



## **Doing Business in Gabon: A Country Commercial Guide for U.S. Companies**

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## Chapter 1: Doing Business in Gabon

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### Market Overview

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- Gabon is located in the Gulf of Guinea in Africa and has a population of approximately 1.3 million.
- President Omar Bongo Ondimba, in office since 1967, won re-election on November 27, 2005, for another seven-year term.
- A prior French colony, it became independent in 1960, but maintains strong economic, political and cultural ties with France.
- Gabon continues to have one of the highest per capita income figures in sub-Saharan Africa, with an estimated GDP per capita of USD \$5,439 in 2004.
- However, its income distribution is extremely skewed and its ranking on human social indicators is well below its ranking according to per capita GDP.
- Its biggest industries are oil, minerals (mostly manganese) and timber. It is also attempting to develop an ecotourism industry.
- Gabon belongs to the Economic & Monetary Community of Central Africa (*Communauté Economique et Monétaire de l'Afrique Central*, CEMAC).
- As a CEMAC member, it uses the Central African franc (CFA), which is pegged to the euro (approximately CFA 656 = € 1).

### Market Challenges

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- The economy remains heavily dependent on oil, manganese and timber extraction.
- Attempts to diversify the economy have met with little success, since investment is hindered by high labor costs, various non-tariff trade barriers, and the lack of both skilled labor and entrepreneurial experience.
- Oil production peaked in 1997. High oil prices in 2005 resulted in the opening of new, yet minor, oil fields. Oil production is expected to continue its gradual decline.
- Gabon's dependence on the export of raw materials leaves it vulnerable to external factors.

### Market Opportunities

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- Although oil production is expected to gradually fall in the coming years, this sector provides some opportunities and the government continues to look for investors. Opportunities exist in exploration, production and related services.
- Manganese is Gabon's second biggest exporter. To date only one company produces and exports manganese (Compagnie Minière de l'Ogoue, COMILOG), but firms from other countries (notably Brazil and China) have begun activities.

- Gabon looks to diversify its mining industry, with recent prospecting/exploration permits issued for copper, diamonds, iron and other minerals.
- Equipment to the mining sector also provides opportunities. US equipment, such as cranes, draglines, trucks and tractors, has shown success in the past.
- Future privatization of the telecommunications company (Gabon Telecom) and the national air line (Air Gabon) may provide future opportunities.

## **Market Entry Strategy**

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- There is a small US business community in Gabon, concentrated in the oil sector.
- Visiting the country and meeting key players in the government are vital to doing business in Gabon.
- Gabon is a member of the World Trade Organization (WTO), the Economic and Monetary Community of Central Africa (*Communauté Economique et Monetaire de l'Afrique Central*, CEMAC), and the CEMAC's Bank of Central African States (*Banque d'Etats de l'Afrique Central*, BEAC).

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## **Chapter 2: Political and Economic Environment**

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/2826.htm>

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### Using an Agent or Distributor

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There are local companies that act as agents or distributors for US companies. To find a local agent for a company contact a US Department of Commerce district office and request ADS (agents/distributors service). If Commerce records do not already contain suitable prospects, the office will ask the US Embassy in Libreville for information.

### Establishing an Office

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*L'Agence de Promotion des Investissements Privés* (Agency for the Promotion of Private Investment, APIP) aims to simplify procedures for establishing offices in Gabon through its one-stop-shop (*guichet unique*). Following is a general description of how a foreign company can establish a local office:

1. File an application for approval with the Ministry of Commerce, enclosing the by-laws of the Gabonese company.
2. File a company declaration with the Office of Taxation, Ministry of Finance.
3. Register with the Social Security Office (*Caisse Nationale de Securite Sociale, CNSS*).
4. Other documents needed include: 1) copies of the by-laws of the parent company and of the minutes of the meeting of the board of directors in which the opening of the Gabonese branch is approved; 2) a certificate of appointment of the general manager in Gabon; 3) a copy of any agreement signed with a Gabonese company or with the Gabonese government; 4) two copies of the application to the Court for authorization to operate; and 5) two photographs and a copy of the passport of the General Manager.

The process should take no longer than one month.

For more information contact:

Direction General du Commerce  
Ministry of Commerce  
B.P. 561, Libreville, Gabon  
Tel. +241-76-09-91; +241-74-59-25  
Fax +241-76-58-38

Direction Generale des Contributions Directes  
Ministry of Finance  
B.P 37, Libreville, Gabon  
Tel. +241-76-16-44  
Fax +241-76-59-74

Caisse Nationale de Securite Sociale (Social Security)  
B.P. 134, Libreville, Gabon  
Tel. +241-72-03-61

Agency for the Promotion of Private Investments (APIP)  
BP 13740, Libreville, Gabon  
Tel. +241-76-87-61  
E-mail: [apip@netcourrier.com](mailto:apip@netcourrier.com)  
<http://www.invest-gabon.com>

## **Franchising**

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There are currently no US franchises in Gabon and opportunities are limited. US and European soft drinks and beers are produced in Gabon under license.

