

## AFRICA RISK CONSULTING

### Gabon Monthly Briefing February 2022

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#### Gabon Summary 13 February 2022

*Gabon has improved five places in Germany-based NGO Transparency International's Corruption Perceptions Index (CPI), moving from 129<sup>th</sup> out of 180 countries in 2020 to 124<sup>th</sup> in 2021. Economy and recovery minister Nicole Jeanine Roboty Mbou announces a gross domestic product (GDP) growth target of 3% for 2022, below the 3.9% growth rate projected by the International Monetary Fund (IMF) for Gabon in its Regional Economic Outlook. Franco-British independent oil firm Perenco announces it will invest 260 billion FCFA (\$451.3m) in its Gabon activities in 2022. United Arab Emirates (UAE)-based thermal and renewable energy development company Amea Power says it aims to build a 50 megawatt (MW) solar power plant in Oyem (Woleu-Ntem province). The council of ministers extends Gabon's health state of emergency by 45 days despite a World Health Organisation (WHO)-funded survey suggesting that 90% of Gabonese have contracted Covid-19.*

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#### Gabon improves five places in Corruption Perceptions Index

**Gabon** has improved five places in **Germany**-based **NGO Transparency International's Corruption Perceptions Index (CPI)**, released on 25 January.<sup>1</sup> The CPI is an annual barometer designed to give a sense of public sector corruption and rates countries on a scale of zero (highly corrupt) to 100 (very clean).<sup>2</sup> The 2021 CPI ranks Gabon 124<sup>th</sup> out of 180 countries with a score of 31/100.<sup>3</sup> Although Gabon's improvement reflects government measures to tackle corruption, many Gabonese believe corruption remains a major problem in the country and that state authorities need to increase their efforts.<sup>4</sup>

The government has made noteworthy attempts to address corruption over the past few years. In November 2019, President **Ali Bongo Ondimba** (2009-present) launched the second phase of Gabon's anti-corruption campaign, "**Operation Scorpion**". This led to the arrest of more than 30 high-profile government officials (see *ARC Briefing Gabon Nov-Dec 2019, Jan 2020 and Sep 2020*). In June 2020, former presidential affairs director and Bongo's son, **Nourredin Valentin Bongo**, initiated an internal debt verification exercise that led to the discovery of 241 billion FCFA (\$413.9m) in falsely claimed domestic debt (see *ARC Briefing Gabon Oct-Nov 2020*).<sup>5</sup> The presidency has reportedly hired **French** legal expert **Pierre Duro**, a former employee of defunct France-based oil giant **Elf**, to head a task force that will take steps to verify Gabon's external debt commitments (see *ARC Briefing Gabon Nov 2021*).<sup>6</sup> The government has also created institutions such as the **Autorité Nationale de Vérification et d'Audit** and the ministry for the promotion of good governance to support its endeavours. Gabon's readmission to the **Extractive Industries Transparency Initiative (EITI)** in October is further recognition of the government's steps to address corruption (see *ARC Briefing Gabon Nov 2021*).<sup>7</sup>

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<sup>1</sup> Gabon Review, 26 Jan 2022

<sup>2</sup> www.transparency.org

<sup>3</sup> Gabon Review, 26 Jan 2022

<sup>4</sup> Gabon Review, 26 Jan 2022

<sup>5</sup> Gabon Review, 10 Nov 2022

<sup>6</sup> Gabon Review, 10 Nov 2021

<sup>7</sup> Gabon Media Time, 22 Oct 2021

TI 2021 CPI Rankings for Gabon <sup>8</sup>								
	2021	2020	2019	2018	2017	2016	2015	2014
<b>Ranking</b>	124/180	129/180	123/180	124/180	117/180	101/176	98/168	94/175
<b>Score</b> (out of 100)	31	30	31	31	32	35	34	37

At the regional level, Gabon has maintained its status as the best CPI performer in the **Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC)** (economic and monetary union of Central Africa), a status it has maintained since 2012.<sup>9</sup> Gabon ranks 19<sup>th</sup> out of 49 **sub-Saharan African** countries.<sup>10</sup>

