

AFRICA RISK CONSULTING

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Gabon Summary 7 December 2022

As Gabon prepares for its August 2023 presidential elections, opposition candidates call for unity as campaigns for President Ali Bongo Ondimba (2009-present), who has yet to announce his candidacy, begin. The Direction générale des recherches (DGR) (general directorate of investigation) arrests presidential candidate Sosthène Orphé Lendjedi Ibola on 10 November on suspicion of terrorism, ruling him out of the race. The World Bank's board of directors approves Gabon's new Country Partnership Framework (CPF) for the 2023-2027 period. The CPF is geared towards supporting Gabon's post-Covid-19 pandemic transition towards sustainable and inclusive economic growth. Libreville plays host to a symposium on 17 and 18 November, bringing together financial practitioners and academics from the Communauté Économique et Monétaire de l'Afrique Centrale (CEMAC) (economic and monetary community of Central Africa) to discuss the future of the Central African Franc (FCFA). Gabonese citizens have indicated their support for an independent, single currency, and political will in Gabon appears higher than in other CEMAC countries.

Election horseraces begin

As **Gabon** prepares for its August 2023 presidential elections, opposition candidates are calling for unity and campaigns for President **Ali Bongo Ondimba** (2009-present), who has yet to announce his candidacy, have begun. Opposition parties have held a series of meetings over the past month, looking to try to work together and form alliances ahead of the election. The opposition **Union nationale (UN)** held a meeting on 27 November, in the presence of other opposition leaders and civil society, where UN leader **Paulette Missambo** called on opposition parties to rally and unite ahead of the elections.¹ Missambo said she believes that in 2023 the rejection of the current regime will be even more outspoken than in 2016. The 2016 election saw mass protests, leaving five dead and 1,000 arrested, after it was announced that Bongo had won a second term over former foreign affairs minister **Jean Ping** (see *ARC Briefing Gabon Sep 2016*). Several irregularities were noted, and the case was taken to the constitutional court, which ruled in favour of Bongo.

Missambo also called for the current electoral system to be reformed to avoid rising tensions. Opposition parties presented a memorandum for the reform of the national electoral system to the interior ministry in July, however, Missambo told attendees that the executive has still not discussed the proposal with the opposition parties.² Missambo expressed her disappointment, stating:

"It is not a question of opening any political haggling. It is a question of creating the conditions for the preservation of social peace and the construction of a participative and peaceful democracy."³

Opposition party **Rassemblement pour la patrie et la modernité (RPM)** held a second congress on 2 December, which fellow leaders of opposition parties were invited to attend.⁴ Creating a united front ahead of the elections may be a positive move if the opposition wishes to challenge Bongo; however, it is easier said than done. Opposition party leaders will need to set aside political differences and egos to form a united front. Leaders from **Réappropriation du Gabon (Réagir)** and

¹ Gabon Review, 28 Nov 2022

² Gabon Review, 28 Nov 2022

³ Gabon Review, 28 Nov 2022

⁴ Gabon Review, 4 Dec 2022

L'Alliance pour la renaissance nationale (Arena) have expressed their desire to unite ahead of the elections while noting that it is time for political leaders to set aside *"selfishness"* to achieve this goal.⁵

As opposition parties gather, so too does the majority coalition in support of Bongo, the **Majorité républicaine et sociale pour l'émergence (MRSE)**, comprised of the ruling **Parti démocratique gabonais (PDG)** and the allied **Centre des libéraux réformateurs (CLR)**. The MRSE met on 15 November, announcing its agenda of ensuring that Bongo is voted into power again.⁶ CLR president **Jean Boniface Assélé**, whose party hosted the meeting, committed *"total and unambiguous support of all the parties of this political movement"* to Bongo.⁷

Politicians have also begun campaigning on Bongo's behalf. Youth and sports minister **Franck Nguema** arrived in **Oyem** on 26 November to promote the platform *"Comité de soutien à la réélection d'Ali Bongo"* (support committee for Ali Bongo's re-election).⁸ Nguema met with residents of Oyem, promoting Bongo for re-election, despite Bongo himself not having confirmed his candidacy. Nguema called for unity ahead of the elections, while distributing 3,000 school supply kits to the Oyem population.