## **Direct Marketing**

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There are no restrictions on foreign firms directly marketing products in Gabon.

## **Joint Ventures/Licensing**

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Joint ventures and licensing agreements are limited in Gabon. The state reserves the right to invest in the equity capital of ventures established in certain sectors (petroleum, mining, etc.).

## **Selling to the Government**

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US firms interested in selling directly to the government should ensure that funds have been appropriated in the Gabonese budget for the items they wish to sell.

## **Distribution and Sales Channels**

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Except for Coca-Cola, which produces a complete product range locally (Coke, Fanta, Sprite, etc.) under a licensing agreement with a domestic company, most US products

sold in Gabon are marketed through Gabonese agents. Examples include Tractafric (selling Caterpillar heavy equipment), LIFTEL (one of several firms selling Motorola products) and SOGAFRIC (selling General Electric products). Small local firms sell other US products.

## **Electronic Commerce**

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E-commerce is not widely used and not a practical means of doing business.

## **Trade Promotion and Advertising**

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The general public obtains its information through the following means: approximately 75% through the radio, 45% through television and 13%-15% through newspapers. Following are some of the major news organizations in Gabon:

Journal L'Union Plus (newspaper)  
B.P 3849 Ancien Sobraga  
Libreville, Gabon  
Tel. +241-73-58-61  
Fax +241-73-58-62  
[unionplus@internetgabon.com](mailto:unionplus@internetgabon.com)

Africa No. 1 (radio)  
B.P. 1 boulevard Triomphal  
Libreville, Gabon  
Tel. +241-76-00-01  
Fax +241-74-21-33  
[Africa1@inet.ga](mailto:Africa1@inet.ga)

RTG (television)  
BP 150 Nkembo  
Libreville, Gabon  
Tel./Fax +241-73-25-00

TV+ Chaine 3 (television)  
B.P. 8334 Bord de Mer  
Libreville, Gabon  
Tel./Fax +241-72-92-04; +241-77-41-29

## **Pricing**

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Prices in Gabon are among the highest in the world. International and domestic transportation costs can be a considerable factor in selling goods.

## **Sales Service/Customer Support**

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Good customer service, follow-up services and inventories can confer a significant competitive advantage.

## **Protecting Your Intellectual Property**

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The Ministry of Commerce handles patents and copyrights. Gabon is a member of the African Intellectual Property Office (OAPI) based in Yaounde, Cameroon. Gabon adheres to most principles of intellectual property rights protection, but enforcement is weak. Minimal manufacturing takes place in Gabon.

## **Due Diligence**

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All US companies are advised to exercise due diligence before doing business in Gabon.

## **Local Professional Services**

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Retaining an attorney is not required, but a local attorney may be best placed to handle many of the routine problems that may arise. A list of local attorneys may be picked up at the US Embassy's consular section or through the Embassy's website at [http://libreville.usembassy.gov/legal\\_information.html](http://libreville.usembassy.gov/legal_information.html).

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Ministry of Finance: <http://www.finances.gouv.ga/>

Economic and Monetary Community of Central African States: <http://www.cemac.cf/>

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### Agricultural Sectors

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Gabon's agricultural sector is limited. The country is a net food importer, with foodstuffs coming mainly from France, South Africa and Cameroon. France is the largest source of Gabon's imports.

### Petroleum

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	2003	2004	2005 (estimated)
Total Proven Reserve (billions of barrels)	2.5	2.5	2.5
Total Local Production (millions of tons)	13.5	13.5	13.5
Total Exports (millions of tons)	12.5	12.8	12.7

BEAC, Oil & Gas Journal

Although production is declining, the petroleum sector will continue to dominate Gabonese exports in the coming years. The government continues to seek international investors for this industry. Due to recent high oil prices, which provided higher incentives to risk and investment, smaller companies have recently signed oil agreements with the government. There are currently approximately 12 American companies active in the petroleum industry, which is concentrated in Port-Gentil.

### Opportunities

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Exploration remains the principal activity, but some opportunities exist in refining, research and development, and related services (e.g., logistics, constructions, drilling, maintenance and supplies).

## Forestry/Timber

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	2003	2004	2005 (estimated)
Total exploitable land (millions of hectares)	--	--	10.7
Total Local Production (millions of m <sup>3</sup> )	2.4	2.2	2.3
Total Exports (millions of m <sup>3</sup> )	2.2	2.1	2.3
Total Imports	0	0	0
Imports from the U.S.	0	0	0

World Bank, Ministry of Finance, BEAC

Of Gabon's 21 million hectares of rainforest, approximately 10.7 million are allocated as concessions for commercial timber production. Timber exports are Gabon's third main export after oil and manganese. Okoume, a light hardwood used for plywood, is the most commercially viable, but some two dozen species are marketed. Ninety-five percent of timber exports are crude logs; the remainder are processed woods (mainly plywood).