TI CPI Rankings 2021: Regional comparison (CEMAC)						
	Gabon	Cameroon	Central African Republic	Congo Republic	Chad	Equatorial Guinea
<b>Ranking</b>	124/180	144/180	154/180	162/180	164/180	172/180
<b>Score</b>	31	27	24	21	20	17

### Gabon lowers economic growth forecast for 2022 to 3%

Economy and recovery minister **Nicole Jeanine Roboty Mbou** announced on 2 February that Gabon has set a gross domestic product (GDP) growth target of 3% for 2022.<sup>11</sup> The figure is below the 3.9% growth rate which the **International Monetary Fund (IMF)** has projected for Gabon in its **Regional Economic Outlook**, published on 2 February.<sup>12</sup> It is nevertheless an improvement from the 1.5% growth that Gabon attained in 2021, which was preceded by a 1.8% contraction of the economy in 2020, due in large part to the effects of the **Covid-19** pandemic.<sup>13</sup> According to Roboty Mbou, in order for Gabon to meet its 2022 growth target, the state needs to implement structural economic reforms and instill greater budgetary discipline.<sup>14</sup> Roboty Mbou said Gabon's 2021-2023 economic development agenda, the **Plan d'Accélération de la Transformation (PAT)**, which is supported by a three-year IMF economic reform package adopted in July, will help Gabon to pursue its objectives.<sup>15</sup>

The 3% economic growth projection is a further indication that Gabon is emerging from its second economic slump in less than a decade.<sup>16</sup> In December, Roboty Mbou suggested Gabon's economy will see 3.3% growth from 2022-2024 (see *ARC Briefing Gabon Jan 2022*). The **World Bank** in its **World Economic Outlook**, released on 16 January, predicts that the Gabonese economy will benefit from a rise in global oil prices in 2022.<sup>17</sup> However, it forecasts that Gabon will experience 2.8% and 3% growth in 2022 and 2023 respectively, below the sub-Saharan African average of 3.6% and 3.8% for those years.<sup>18</sup>

<sup>8</sup> www.transparency.org

<sup>9</sup> Gabon Media Time, 27 Jan 2022

<sup>10</sup> La Libreville, 27 Jan 2022

<sup>11</sup> Gabon Review, 3 Feb 2022

<sup>12</sup> Gabon Review, 3 Feb 2022

<sup>13</sup> Gabon Review, 3 Feb 2022

<sup>14</sup> Gabon Review, 3 Feb 2022

<sup>15</sup> Gabon Review, 3 Feb 2022

<sup>16</sup> ARC Gabon analyst

<sup>17</sup> Gabon Media Time, 19 Jan 2022

<sup>18</sup> La Libreville, 17 Jan 2022

## Perenco to invest 260 billion FCFA (\$451.3m) in its Gabon activities in 2022

**Franco-British** independent oil firm **Perenco** has announced it will invest 260 billion FCFA (\$451.3m) in its Gabon activities in 2022.<sup>19</sup> Perenco Gabon director general **Adrien Boche** made the announcement during an audience with prime minister **Rose Christian Ossouka Raponda** on 20 January.<sup>20</sup> The funds will be used for the development and modernisation of the **Cap Lopez** oil terminal.<sup>21</sup> In November, Perenco and France-based **TotalEnergies** (ex-**Total S.A**) signed an amendment finalising Total's sale of the Cap Lopez terminal to Perenco.<sup>22</sup> The estimated value of the sale varied between \$290m and \$350m see (*ARC Briefing Gabon Nov 2021*).<sup>23</sup> Upon conclusion of the agreement, Perenco promised to invest an undisclosed amount in the terminal to ensure it can handle activities such as storage and export of crude oil.<sup>24</sup> Boche said modernising the terminal and pooling the activity of storage and export of crude oil will make the terminal more profitable and increase oil production in Gabon:

