

**EXECUTIVE
BOARD
MEETING**

EBS/21/66
Supplement 3

July 14, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Democratic Republic of the Congo—Request for a Three-Year Arrangement Under the Extended Credit Facility; Review of Performance Under the Staff Monitored Program—Supplementary Information**

Board Action:	Executive Directors' consideration (Formal)
Tentative Board Date:	Thursday, July 15, 2021
Publication:	Yes*
Questions:	Mr. Villafuerte, WHD (ext. 37167) Ms. Gicquel, AFR (ext. 39925) Mr. Perez-Saiz, AFR (ext. 35442)
Document Transmittal in the Absence of an Objection and in accordance with Board policy:	After Board Consideration—African Development Bank, Common Market for Eastern and Southern Africa, World Trade Organization

*The authorities have indicated that they consent to the Fund's publication of this paper.



DEMOCRATIC REPUBLIC OF THE CONGO

July 14, 2021

REQUEST FOR A THREE-YEAR ARRANGEMENT UNDER THE EXTENDED CREDIT FACILITY; REVIEW OF PERFORMANCE UNDER THE STAFF MONITORED PROGRAM— SUPPLEMENTARY INFORMATION

Approved By
Annalisa Fedelino (AFR)
and **Geremia Palomba**
(SPR)

Prepared by the African Department, in consultation with other departments.

- 1. This supplement provides an update on the completion of a prior action and new information that has become available since the staff report was issued to the Board.** It does not alter the thrust of the staff appraisal.
- 2. Staff considers that the prior action on “BCC Board fully constituted in accordance with the requirements of the 2018 Central Bank Law” has been met based on the information provided and the vetting process performed by the authorities.** By presidential decrees (*ordonnances présidentielles*) dated June 30 and July 12, 2021, the Board of the BCC was completely renewed. In accordance with the 2018 BCC Law, the vacant position for the second vice-governor was also filled. All the new members of the Board comply with the BCC Law, particularly with regard to their credentials and incompatibilities with other professional activities. A new BCC governor, Malangu Kabedi-Mbuyi (former IMF staff), has also been appointed. She replaces Deogratias Mutombo, who held that position for eight years and will now become the head of the insurance sector regulation agency.
- 3. The authorities have partially met their RCF commitments on COVID-19 spending.** They published all identified COVID-19-related contracts above US\$12,000 in the Ministry of Health’s website. Thirty-five contracts above US\$12,000, were identified following missions to provinces and were published. They amounted to US\$6.9 million, bringing validated expenses to 57.8 percent of the total COVID-19-related spending (i.e., including GAVI-related outlays for US\$16.3 million and spending on new doctors for US\$6.7 million).

However, the authorities have not yet implemented their commitment to publish beneficial ownership information of companies awarded contracts above US\$1 million (one such case so far). Forthcoming technical assistance from the Fund will also aim to ensure that beneficial ownership information of contracting companies can be requested and published.

COVID Spending – RCF Commitments Summary as of July 6, 2021		
	COVID spending	
	in CF billion	in US\$ million
Total	95.8	51.7
<i>of which</i> GAVI	30.1	16.3
Ministry of Health	18.6	10.1
<i>of which</i> new doctors	12.5	6.7
Provinces	2.9	1.6
Others	44.1	23.8
Publication	12.8	6.9
<i>of which</i> between US\$12,000 and US\$1,000,000	5.3	2.8
> US\$1,000,000	7.5	4.1
<i>Memo items</i>		
Expenses validated (in percent of total)		57.8
Exchange rate (2020, average)	1851.5	
Source: Congolese authorities' data		