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The World Bank and IMF are currently working with the government to reform its forest/timber industry to improve and enforce transparency, simplify the tax code and improve responsible logging practices.

## Mining (Manganese)

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	2003	2004	2005 (estimated)
Total Local Production (millions of tons)	2.0	2.5	2.7
Total Exports (millions of tons)	1.9	2.5	2.7
Total Imports (millions of tons)	0	0	0
Imports from the U.S.	0	0	0

BEAC

Gabon has the second largest deposit of manganese in the world and is currently the world's third largest producer. *La Compagnie Minière de l'Ogoue* (COMILOG), a subsidiary of the French company ERAMET, is the only company currently producing manganese in Gabon. Other companies have recently entered Gabon's manganese industry, notable firms from Brazil (CVRT) and China.

While the only mineral currently being produced and exported from Gabon is manganese, the government is eager to diversify this sector and has recently issued prospecting/exploration permits for copper, iron, diamonds and other minerals. Mining equipment also provides an opportunity. In the past, local suppliers of US equipment have done well, relying on quality and competitive pricing.

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### Import Tariffs

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Gabon follows the import tariff structure of the Central African Customs Union (UDEAC) of the Central African Economic and Monetary Community (CEMAC). CEMAC countries include Cameroon, Central African Republic, Congo-Brazzaville, Chad, Equatorial Guinea, and Gabon. Import tariffs follow the outline below:

- General Systems of Preference – no import tariffs for goods produced within a CEMAC-member country.
- Common External Tariff – 5% for category one products (e.g., basic products), 10% for category two (e.g., raw materials), 20% for category three (e.g., intermediate products such as most food), and 30% for category four (all other products).
- Processing Fee (*Redevance utilization du system informatique, RUSID*) –can vary from 2%-80% of the cost of insurance and freight (CIF).

Value Added Tax (known in French as TVA) is generally 18%. A reduced TVA of 10% is applicable to mineral water, cement, sugar and chickens produced in Gabon. The following products are exempt from the TVA: milk products, butter, margarine, cereals, medicine and medical supplies, and fertilizer.

### Trade Barriers

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All categories of products may be imported into Gabon with two exceptions – sugar and eggs. The domestic sugar industry (SUCAF) is protected to grant it time to improve its competitiveness. Other products such as cooking oils and flour are heavily taxed.

There are few barriers in the crude oil sector, where the majority of US firms present in Gabon operate. In the past, there have been problems related to customs duties imposed on exploration equipment and taxes imposed on exports. These problems were eventually resolved without outside mediation.

## **Import Requirements and Documentation**

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A bill of lading and an invoice must accompany all goods entering Gabon. Import permits and sanitary and phytosanitary certificates are required for farm produce (including meat and poultry) and permits must also be issued for hazardous products (weapons, explosives, chemical products). Gabon does not require an import license for other products.

## **Temporary Entry**

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Some goods enter Gabon duty free on a temporary basis. For certain sectors (oil, mining and tourism) the law suspends custom duties in the form of temporary admission (up to ten years) or exemptions on all entry taxes/duties for the importation of material required in its operations. Examples include seismic boats and drilling equipment in the petroleum sector.

## **Labeling and Marking Requirements**

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French labeling is required, but not strictly enforced. However, non-French labeling will be a disadvantage in Gabon's market. There are no other special labeling or marking requirements.

## **Prohibited and Restricted Imports**

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All categories of products may be imported into Gabon with two exceptions – sugar and eggs. Sugar is only imported by the national company (SUCAF), which inherited the privileges of the parastatal (SOSUHO) it replaced. The Ministry of the Interior regulates the private import of all firearms and munitions.

## **Customs Regulations and Contact Information**

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As a member of the Central African Customs Union (UDEAC), Gabon belongs to a free trade zone. Member countries include Cameroon, Central African Republic, Chad, Congo-Brazzaville, Equatorial Guinea and Gabon.

For more information contact:

Customs Office (Direction Generale des Douanes et Droits Indirect)  
Ministry of Finance  
B.P. 40, Libreville, Gabon  
Tel. +241-79-53-72 / 73  
Fax +241-76-59-66

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## Overview

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Gabon generally follows French standards, but has no central standards or regulatory agency.

## Standards Organizations

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As a member of the Economic and Monetary Community of Central Africa (CEMAC), Gabon follows the organization's general standards. As a member of the World Trade Organization (WTO) it is required to adhere to the Agreement on Technical Barriers to Trade (TBT).

## Product Certification

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Telecommunication equipment is required to obtain a certificate by ARTEL, Gabon's telecommunications regulating agency.

## Labeling/Marking

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There are no special labeling or marking requirements.