*"We have placed orders for equipment to build a butane gas plant in **Batanga**, which will produce 15,000 tonnes of butane gas per year beginning 2023."*<sup>25</sup>

The development of gas sector activities in Gabon has been challenging. State authorities have had to establish a balance between meeting the growing demand for energy and adhering to commitments made with respect to environmental protection.<sup>26</sup> Gabon plans to develop gas resources and migrate from diesel to gas, which will be used predominantly in the domains of transport and electricity.<sup>27</sup>

## UAE-based Amea Power intends to build 50 MW solar power plant

**United Arab Emirates (UAE)**-based **Amea Power**, a firm specialised in the development of thermal and renewable energy projects, says it aims to build a 50 megawatt (MW) solar power plant in the locality of **Oyem** in **Woleu-Ntem** province.<sup>28</sup> An Amea Power delegation led by company chairman and CEO **Hussain Al Nowais** presented the proposed initiative to investment promotion minister **Carmen Ndaot** on 1 February.<sup>29</sup> Although details of the discussion were not revealed, the plant aims to meet the energy demands of households and industries in **Woleu-Ntem** and **Ogooué-Ivindo** provinces.<sup>30</sup>

The confirmation of Amea Power's project proposal would bring Gabon several steps closer towards realising its electricity output goal for 2023.<sup>31</sup> The solar plant project is in line with the Gabonese state's intention to diversify its energy sources and promote the use of renewable energy.<sup>32</sup> An element of this objective is the zero-diesel programme, which aims to reduce diesel consumption and favour gas and solar sources for electricity production.<sup>33</sup> The zero diesel programme aims to develop abundant, competitive and sustainable energy supply, and has earmarked the construction of several solar plants across the country.<sup>34</sup> These projects will be undertaken in **Bitam, Booué, Makokou, Mékoambo, Medouneun** and **Minvoul**.<sup>35</sup>

<sup>19</sup> Le Nouveau Gabon, 21 Jan 2022

<sup>20</sup> Le Nouveau Gabon, 21 Jan 2022

<sup>21</sup> Le Nouveau Gabon, 21 Jan 2022

<sup>22</sup> Le Nouveau Gabon, 16 Nov 2021

<sup>23</sup> Le Nouveau Gabon, 16 Nov 2021

<sup>24</sup> Le Nouveau Gabon, 16 Nov 2021

<sup>25</sup> Agence Ecofin, 22 Nov 2022

<sup>26</sup> Gabon Review, 26 Nov 2022

<sup>27</sup> Gabon Review, 26 Nov 2022

<sup>28</sup> Le Nouveau Gabon, 3 Feb 2022

<sup>29</sup> Le Nouveau Gabon, 3 Feb 2022

<sup>30</sup> Gabon Review, 4 Feb 2022

<sup>31</sup> ARC Gabon analyst

<sup>32</sup> Gabon Review, 4 Feb 2022

<sup>33</sup> Gabon Review, 4 Feb 2022

<sup>34</sup> Le Nouveau Gabon, 3 Feb 2022

<sup>35</sup> Le Nouveau Gabon, 3 Feb 2022

Over the last year, Gabon has become an attractive environment for foreign investors seeking to invest in energy infrastructure. Since July, the following deals have been confirmed:

- 35-MW **Kinguéle Aval** hydroelectric power station (see *ARC Briefing Gabon July 2021*);
- 50-MW photovoltaic (solar) plant in **Grand Libreville** (see *ARC Briefing Gabon July 2021*);
- 20-MW photovoltaic (solar plant) at **Douba** (see *ARC Briefing Gabon Sep 2021*);
- 120-MW natural gas thermal plant at **Owendo** (see *ARC Briefing Gabon Oct 2021*);
- 82-MW **Ngoulmendjim** hydroelectric power station (see *ARC Briefing Gabon Dec 2021*).

