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President Ali Bongo Ondimba (2009-present) makes his first public speech since December 2018. Bongo denounces Gabon's poor governance and instructs prime minister Julien Nkoghe Bekale to form a new government. Bekale announces a 28-member cabinet, reduced from the previous 36-member government. Noel Mbaumba replaces Pascal Houangni Ambourou as hydrocarbons minister while Roger Owono Mba will head the reconfigured ministry of economy, finance and national solidarity. An International Monetary Fund delegation reports that Gabon has a stable economic outlook and will experience economic growth between 3.5% and 4% in 2019.

President Bongo makes first public declaration since December

President **Ali Bongo Ondimba** (2009-present) made his first public speech since December on 8 June in a television broadcast commemorating the 10th anniversary of the death of his father, the late former president **Omar Bongo Ondimba** (1968-2009).¹ The speech is an indication of his improving health and will inspire confidence in Bongo's ability to carry out presidential responsibilities.² Bongo's last public declaration was his traditional New Year's Eve address, which he delivered from **Morocco** while recovering from the stroke he suffered in October (see *ARC Briefing Gabon January 2019*).³

In the pre-recorded address, Bongo denounced the performance of his government.⁴ Bongo said he had instructed the prime minister, **Julien Nkoghe Bekale**, to form a new, smaller cabinet made up of men and women prepared to "*prioritise general interest and able to show exemplarity*".⁵ The decision to appoint a new government came two weeks after the dismissal of vice president **Pierre Claver Maganga Moussavou** and forestry, water and environment minister **Guy Bertrand Mapangou**, and the suspension of many high ranking officials (see *ARC Briefing Gabon May 2019*).⁶ The officials were alleged to have been involved in the disappearance of 355 containers of illegally logged kevazingo hardwood worth an estimated \$250m.⁷ Bongo noted the need to address corruption in Gabon:

*"Clean-up must be done within our political class, in which the ethics must resonate strongly ... It is crucial for our nation to end once and for all the corruption that plagues our institutions...it is crucial to end bad management and bad governance."*⁸

Bongo also provided detailed examples highlighting the poor maintenance of recently built hospitals and schools and promised to punish anybody who put selfish interests before the well-being of the country.⁹

President Bongo's speech elicited a multitude of reactions from the ruling establishment as well as the opposition. Ruling **Parti Democratique Gabonaise (PDG)** national secretary **Michel Philippe Nze**

¹ Jeune Afrique, 8 Jun 2019

² Jeune Afrique, 8 Jun 2019

³ Jeune Afrique, 8 Jun 2019

⁴ Jeune Afrique, 8 Jun 2019

⁵ Jeune Afrique, 8 Jun 2019

⁶ Jeune Afrique, 21 May 2019

⁷ Al Jazeera, 14 May 2019

⁸ Jeune Afrique, 8 Jun 2019

⁹ Jeune Afrique, 8 Jun 2019

welcomed the speech and praised its nature and tone.¹⁰ Former **Assemblée Nationale** (national assembly) speaker **Guy Nzouba Ndama**, in an interview with **France**-based radio station **Radio France Internationale (RFI)**, noted that the speech should end speculation whether Bongo can carry out his presidential duties.¹¹ However, he expressed doubts on whether President Bongo and the new government will be able to solve the problems at hand. The opposition **Rassemblement pour la Patrie et la Modernité (RPM)** president **Alexandre Barro Chambrier** claimed the speech indicates President Bongo is out of touch with reality.¹² Chambrier said he could not understand that after 10 years in power, President Bongo has only now realised that there is bad governance and significant corruption.¹³ Despite these reactions, Bongo's directive to form a new cabinet indicates his intention to fully pursue presidential duties, while his resolute tone appears to be a sign that he is recovering well from the stroke.

Prime minister Julien Nkoghe Bekale names a 28-member cabinet

In quick response to Bongo's command, prime minister **Julien Nkoghe Bekale** named a new cabinet on 10 June.¹⁴ The newly appointed cabinet has 28 members, a reduction from the previous government which had 36 members.¹⁵ The new cabinet saw personnel changes in the ministries where individuals were alleged to have been involved in the disappearance of containers holding significant amounts of illegally logged precious hardwood (see *ARC Briefing Gabon May 2019*).