## Contacts

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Ministry of Commerce  
B.P. 561, Libreville, Gabon  
Tel. +241-76-09-91; +241-74-59-25  
Fax +241-76-58-38

## Trade Agreements

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Gabon is a member of the World Trade Organization (WTO). It is also a member of the Economic and Monetary Community of Central Africa (CEMAC), and that organizations free trade area. Gabon has business investment treaties with the following countries: Belgium and Luxembourg, China, Egypt, France, Germany, Italy, Lebanon, Mali, Morocco, Portugal, Romania, Spain and Switzerland.

## Web Resources

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Ministry of Finance: <http://www.finances.gouv.ga/>

Economic and Monetary Community of Central Africa (CEMAC): <http://www.cemac.cf/>

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### Openness to Foreign Investment

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Gabon is generally open to foreign investors. Its main exports and sources of income are petroleum, manganese and timber. Foreign firms control all three. However, Gabon's small domestic market generally limits investor interest to export sectors. High production costs in Gabon further restrict the attractiveness of industries not tied to natural resources.

The 1998 investment code conforms to the Central African Customs and Economic Union (CEMAC) investment regulations, providing the same rights to foreign companies operating in Gabon as domestic firms. Businesses are also protected from expropriation or nationalization without just prior compensation as determined by an independent third party. The 1998 code also established the Investment Promotion Agency (APIP), which manages the one-stop-shop (guichet unique) to facilitate the opening of a business. Certain sectors have specific investments codes, such as mining, forestry, petroleum and tourism, which encourage investment through customs and tax incentives.

Gabon is affiliated to the Organization for Business Law Harmonization in Africa (OHADA). Legislation allows foreign investors to choose freely from a wide selection of legal business structures, such as a private limited liability company or public limited liability company. The distinctions arise primarily from the minimum capital requirements and the conditions under which shares may be re-sold. There are no restrictions on foreign investment in Gabon, but the state reserves the right to invest in the equity capital of ventures established in certain sectors (e.g., petroleum and mining). There are no other blanket requirements for local participation in the capital of local corporate entities.

Gabon's regulatory and judicial bodies are subject to influence, creating uncertainty concerning fair treatment and the sanctity of contracts.

### **Conversion and Transfer Policies**

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Gabon is a member of the French franc zone (Communaute Financiere Africaine, CFA), the Economic and Monetary Community of Central Africa (CEMAC), and the Bank of Central African States (BEAC). The other members in these organizations are Cameroon, the Central African Republic, Congo-Brazaville, Equatorial Guinea and Chad. The CFA is convertible and tied to the euro; 1 euro equals 656 CFA.

CEMAC regulations require banks to record and report the identity of customers engaging in large transactions. Additionally, financial institutions must maintain records of large transactions for five years. Regulations do not stipulate a threshold amount for transactions to be reported. A Gabonese law passed in July 2005 requires documentation to substantiate the need for any foreign exchange over one million CFA (USD \$1,850). Transfers within the CEMAC zone are not restricted.

There is currently no operational stock exchange in the region. Overall authority for Gabon's exchange control system rests with the Department of Economic Control and External Finance within the Ministry of Finance.

### **Expropriation and Compensation**

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Foreign firms established in Gabon operate on an equal basis with national firms. Under Gabonese law, business investments that are expropriated must first be compensated as determined by an independent third party.

### **Dispute Settlement**

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There have been significant instances of disputes with US firms, but most disputes are resolved before going to outside arbitration. Gabon's economic legal system is based on the French model, with means for enforcing property and contractual rights. Foreign court and international arbitration decisions are accepted. Enforcement may be difficult.

Gabon is generally recognized as a stable country for doing business compared to regional neighbors. It is party to international treaties and organizations, such as the World Trade Organization (WTO), the Multilateral Investment Guarantee Agency (MIGA), the International Center for the Settlement of Investment Disputes (CIRDI) and the New York Convention on the Recognition of International Arbitral Sentences. It is also a member of the Organization for Business Law Harmonization in Africa (OHADA), which provides an International Court of Justice and Arbitration (CCJA) common to its 16 member countries for the settlement of conflicts related to business law implementation.

### **Performance Requirements and Incentives**

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There are no specific performance requirements imposed as a condition for establishing, maintaining or expanding investment. There are no requirements for investors to buy local products, to export a certain percentage of output or to invest in a specific geographical area. There is no blanket requirement that nationals own shares in foreign

investments in Gabon. However, it is expected that foreign investors will recruit and train Gabonese citizens to gradually take on responsibilities. The objective is to guarantee the employment of Gabonese nationals. Accordingly, hiring foreigners is subject to prior authorization from the Ministry of Labor. Foreign firms have stated that Gabonese workers are often under-qualified and companies are obliged to request special authorization from the Ministry of Labor to employ foreigners. While non-African expatriates have little difficulty obtaining employment authorization, non-Gabonese Africans find it increasingly difficult.