### Gabon extends health state of emergency by 45 days

The government has extended the country's health state of emergency by 45 days.<sup>36</sup> The council of ministers issued a decree to this effect following a meeting on 1 February chaired by President Bongo, noting the continuing state of emergency will enable the government to effectively fight the ongoing Covid-19 pandemic.<sup>37</sup> Measures stipulated in the state of emergency include social distancing, compulsory mask wearing, the closure of bars and motels, no public gatherings with more than 30 persons in attendance and a 6pm-5am curfew.<sup>38</sup>

The government's extension of the state of emergency followed the decision of the **Cour Constitutionnelle** (constitutional court) on 28 January to throw out two requests by civic action group **Copil Citoyen** to force the government to modify Covid-19 restrictive measures.<sup>39</sup> The court had earlier suspended two government decrees that introduced "vaccine passports" and proposed monetisation of **Polymerase Chain Reaction (PCR)** testing to detect the presence of **SARS-Cov-2**, the virus that causes Covid-19 (see *ARC Briefing Gabon Jan 2022*). However, the court declared the Copil-Citoyen request to modify the measures inadmissible.

Copil Citoyen acknowledged the ruling on 29 January, pledging to remain mobilised against the government.<sup>40</sup> The group also criticised the government's extension of the state of emergency on 1 February, describing it as an "injustice", noting that Gabon has one of the lowest Covid-19 case rates in **Africa**.<sup>41</sup> Health minister **Dr. Guy Patrick Obiang Ndong**, presenting the results of a **World Health Organisation (WHO)**-funded survey on 26 January, reported that 90% of Gabonese respondents had been infected with Covid-19. The survey was undertaken by 3,455 people, in 864 households, across Gabon's nine provinces.<sup>42</sup> Obiang Ndong admitted that these figures differ from government statistics, which only consider the status of those who have been tested for Covid-19.<sup>43</sup> While acknowledging that Gabonese have likely developed a degree of immunity from Covid-19, he advised that the immunity situation is not permanent and encouraged the population to get vaccinated.<sup>44</sup>

As of 10 February, Gabon had registered 47,426 cases of Covid-19 in its population of 2.2 million, with 43,887 recoveries and 302 deaths.<sup>45</sup> As of 8 February, 290,517 individuals had received at least one dose of a Covid-19 vaccine.<sup>46</sup>