- **Noel Mbaumba** replaces **Pascal Houangni Ambourou** as hydrocarbons minister. Mbaumba has been in the petroleum sector for 20 years. He worked at **France**-based **Elf Aquitaine** from 1994-2004 in **Paris** (France).¹⁶ Upon his return to Gabon, he held the position of financial director at the Gabonese branches of **France**-based **Perenco**, **France**-based **Maurel Prom**, **United States (US)**-based oil-field services company **Baker Hughes** and **US**-based oil-field services company **Halliburton**.¹⁷ Mbaumba served in cabinet as minister delegate in charge of budget from September 2015 to January 2016 and then minister delegate of economy from January 2016 to November 2017.¹⁸ He was made CEO of state-owned refinery **Société Gabonaise de Raffinage (Sogara)**, with a mission to reform the embattled public enterprise.¹⁹ Mbaumba's immediate objectives include finalising the implementation of the new hydrocarbons code, which replaces the 2014 framework.²⁰ Mbaumba said he intends to regain the confidence of oil majors, particularly with respect to the sale of 35 offshore oil blocks.²¹ Mbaumba is an ally of President Bongo's increasingly powerful chief of cabinet **Brice Laccruche Alihanga**.²²
- **Roger Owono Mba** will head the reconfigured ministry of economy, finance and national solidarity.²³ The department will also oversee matters pertaining to the budget.²⁴ Owono Mba has a strong background in economy and finance – after working at Gabon's largest privately owned bank, **BGFI**, from January 2011 to September 2017, he was CEO of the **Banque**

¹⁰ RFI, 10 Jun 2019

¹¹ RFI, 9 Jun 2019

¹² RFI, 10 Jun 2019

¹³ RFI, 10 Jun 2019

¹⁴ Jeune Afrique, 11 Jun 2019

¹⁵ Jeune Afrique, 11 Jun 2019

¹⁶ Jeune Afrique, 12 Jun 2019

¹⁷ Jeune Afrique, 12 Jun 2019

¹⁸ Jeune Afrique, 12 Jun 2019

¹⁹ Jeune Afrique, 12 Jun 2019

²⁰ Jeune Afrique, 12 Jun 2019

²¹ Jeune Afrique, 12 Jun 2019

²² Jeune Afrique, 12 Jun 2019

²³ Jeune Afrique, 11 Jun 2019

²⁴ Jeune Afrique, 11 Jun 2019

Gabonaise du Développement (BGD).²⁵ Owono Mba was special adviser to President Bongo on economic, finance and commerce-related matters, and held the position from January to March 2018.²⁶ He was named deputy chief of staff until his appointment as a minister.²⁷ Owono Mba will have the task of coordinating Gabon's economic reform programme.²⁸

- **Francis Nkea Ndzigue** was appointed to head the newly created anti-corruption, good governance and public policy evaluation ministry.²⁹ The creation of this ministry is a direct response towards addressing the corruption, mismanagement and poor governance Bongo referred to in his speech (see above). Ndzigue was justice minister until February 2018 but was transferred to the housing ministry after coming into conflict with magistrates whom he had accused of being corrupt.³⁰ Ndzigue is an influential lawyer who counts the ruling **Parti Democratique Gabonaise (PDG)** amongst his clients.³¹ He oversaw the **Angondje** national dialogue in 2017 between the ruling coalition and the opposition.³²
- **Lee White** replaces **Guy Bertrand Mapangou** at the forestry and water ministry.³³ White, who is of British-descent and a naturalised Gabonese citizen, was previously the director general of the **Agence Nationale des Parcs Nationaux du Gabon** (national parks agency of Gabon).³⁴ White is an environmentalist and will have the task of creating order in the department that was at the centre of the illegal logging scandal.³⁵
- **Jean Fidele Otandault** moves from the budget ministry to the ministry of investment promotion.
- **Jean Marie Ogandaga** moves from the economy and finance ministry to the ministry of commerce, small and medium enterprises and industry.³⁶

Hydrocarbons minister **Pascal Houangni Ambouroué** was dismissed from government. Ambouroué had been hydrocarbons minister since January 2017 and had worked to establish a new hydrocarbons code, which the Gabonese government adopted on 29 May.³⁷ Ambouroué, Otandault and Ogandaga are all alleged to have been involved in the illegal logging scandal.³⁸

The losers of the cabinet reshuffle include the moderate faction of the PDG. **Lambert Noel Mbatha** was removed from the interior ministry, while **Regis Immongault** was sacked as deputy chief of cabinet.³⁹ These moves should not have come as a surprise since fellow moderates, including former defence minister **Etienne Massard**, ex-prime minister **Emmanuel Issoze-Ngondet** and former agriculture minister **Ali Akbar Onanga**, were replaced during the two prior cabinet changes in January and February (see *ARC Briefing Gabon January and February 2019*).⁴⁰ Women were also losers in the reshuffle – the number of female ministers was reduced from 11 to six.⁴¹