Gabon's main industries, i.e., petroleum, mining, timber, and tourism, encourage investment through customs and tax incentives. For example, the Tourism Investment Code (adopted in 2000), provides tax exemption during the first eight years of operation, tax-free imports, and other administrative incentives.

### **Right to Private Ownership and Establishment**

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Since 1972, any legal entity or person wishing to do business in Gabon must request prior permission from the Ministry of Commerce. Nonetheless, foreign investors are largely unfettered in their ability to establish and own business enterprises. They are allowed to purchase real estate, negotiate licenses and enter into commercial agreements in the same way as their Gabonese counterparts. In the absence of large net flows of development assistance due to its high per capita GDP, the government has become increasingly aware of the need for foreign investment to develop and diversify the local economy. Foreign firms currently control Gabon's most lucrative sectors, i.e., petroleum, manganese and timber.

### **Protection of Property Rights**

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Secured interest in property is recognized and enforced, and the recording system is fairly reliable. Under the 1998 investment code, no investment can be expropriated without prior just compensation as determined by an independent third party. As a member of the Central African Economic and Monetary Community (CEMAC) and the Economic Community of Central African States (CEEAC), it adheres to the laws of the African Intellectual Property Office (OAPI). Based in Yaounde, Cameroon, OAPI aims to ensure the publication and protection of patent rights, encourage creativity and transfer of technology, and create favorable conditions for research. As a member of OAPI, Gabon acceded to a number of international agreements on patents and intellectual property, including the Paris Convention, the Berne Convention and the Convention Establishing the World Intellectual Property Organization.

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In general, regulatory procedures, including those for licenses and permits, are sufficiently streamlined and no laws or policies are used to impede foreign investment. Nevertheless, some less than objective factors in the system pose problems at times and government policies and laws do not establish "clear rules of the game." As a former French colony, Gabon maintains strong economic ties with France, which at times makes foreign investment by others difficult.

There are no informal or nongovernmental regulatory procedures in place. Proposed laws and regulations are not published in draft form for public comment. As a participant of the Extractive Industries Transparency Initiative (EITI), Gabon is working toward providing more transparency in its accounting of the petroleum and mining industries. The first EITI independent report can be found on the Ministry of Finance's website at <http://www.finances.gouv.ga/eiti.htm>.

### **Efficient Capital Markets and Portfolio Investment**

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Gabon's banking system includes one development bank (BGD) and five commercial banks. The BGD lends to small and medium size companies. Three of the five commercial banks are affiliated with French banks (BNP, Credit Lyonnais, and Paribas) and one is an American bank (Citigroup). The Bank of the Central African States (BEAC), headquartered in Cameroon, regulates the banking system. Local credit to the private sector is limited and expensive, but available to both foreign and local investors on equal terms. Loans contracted by local companies with foreign entities are subject to the prior authorization of the Ministry of Economy. Commercial banks offer most corporate banking services, or can procure them from overseas. Local offices of foreign oil companies have used interest rate swaps and euro currency bonds to finance oil field development investments. The banking sector complies with the minimum capital, risk and liquidity requirements established by the regional banking commission.

The Central Africa Regional Stock Exchanges (BVMAC) is not yet operational.

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There have been no incidents of significant civil disturbance or political violence in the past few years. Gabon is considered a stable and calm country in a region not usually known as such. In 1991 and 1993 there were significant, but short and localized, bouts of civil disturbance and violence associated with elections. In early 1994 street demonstrations led to the imposition of a curfew during a period of several weeks. Negotiations between the majority and opposition parties in October 1994 resulted in arrangements generally satisfactory to all. Presidential elections were peacefully carried out in December 1998 and again in 2005.

President Omar Bongo Ondimba has served as Gabon's Chief of State since 1967. He is beginning what most expect to be his final seven-year term in office. There are many uncertainties concerning whether Gabon can remain free of civil disturbance as it enters the transition to a post-Bongo regime.

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Foreign firms report that they are solicited for campaign contributions to support ruling party candidates. The government's fiscal shortfalls, weak financial management and suspected corruption have previously contributed to significant arrears in domestic and external debt payments. Gabon completed a 14-month Stand-by-Arrangement with the IMF in July 2005, which required implementation of several reforms in governance and economic liberalization. Gabon is currently negotiating a longer-term arrangement with the IMF, with financial transparency expected as a main topic.

In 2004, the government established a new anti-corruption authority, the Ministry to Combat Illicit Enrichment, and appointed a ten person commission to deal with the issue. By June 2004, all members of the Commission were appointed and the administrative structures were in place. To ensure transparency, the commission was charged with publishing quarterly and annual reports on its activities, focusing on investigations conducted. To date, no reports have been published.

