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The opposition demands electoral reform before the presidential election scheduled for mid-2016 and focuses on provisions to introduce a two-round electoral process. The number of confirmed and potential candidates for the 2016 election highlights the opposition's continuing lack of cohesion. The government lowers 2015 economic growth forecasts due to falling oil production, and continues audits of production for a number of oil companies to raise revenue. Public sector unions threaten to renew a general strike on 25 July.

The opposition demands electoral reform before 2016 election

Various opposition groupings have called on President **Ali Bongo Ondimba** (2009- present) and the government to allow electoral reform before the presidential election scheduled for mid-2016. During an interview on 10 July, **Jean Eyeghe Ndong**, vice president of the opposition grouping **Union Nationale (UN)**, reiterated the UN's threat to boycott the election in the absence of electoral reforms.¹ The opposition is mostly united in demanding the following reforms:

- Provision for two election rounds: the current single round system favours Bongo. The opposition will remain fractured for the first round vote, increasing Bongo's chances of re-election. However, the prospect of much of the opposition rallying around an opposition candidate in a second round election has increased. *"The entire opposition agrees to two rounds and that the conditions for a transparent election are met."*²
- Reform of the **Commission Electorale Nationale Autonome et Permanente (CENAP)**: in particular, segments of the opposition have called for a review of how the CENAP president and vice-president are appointed, as well as improving independence of the body.³
- Update of the electoral register and a new biometric system: The government is required to update the register before each election.⁴ The opposition has demanded that the government publish the results of the most recent census and update the register *"for a fairer and more equitable representation of voters"*.⁵ The opposition also urges the government to implement a biometric electoral register to better authenticate voters.⁶
- Removal from the electoral code of the interior ministry's powers to manage the election.⁷
- Ensure provisions for the **Constitutional Court** to become the sole judge of last resort in the event of contested elections.⁸
- Limit and control election campaign spending, and strictly apply an existing regulation which seeks to ensure equal access of political parties to state media during elections.⁹
- International community assistance in organising and supervising the election.¹⁰

¹ Jeune Afrique, 10 Jun 2015.

² Source, journalist, Libreville

³ Jeune Afrique, 10 Jun 2015.

⁴ Source, journalist, Libreville

⁵ Source, journalist, Libreville

⁶ Source, journalist, Libreville

⁷ Source, journalist, Libreville

⁸ Source, journalist, Libreville

⁹ Source, journalist, Libreville

¹⁰ Jeune Afrique, 10 Jun 2015.

Candidates for the 2016 presidential election increase

The number of confirmed and potential candidates for the 2016 election highlights the opposition's continuing lack of cohesion. Former prime minister under Bongo **Raymond Ndong Sima** announced his resignation from the ruling **Parti Démocratique Gabonais (PDG)** on 3 July.¹¹ Following the announcement, Sima said it is "*too early to talk about presidential ambition*".¹² However, the local press expects him to join the list of candidates to challenge Bongo in the 2016 presidential election.¹³ It suggested that Sima would be a preferred candidate for the opposition grouping **Front de l'Opposition pour l'Alternance (FOPA)**, ahead of former **African Union** commission president **Jean Ping**.¹⁴ Ping said on 10 June that he hopes to run against Bongo as FOPA's candidate.¹⁵

In his announcement Sima criticised the PDG for a lack of "*internal democracy*".¹⁶ He said "*there is no way, within the party, to argue different points of view. Any criticism is considered totally unwelcome.*"¹⁷ Sima also criticised the government's economic and social policies, and singled out poor financial governance and lack of budgetary transparency.¹⁸ PDG secretary general **Faustin Boukoubi**, rejected Sima's claims and stated that Sima had only joined the party out of "*political opportunism*".¹⁹

Two other figures have announced their candidacy for the 2016 presidential election.²⁰ Local government official **Abel Mbombé Nzondou** declared his candidacy on 5 July. **Dieudonné Minlama Minto'o**, a civil society actor and president of the **Observatoire National de la Démocratie**, announced his candidacy on 20 June.²¹

Government lowers growth forecast

The government has lowered the economic growth forecast for 2015 to 4.8%, from an earlier estimate of 5.7%.²² The 2015 growth projection is still higher than that of the **African Economic Outlook** (4.6%) released in May 2015 and the **International Monetary Fund (IMF)** (4.5%).²³

The government cites falling oil production due to strikes and ageing fields as the main cause of the lower growth forecast.²⁴ Oil production in 2015 is currently down around 9% on 2014, partly due to strike action in April.²⁵

Reduced growth led the **Banque des Etats d'Afrique Centrale (BEAC)**, the central bank for the central Africa economic zone **Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC)**, to lower its cash rate 50 basis points to 2.45%, from 2.95% on 9 July.²⁶ It last reduced the rate a year ago. BEAC governor **Lucas Abaga Nchama** said the move was aimed at "*boosting economic activity*" and said the slowdown in growth was due to the decline in oil production, the fall in international oil prices and insecurity in the region.²⁷ The BEAC reduced its 2015 economic growth forecast for the region to 2.8%.²⁸ It previously forecast 4.2% growth for 2015 on 25 March. According to the BEAC, inflation remains at 2.9%.

¹¹ RFI, 3 Jul 2015.

¹² RFI, 3 Jul 2015.

¹³ Gabon Actu, 3 Jul 2015.

