coordinated by the Prime Minister, Head of Government.