As a participant of the Extractive Industries Transparency Initiative (EITI), Gabon is working toward providing more transparency in its accounting of the petroleum and mining industries. The first EITI independent report can be found on the Ministry of Finance's website at <http://www.finances.gouv.ga/eiti.htm>.

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The US has no bilateral investment or taxation treaty with Gabon. Gabon is a beneficiary of the African Growth and Opportunity Act (AGOA), a framework for US trade, investment and development policy for sub-Saharan Africa. Gabon has bilateral investment agreements with the following countries: Belgium and Luxemburg, China, Egypt, France, Germany, Italy, Lebanon, Mali, Morocco, Portugal, Romania, Spain and Switzerland. Also, there is a bilateral investment agreement among CEMAC-member countries.

### **OPIC and Other Investment Insurance Programs**

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The Overseas Private Investment Corporation (OPIC) is a US government agency that provides project financing and investment insurance for US investors. OPIC has provided services to US investors in Gabon. Gabon is also a member of the Multilateral Investment Guarantee Agency (MIGA), which guarantees foreign investment protection in cases of war, strife, disasters, or expropriation.

### **Labor**

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Gabon's population is approximately 1.3 million, of which perhaps up to 25% are foreigners (mostly Africans). Foreign firms report a shortage of highly skilled Gabonese managers and workers. Authorization from the government of Gabon is required in order to hire foreigners. Non-Gabonese Africans take up most positions requiring unskilled labor. Skilled labor costs are high and are kept so by a labor code inspired by a French model that strongly defends the rights of Gabonese workers. Labor unions and confederations are active.

### **Foreign-Trade Zones/Free Ports**

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In October 2000, a Free Trade Zone project called "Zone Franche de l'Île de Mandji," (Mandji Free Trade Zone) was created near Port-Gentil for the exportation of processed wood and/or oil field services. However, the zone is still very much in the project stage.

As a member of the Central African Customs Union (UDEAC), Gabon's trade with other member countries (Cameroon, Central African Republic, Chad, Congo-Brazzaville, Equatorial Guinea and Gabon) is subject to low or no customs duties.

## Foreign Direct Investment Statistics

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Detailed statistics are unavailable, but the UN Conference on Trade and Development stated that Foreign Direct Investment (FDI) into Gabon in 2004 was \$323 million. It is believed that most foreign investment comes from France and is concentrated in petroleum (Total) and manganese (ERAMET). According to the French Ministry of Economy/Commerce, France is the main supplier of goods to Gabon and Gabon is the second largest recipient of French FDI in Africa. Most other foreign investment (including US) is concentrated in the oil sector. Major companies in Gabon include Total, Shell, Marathon Oil, and Amerada Hess.

## Web Resources

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OHADA <http://www.ohada.com/index.php?newlang=english>

OAPI <http://www.oapi.wipo.net/en/OAPI/index.htm>

French Ministry of Economy/Commerce: <http://www.missioneco.org/gabon/>

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## Chapter 7: Trade and Project Financing

- [How Do I Get Paid \(Methods of Payment\)](#)
- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
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### How Do I Get Paid (Methods of Payment)

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Payment is usually made by irrevocable letters of credit.

### How Does the Banking System Operate

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Gabon's banking system includes one development bank (BGD) and five commercial banks. The BGD lends to small and medium size companies. Citigroup has operations in Gabon. Of the remaining four commercial banks, three are affiliated with French banks – the Gabonese International Bank for Commerce and Industry (BCIG) is associated with Banque Nacional de Paris (BNP); the Gabonese French International Bank (BGFI) with Banque Paribas; and the Gabonese Union Bank (UGB) with Credit Lyonnais.

The Bank of the Central African States (BEAC), headquartered in Cameroon, regulates the banking system. Within the BEAC is the Banking Commission of Central African States (COBAC), which ensures the legality of the operations carried out by financial institutions. BEAC issues the currency and controls liquidity within the zone through rediscounting facilities and an administered money market. The interest rate structure is common to all member countries of the zone. Within the CEMAC zone, the CFA franc circulates freely and may be freely converted to other currencies through the banking system.

### Foreign-Exchange Controls

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CEMAC regulations require banks to record and report the identity of customers engaging in large transactions. Additionally, financial institutions must maintain records of large transactions for five years. CEMAC regulations do not stipulate a threshold amount for transactions to be reported. A Gabonese law passed in July 2005 requires documentation to substantiate the need for any foreign exchange over one million Central African Francs (CFA) (USD \$1,850).

### U.S. Banks and Local Correspondent Banks

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Citigroup is the only US bank operating in Gabon.

Citigroup N.A.  
810 Boulevard Quaben & Rue Kringer

B.P. 3940  
Libreville, Gabon  
Tel. +241-73-03-83  
Fax +241-73-37-86

## **Project Financing**

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Projects may be financed through national or international institutions. The Gabonese Development Bank (BGD) and the African Development Bank-financed Fund for Development and Expansion (FODEX) provide financing to small and medium sized companies. Project financing through FODEX has not been successful and is not very active.