²⁵ Gabon Review, 16 Jun 2019

²⁶ Gabon Review, 16 Jun 2019

²⁷ Gabon Review, 16 Jun 2019

²⁸ Gabon Review, 16 Jun 2019

²⁹ Jeune Afrique, 11 Jun 2019

³⁰ Jeune Afrique, 11 Jun 2019

³¹ Jeune Afrique, 11 Jun 2019

³² Jeune Afrique, 11 Jun 2019

³³ Jeune Afrique, 11 Jun 2019

³⁴ Jeune Afrique, 11 Jun 2019

³⁵ Jeune Afrique, 11 Jun 2019

³⁶ Jeune Afrique, 11 Jun 2019

³⁷ Direct Infos Gabon, 29 May 2019

³⁸ Jeune Afrique, 11 Jun 2019

³⁹ Jeune Afrique, 12 Jun 2019

⁴⁰ Jeune Afrique, 12 Jun 2019

⁴¹ Jeune Afrique, 11 Jun 2019

Following the announcement of the new government, the prime minister's office released a communiqué detailing the objectives of the new government.⁴² These include acceleration in the application of reforms centered around public finances, improvement in education and better professional entry into the employment market.⁴³ The communiqué also mentioned economic diversification and implementing economic models that encourage job creation.⁴⁴

This is the fifth cabinet reshuffle since April 2018 and the third since President Bongo suffered a stroke. Taking into consideration that changes were made at strategic ministries related to the economic clusters, petroleum and internal affairs, it would appear Bongo wants a complete break from the way things have been managed in key areas. The introduction of a ministry of good governance to fight against corruption and evaluate public policies is a testament to his desire to hold the government more accountable for its actions. It remains to be seen whether the new cabinet can live up to the expectations of a healthier and more involved president.

IMF projects stable economic outlook for Gabon

An **International Monetary Fund (IMF)** delegation to Gabon reports a stable economic outlook and economic growth from 3.5-4% in 2019,⁴⁵ indicating that Gabon's economy is recovering from the economic slump it has experienced since 2014. The IMF's resident representative in Gabon, **Marcos Poplawski-Ribeiro**, led the delegation from 27 May to 7 June to provide assistance in preparing the 2020 finance bill and to ensure that the budget is in line with IMF recommendations under the IMF economic reform package that Gabon adopted in June 2017.⁴⁶ Gabon adopted the reform plan after experiencing an economic downturn in 2014 when global oil prices dropped significantly. Oil contributes to 40% of Gabon's gross domestic product (GDP) and accounts for 68% of its budget.⁴⁷

The extended arrangement under the Extended Fund Facility (EFF) that Gabon signed with the IMF in 2017 includes a \$642m loan package to help Gabon restore macroeconomic stability.⁴⁸ The arrangement also aims to establish a foundation upon which Gabon can pursue inclusive and sustainable growth.⁴⁹ The IMF assistance necessitated the application of a wide range of economic reforms and cost-cutting measures, which are reflected in the 2019 finance law and budget.⁵⁰ Gabonese economic and finance ministry authorities have agreed to exclude from the 2020 draft bill all income allocations that do not comply with the criteria in the EFF structural framework.⁵¹

During an audience with prime minister Julien Nkoghe Bekale on 28 May, Poplawski-Ribeiro acknowledged the progress Gabon has made in economic stabilisation.⁵² Poplawski-Ribeiro noted on 14 June that Gabon is on the right path despite exogenous shocks and budgetary difficulties:⁵³

"The economic outlook for Gabon is stable. The public debt has fallen from 64% and currently stands at 60%. So there is a set of reforms to improve this situation. We must continue in this trend, through the introduction of structural reforms to stimulate investment, employment and training to boost growth and make it more endogenous and inclusive."⁵⁴