¹⁴ Gabon Actu, 3 Jul 2015.

¹⁵ Mail & Guardian, 10 Jun 2015.

¹⁶ RFI, 3 Jul 2015.

¹⁷ RFI, 3 Jul 2015.

¹⁸ RFI, 3 Jul 2015.

¹⁹ RFI, 4 Jul 2015.

²⁰ Jeune Afrique, 8 Jul 2015.

²¹ Jeune Afrique, 8 Jul 2015.

²² According to the prospectus for the government's 9 June Eurobond issue, Reuters, 18 Jun 2015.

²³ Reuters, 18 Jun 2015.

²⁴ Reuters, 18 Jun 2015.

²⁵ Reuters, 18 Jun 2015.

²⁶ Gabon Actu, 13 Jul 2015.

²⁷ Gabon Actu, 13 Jul 2015.

²⁸ Gabon Actu, 13 Jul 2015.

The IMF also noted declining public investment in its growth forecast. In May the IMF reduced its 2015 forecast for the CEMAC zone to 2.2%.²⁹ The CEMAC zone includes **Gabon, Cameroon, Chad, Congo, Equatorial Guinea** and **Central African Republic**.

...and continues oil sector audits to raise revenue

In the coming weeks the **Direction Générale des Hydrocarbures (DGH)** will continue to carry out audits of oil production for a number of oil companies and will report its findings to oil minister **Étienne Ngoubou**.³⁰ The government views its audits and protracted negotiations with **France**-based **Total** and **China's Sinopec**-owned **Addax Petroleum** in 2014 as a success after demanding significant penalties from both companies.³¹ Other targeted companies include **Anglo-French** oil and gas company **Perenco** and **Paris** stock exchange-listed **Maurel et Prom**.³² The DGH claims that it will publish the audit results in September. The government has contracted **United States (US)**-based auditing firm **Alex Stewart International** for this process.

*"The Gabonese government seeks to replenish its coffers and becomes more involved in the management of its oil fields, by questioning the reports of oil companies on the actual quantity of oil extracted and the sales process. Since mid-June 2015 it continues the audits and investigation to 'shed light on the reality of the country's oil production'. **Shell**, **Maurel et Prom** and **Perenco** have been audited and they await the conclusions of from the DGH ... fines are expected."*³³

The government created the **Gabon Oil Company** to better control the financial flows from the oil sector, claiming that it needs to audit the effectiveness of operational practices in the sector,³⁴

*"...but visibility of production is difficult because only the oil companies have the appropriate instruments to measure this. The government was not satisfied with this and wants to check all parameters."*³⁵

Further strikes on the horizon

Public sector unions have threatened to renew a general strike that lasted from December 2014 until April. Unions say that they will renew the strike if the government does not increase the minimum monthly wage from CFA 80,000 (\$132) on 25 July. The government has not yet implemented its pledge to increase the minimum wage to 150,000 (\$248).³⁶ **Dynamique Unitaire**, an umbrella public sector body representing some 50 unions, had demanded the government increase the minimum wage to CFA 300,000 (\$496) and reform pensions.³⁷

*"A showdown is engaged between the unionists who want more and the state treasury, following the decline of oil resources."*³⁸

Teachers' unions renewed their strike action on 23 June over demands for wages unpaid since March.³⁹ Primary and secondary schools remained closed, days before year-end exams. The school year was extended to July due to persistent strikes. Hospitals also closed except for "*vital emergencies*" after staff started a strike on 19 June to demand the release from jail of a doctor, **Max Filla**.⁴⁰ A court sentenced Filla to imprisonment in February due to a medical error during a caesarean section in October that led to a patient's death.⁴¹

²⁹ Jeune Afrique, 10 Jul 2015.

³⁰ Jeune Afrique, 18 Jun 2015.

³¹ Source, journalist, Libreville

³² Jeune Afrique, 21 Jul 2015.

³³ Source, journalist, Libreville

³⁴ Source, journalist, Libreville

³⁵ Source, journalist, Libreville

³⁶ See ARC Briefing for Gabon, March 2015

³⁷ See ARC Briefing for Gabon, March 2015

³⁸ Source, journalist, Libreville

³⁹ RFI, 25 Jun 2015.

⁴⁰ Le Journal International France, 29 Jun 2015.

⁴¹ Le Journal International France, 29 Jun 2015.

Implications

The coming months will see tensions between the government and the opposition heighten over the organisation of the presidential election. Bongo will seek to hold on to the provision for a one-round election, due to the threat of the opposition rallying around his opponent in a second-round election. Bongo's prospect of winning a first-round vote is high due to the fractured opposition vote. The government is also unlikely to push through reforms such as improving independence of the electoral commission. The controversy that surrounded the 2009 presidential election also increases the prospect of violent street protests over an expected impasse.

Despite the success of the **Eurobond** sale in June, Gabon's economic position remains precarious due to the fall in oil prices and declining production. The motivation to raise revenue – as election year approaches – will further drive the oil sector audits. The aggressive audits and increasing state involvement in the sector may result in a further decrease in investment and production.

The prospect of a renewed strike is high and also has political and economic ramifications. The government will be forced to give in to some union demands, which will further deteriorate state finances. The opposition will also seek to capitalise on the strikes. It may join and merge union demonstrations, which further increases the risk of violent street protests.

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