The Overseas Private Investment Corporation (OPIC), a US government agency, offers project financing in Gabon. The International Finance Corporation (IFC), part of the World Bank Group, recently provided financial assistance for the private development of an oil field in Gabon.

## **Web Resources**

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: [http://www.exim.gov/tools/country/country\\_limits.html](http://www.exim.gov/tools/country/country_limits.html)

OPIC: <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

International Finance Corporation (IFC): <http://www.ifc.org>

African Development Bank: <http://afdb.org>

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## Chapter 8: Business Travel

- [Business Customs](#)
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### Business Customs

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Gabon inherited the French legal system after independence in 1960. Business law is mostly based on French law, and business customs are similar to those in Europe and the US.

### Travel Advisory

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In Gabon, petty thievery is common. US citizens should maintain security awareness at all times. More information on traveling to Gabon may be obtained through the Consular Information Sheet at [http://travel.state.gov/travel/cis\\_pa\\_tw/cis/cis\\_1120.html](http://travel.state.gov/travel/cis_pa_tw/cis/cis_1120.html).

### Visa Requirements

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A passport and visa are required for entry into Gabon. Proof of yellow fever vaccination may be required for entry. Visas must be obtained in advance, as airport visas are no longer available. Travelers should obtain the latest information and details from the Embassy of Gabon, 2034 20th Street, N.W., Washington, D.C. 20009, telephone: (202) 797-1000, fax: (202) 332-0668. Travelers may also contact the Gabonese Consulate at 18 East 41st St., Ninth Floor, New York, NY 10017, telephone (212) 683-7371. Information may also be obtained by contacting the Gabonese Mission to the U.N. at (212) 686-9720. Overseas, inquiries should be made to the nearest Gabonese embassy or consulate.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security options are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

US Embassy Libreville: [http://libreville.usembassy.gov/visa\\_services.html](http://libreville.usembassy.gov/visa_services.html)

## Telecommunications

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Telecommunications are generally adequate and reliable. Local and long distance telephone service is available 24 hours a day. Cellular service is offered in Libreville and the interior. Telephone rates are much higher than those in the US. Local connection to the Internet is available through Gabon Telecom or a few private local providers (Internet Gabon or Solsi). Broadband internet (e.g., ADSL) is starting to be made available to companies.

## Transportation

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International airlines serving Libreville are Air France, Air Gabon, Air Ivoire, Air Service, Cameroon Airlines, Air Sao Tome and Principe, Interair (South Africa) and Royal Air Maroc. Travel to the United States necessarily includes a layover in France, Morocco or South Africa. Direct flights to Paris are available four times per week. There are also direct flights to capitals in Central and West Africa, as well as to Casablanca and Johannesburg.

Libreville International Airport is near downtown. Gabon has a poor road network, but airports can be found in all provincial capitals – e.g., Port-Gentil, Franceville, Oyem, Gamba, etc. A variety of airlines provide domestic flights, including Air Gabon, Air Service, and Avirex. Rail service provides transportation between Libreville and Franceville only.

Taxis are available in Libreville. Car rental is available but expensive. The principal hotels offer bus service to and from Libreville Airport for international flights.

## Language

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French is Gabon's official language. English is not widely spoken. Hotels may arrange for translators.

## Health

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Medical facilities are limited. A list of doctors may be obtained through the Embassy's consular section or at [http://libreville.usembassy.gov/medical\\_information.html](http://libreville.usembassy.gov/medical_information.html). Malaria is endemic in Gabon. Malaria suppressants are strongly recommended and should be begun prior to arrival. Travelers should drink only bottled water or bottled drinks. Hygiene at restaurants is generally good.

## Local Time, Business Hours, and Holidays

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Local time is GMT+1

Business hours: 7:30 AM – 12:00PM 14:30 PM – 18:00 PM

Gabonese Holidays in 2006 are:

January 2	New Year's Day
January 10	Aid el Kebir

April 17	Easter Monday
May 1	Labor Day
May 25	Ascension Day
June 5	Whit Monday
August 15	Assumption Day
August 17	Independence Day
November 1	All Saints' Day
TBD	Aid el Fitr
December 25	Christmas

The US Embassy also observes US federal holidays.