⁴² Gabon Review, 12 Jun 2019

⁴³ Gabon Review, 12 Jun 2019

⁴⁴ Gabon Review, 12 Jun 2019

⁴⁵ Gabon Review, 16 Jun 2019

⁴⁶ GabonEco, 30 May 2019

⁴⁷ Gabon Review, 16 Jun 2019

⁴⁸ IMF, 25 Jun 2019

⁴⁹ IMF, 25 Jun 2019

⁵⁰ GabonEco, 30 May 2019

⁵¹ GabonEco, 30 May 2019

⁵² Direct Infos Gabon, 29 May 2019

⁵³ Gabon Review, 16 Jun 2019

⁵⁴ Gabon Review, 16 Jun 2019

Poplawski-Ribeiro also praised Gabon's efforts to diversify its economic activities. Non-oil revenue increased from 943 billion FCFA (\$1.6 billion) in 2017 to 997.4 billion FCFA (\$1.7 billion) in 2018.⁵⁵ This has helped to alleviate the significant decrease in oil revenue, which fell from 1,442 billion FCFA (\$2.4 billion) in 2013 to 583 billion FCFA (\$995.2m) in 2018.⁵⁶ Poplawski-Ribeiro also praised efforts by customs and taxation authorities to improve revenue collection.⁵⁷

The IMF's positive outlook is in contrast to the pessimism it expressed in June 2018 regarding Gabon's ability to carry out economic reforms.⁵⁸ However, the IMF's economic growth projection of 3.5% to 4% for 2019, an improvement from the 2% and 0.5% generated in 2018 and 2017 respectively, reflects the concrete measures Gabon has been taking.⁵⁹ This has enabled the IMF to continue to provide assistance under the EFF and allowed Gabon to access financial assistance from other **Bretton Woods** institutions. Gabon's Senate authorised the government to obtain a €176m (\$197m) loan from the **International Bank of Reconstruction and Development** on 25 May.⁶⁰ The financial assistance will go towards the implementation of the **Plan Stratégique Gabon Emergent** (emerging Gabon strategy plan). Gabon has received nearly 1,000 billion FCFA (\$1.7 billion) in order to assist its economic recovery from the pool of the IMF, **World Bank**, **African Development Bank (AfDB)**, and the **Agence Française de Développement (AFD)**.⁶¹ Maintaining the confidence of these institutions will be crucial to enable Gabon to attain the 4-5% economic growth it experienced from 2008 to 2014.⁶² Fulfilling the obligations established by these institutions will get the economy back on track and will encourage potential investors to see Gabon as a viable investment destination.

Planner

30 Sep 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Deadline for tender submissions for the 12th round of petroleum licences

Late 2020/early 2021: **Gabon** Senate elections

2023 **Gabon** local and national assembly elections

Chronology

14 Jun 2019 **Libreville (Gabon)** *Gabon Review*. The **International Monetary Fund (IMF)** resident representative in Gabon, **Marcos Poplawski-Ribeiro**, expects Gabon's economy to grow by 3.5% to 4% in 2019, despite exogenous shocks and budgetary difficulties;

11 Jun 2019 **Libreville (Gabon)** *Jeune Afrique*. Prime minister **Julien Nkoghe Bekale** announces a new 28-minister cabinet;

8 Jun 2019 **Libreville (Gabon)** *Gabon Review*. President **Ali Bongo Ondimba** makes his first public address since December and instructs prime minister **Julien Nkoghe Bekale** to form a new and smaller cabinet;

4 Jun 2019 **Libreville (Gabon)** *Direct Infos Gabon*. **China-based Norinco International Group** will construct the Libreville tramway;

⁵⁵ Gabon Review, 16 Jun 2019

⁵⁶ Gabon Review, 16 Jun 2019

⁵⁷ Gabon Review, 16 Jun 2019

⁵⁸ IMF, 25 Jun 2018

⁵⁹ GabonEco, 30 May 2019

⁶⁰ La Tribune Afrique, 25 May 2019

⁶¹ Direct Infos Gabon, 29 May 2019

⁶² GabonEco, 30 May 2019

2 Jun 2019 **Libreville (Gabon)** *Direct Infos Gabon*. An additional 54 containers of illegally logged hardwood which disappeared are discovered at **Owendo** port;

31 May 2019 **Libreville (Gabon)** *Gabon Review*. The **United States (US) District of Columbia Arbitration Board** orders the Gabonese government to pay US-based international law firm **Bryan Cave LLP** \$1.38m for unpaid lobbying fees;

29 May 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Senate approves the new hydrocarbons code;

25 May 2019 **Libreville (Gabon)** *La Tribune Afrique*. Gabonese government is set to borrow \$197.2m from the **International Bank for Reconstruction and Development (IBRD)** to pursue projects related to the **Plan de Rélance Economique (PRE)** and **Plan Stratégique Gabon Emergent (PSGE)**;

23 May 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Gabonese mobile operators generated 206.3 billion FCFA (\$352.2m) in revenue in 2018;

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