<sup>36</sup> Gabon Review, 2 Feb 2022

<sup>37</sup> Gabon Review, 2 Feb 2022

<sup>38</sup> Gabon Review, 2 Feb 2022

<sup>39</sup> Gabon Review, 29 Jan 2022

<sup>40</sup> Gabon Review, 30 Jan 2022

<sup>41</sup> Gabon Review, 2 Feb 2022

<sup>42</sup> Le Nouveau Gabon, 2 Feb 2022

<sup>43</sup> Le Nouveau Gabon, 2 Feb 2022

<sup>44</sup> Le Nouveau Gabon, 2 Feb 2022

<sup>45</sup> Infocovid.ga, 12 Feb 2022

<sup>46</sup> Infocovid.ga, 9 Feb 2022

## Planner

2023 **(Gabon)** Local and national assembly elections

## Chronology

- 12 Feb 2022 **Libreville (Gabon)** *Gabon Review*. **Serbia's** foreign minister, **Nikola Selakovic**, undertakes a working visit to Gabon and presents an official invitation by Serbian head of state **Aleksandar Vučić** for his Gabonese counterpart **Ali Bongo Ondimba** to visit Serbia;
- 9 Feb 2022 **Libreville (Gabon)** *Gabon Review*. The board of directors of state-owned utilities firm **Société d'Energie et d'Eau du Gabon (SEEG)** orders a general audit of the operational functioning of the company over the period 2019 to 2021;
- 9 Feb 2022 **Libreville (Gabon)** *Gabon Review*. **United States**-based independent oil producer **Vaalco Energy** announces it has successfully commissioned the **Etame 8H-ST** well drilled from the **Etame** offshore field;
- 9 Feb 2022 **Libreville (Gabon)** *Gabon Media Time*. **Brigadier General Jean Martin Ossima Ndong** is appointed general chief of staff for the **Forces Armées Gabonaise** (Gabonese armed forces);
- 3 Feb 2022 **Libreville (Gabon)** *Direct Infos Gabon*. **Commission Nationale de Lutte contre la Corruption et l'Enrichissement Illicite (CNLCEI)** (national commission for fight against corruption and illicit enrichment) summons **Fédération Gabonaise de Football (FGF)** (Gabonese football federation) president **Pierre Alain MOUNGUENGUI** to appear before it regarding potential financial misappropriation;
- 3 Feb 2022 **Libreville (Gabon)** *Gabon Review*. **United Kingdom**-based NGO **Tax Justice Network** reports in its publication "*Tax Justice: State of Play 2021*" that Gabon lost 144.3 billion FCFA (\$248.7m), equivalent to 1.5% of gross domestic product (GDP), due to tax evasion in 2021;
- 3 Feb 2022 **Libreville (Gabon)** *Gabon Review*. Economy and recovery minister **Nicole Janine Lydie Roboty-Mbou** estimates Gabon will experience 3% economic growth in 2022;
- 3 Feb 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. Investment promotion ministry reports that **United Arab Emirates (UAE)**-based energy firm **Amea Power** intends to build a 50 MW solar power plant in **Oyem (Woleu Ntem province)**;
- 2 Feb 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Kevin Mougala** is appointed director general of state-owned **Société Gabonaise de Raffinage (SOGARA)** (Gabonese refining company);
- 2 Feb 2022 **Libreville (Gabon)** *Direct Infos Gabon*. **Gustave Mayi** replaces **Alain Patrick Kouma** as director general of state-owned utilities firm **Société d'Energie et d'Eau du Gabon (SEEG)**;
- 1 Feb 2022 **Libreville (Gabon)** *Gabon Media Time*. The council of ministers ratifies a bill extending the national state of emergency by 45 days, to address the ongoing **Covid-19** pandemic;
- 1 Feb 2022 **Libreville (Gabon)** *Gabon Media Time*. The **Fonds Souverain de la République Gabonaise (FGIS)** (Gabonese sovereign wealth fund) has been admitted as a member of the **International Forum for Sovereign Wealth Funds (IFSFW)**;
- 30 Jan 2022 **Libreville (Gabon)** *Gabon Review*. The **Cour Constitutionnelle** (Constitutional Court) has rejected the appeal by civic action group **Copil Citoyen** for the suspension of **Covid-19** restrictive measures adopted by the government, including the introduction of vaccine passports to access public buildings;
- 28 Jan 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. Health minister **Guy Patrick Obiang Ndong** says a survey funded by the **World Health Organisation (WHO)** indicates that 86.8% of Gabonese have contracted **Covid-19** across the country's nine provinces;

26 Jan 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. State-owned financial institution **Caisse des Dépôts et Consignations (CDC)** reports Gabon's public debt currently stands at 7,000 billion FCFA (\$11 billion), which represents 75% of the country's gross domestic product (GDP);

21 Jan 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Franco-British** oil producer **Perenco**, through its subsidiary **Perenco Gabon**, says it will invest 260.8 billion FCFA (\$449.6m) to increase its oil production and develop gas activity in Gabon in 2022;

19 Jan 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Assemblée Nationale** (national assembly) president **Faustin Boukoubi** declares during an interview with state-owned daily **l'Union** that it will not publish the parliamentary inquiry report on the management of **Covid-19** funds;

19 Jan 2022 **Libreville (Gabon)** *Gabon Media Time*. The **World Bank** forecasts in its global economic outlook report that Gabon will attain 2.8% economic growth rate in 2022;

17 Jan 2022 **Abidjan (Côte d'Ivoire)** *Koaci.com*. **Cote d'Ivoire's** President **Alassane Ouattara** undertakes friendly visit to **Gabon**, to meet Gabonese head of state **Ali Bongo Ondimba**;

### About Africa Risk Consulting:

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