## **Web Resources**

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State Department Visa Website: <http://travel.state.gov/visa/index.html>

United States Visas.gov: <http://www.unitedstatesvisas.gov/>

US Embassy Libreville: [http://libreville.usembassy.gov/visa\\_services.html](http://libreville.usembassy.gov/visa_services.html)

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## Chapter 9: Contacts, Market Research, and Trade Events

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### Contacts

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#### US Embassy Libreville

Ambassador – R. Barrie Walkley  
Deputy Chief of Mission – Katherine Dhanani  
Economic/Commercial Officer – Michael Garcia  
Economic/Commercial Assistant – Patrick Pierre

US Mailing Address:  
2270 Libreville Place  
Washington, DC 20521-2270

Local Address:  
Boulevard du Bord de Mer  
BP 4000  
Libreville, Gabon

Tel. +241-76-20-03  
Fax +241-74-55-07  
<http://libreville.usembassy.gov/index.html>

#### Government of Gabon

Direction Generale du Commerce  
Ministry of Commerce  
B.P. 561, Libreville, Gabon  
Tel. +241-76-09-91; +241-74-59-25  
Fax +241-76-58-38

Direction Generale des Contributions Directes  
Ministry of Finance  
B.P 37, Libreville, Gabon  
Tel. +241-76-16-44  
Fax +241-76-59-74

Caisse Nationale de Securite Sociale (Social Security)  
B.P. 134, Libreville, Gabon  
Tel. +241-72-03-61

Agency for the Promotion of Private Investments (APIP)  
Carlos Okinda, Director of Promotion  
BP 13740, Libreville, Gabon  
Tel. +241-76-87-61  
E-mail: [apip@netcourrier.com](mailto:apip@netcourrier.com)

Gabonese Chamber of Commerce  
M. Joachim Boussamba Mapaga, President  
BP 2234, Libreville, Gabon  
Tel. +241-76-22-48; +241-72-20-64  
Fax +241-74-12-20

African Intellectual Property Organization (OAPI)  
Headquarters – Yaoundé, Cameroun  
Tel. +237-20-39-11  
Gabon Branch:  
Industrial Property Service  
BP 237, Libreville, Gabon  
Tel. +241-72-15-38; +241-74-59-78  
<http://www.oapi.wipo.net>

#### Legal and Fiscal Advisors

Price Waterhouse Coopers  
Fidafrica (legal and fiscal entity)  
Mr. Jacques Hansler, Associate Director  
M. Christophe Relongue, Director Fidafrica  
B.P. 2164, Libreville, Gabon  
Tel. +241-76-23-71  
Fax +241-74-43-25

Ernst & Young  
M. Claude-Henri Jouet, General Director  
B.P. 2278, Libreville, Gabon  
Tel. +241-76-20-67 ; +241-74-21-68  
Fax: +241-74-61-30  
[Ernst.young@inet.ga](mailto:Ernst.young@inet.ga)

Deloitte & Touche Tohmatsu  
M. Stephane Klutsch, General Director  
M.JP Bozec, Associate Partner  
B.P. 3927, Libreville, Gabon  
Tel. +241-72-32-31; +241-77-21-42  
Fax +241-77-40-77  
[deloitte.jf@deloitte.ga](mailto:deloitte.jf@deloitte.ga)

#### Commercial Banks

Citibank Gabon, N.A.  
B.P. 3940, Libreville, Gabon  
Tel. +241-73-03-83; +241-73-10-92  
Fax +241-73-37-86  
U.S. correspondent: Citibank NY  
399 Park Avenue, New York, NY 10043  
Tel. (212)559-1000  
Fax (212)793-0690

Banque International pour le Commerce et l'Industrie du Gabon (BICIG)  
B.P. 2241, Libreville, Gabon  
Tel. +241-76-26-13  
Fax +241-74-40-34  
U.S. Correspondent: Banque Nationale de Paris  
P.O. Box 127 Church Street Station, New York, NY 10008  
Tel: (212)415-9400  
Fax (212)415-9629

Union Gabonaise de Banque (UGB)  
B.P. 315, Libreville, Gabon  
Tel: +241-77-70-00  
Fax +241-76-46-16  
U.S. correspondent: Credit Lyonnais  
1301 Avenue of Americas, New York, NY 10019  
Tel. (212)261-7000; (212)586-2440  
Fax (212)586-3279

Banque Gabonaise et Francaise Internationale (BGFI)  
B.P. 2253, Libreville, Gabon  
Tel. +241-76-23-26  
Fax +241-76-01-34  
U.S. correspondent: Paribas North America  
787 7th Avenue, New York, NY 10019  
Tel. (212)841-3000  
Fax (212)841-3555

Financial Bank  
B.P. 20333, Libreville, Gabon  
Tel. +241-77-50-78  
Fax +241-72-41-97

## **Market Research**

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/marketresearch.html> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, but free of charge.

Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents.html>

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## Chapter 10: Guide to Our Services

The U.S. Commercial Service offers customized solutions to help your business enter and succeed in markets worldwide. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers

For more information on the services the U.S. Commercial Service offers U.S. businesses, please click on the link below.

<http://www.buyusa.gov/westafrica/fr/gabon.html>

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U.S. exporters seeking general export information/assistance or country-specific commercial information should consult with their nearest **Export Assistance Center** or the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRADE**, or go to the following website: <http://www.export.gov>

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.