The PDG will hold its 12th national congress on 23 and 24 December, where it is anticipated that Ondimba will officially announce his candidacy for 2023.⁹

... as yet another opposition candidate is arrested

The **Direction générale des recherches (DGR)** (general directorate of investigations) arrested opposition politician **Sosthène Orphé Lendjedi Ibola**, who announced his candidacy for the presidential elections in March, in **Libreville** on 10 November on suspicion of terrorism. Ibola has been in exile in **Canada** for the past six years but returned to Libreville ahead of the elections. Ibola is accused of inciting insurrection, forming terrorist cells and causing the destruction of public buildings.

Many of the charges relate to a fire at Oyem stadium in April 2020 where the presidential box was set alight. Activist group **Cellule du Grand Nord (CGN)** claimed the attack and its two leaders, **Consty Ondo** and **Gérald Agaya**, were sentenced to prison in September 2020.¹⁰ Ibola is not mentioned in the case and the DGR has provided no further information regarding the evidence it has connecting the two. Ibola's party, **d'Orientation Nouvelle**, believes the arrest is subterfuge by the ruling party to remove Ibola as a candidate.

Members of the Gabonese gendarmerie arrested opposition **Les Démocrates** leader and former **Assemblée nationale** (national assembly) president **Guy Nzouba Ndama** on 17 September (see *ARC Briefing Gabon Oct 2022*). Ndama was found carrying suitcases of cash upon his return from the **Republic of Congo**. The opposition has described his arrest as an attempt by the ruling party to risk Nzouba-Ndama's chances of running in the 2023 election.

World Bank approves Country Partnership Framework

The **World Bank's** board of directors discussed and approved Gabon's new **Country Partnership Framework (CPF)** for the 2023-2027 period on 22 November. The CPF is geared towards supporting Gabon's post-**Covid-19** pandemic transition towards sustainable and inclusive economic growth.¹¹ The discussions on the CPF were an opportunity for the World Bank to highlight both positives and negatives in Gabon's current economic situation. The financial institution noted that as **Africa's** fifth-largest oil producer, higher oil prices are accelerating Gabon's economic recovery post-pandemic.

⁵ Gabon Review, 4 Dec 2022

⁶ Gabon Review, 15 Nov 2022

⁷ Gabon Review, 15 Nov 2022

⁸ Gabon Review, 28 Nov 2022

⁹ Gabon Media Time, 22 Nov 2022

¹⁰ Gabon Review, 7 Sep 2022

¹¹ Direct Infos Gabon, 28 Nov 2022

However, the restrictions imposed during the pandemic exacerbated Gabon's high unemployment rate, which currently stands at 22% while youth unemployment is even higher at 38%.¹² The World Bank has targeted job creation as its strategic orientation for the 2023-2027 CPF, especially in areas that are not reliant on oil.

Abdoulaye Seck, World Bank country director for **Central Africa**, noted in the CPF report that Gabon's oil reserves are "*dwindling*" and that developing human, institutional and physical capital that is able to thrive in other areas of the economy will spur sustainable and resilient growth.¹³ The government has spent decades focusing on oil production; however, as climate change and declining natural resources present challenges, Gabon finds itself in a unique position of having a blue and green economy on which it could capitalise.¹⁴ Seck highlighted this by stating he believes specific focus should be placed on forestry, ecotourism, green energy and agro-industry, which have immense growth potential.¹⁵ Focus on these sectors would also promote economic diversification, which will be pivotal in Gabon achieving sustainable economic growth.

Other areas in which the World Bank aims to offer support include strengthening public service delivery, increasing access to social services, strengthening the resilience of urban infrastructure and promoting investment in non-oil sectors.¹⁶ The World Bank's current portfolio in Gabon includes seven active projects, and two regional projects amounting to \$372m; however, the CPF will see this support increase even further.

CFA franc comes under discussion

Libreville played host to a symposium on 17 and 18 November, bringing together financial practitioners and academics from the **Communauté Économique et Monétaire de l'Afrique Centrale (CEMAC)** (economic and monetary community of Central Africa) to discuss the future of the Central African franc (FCFA). The FCFA is used by Gabon, **Central African Republic**, Cameroon, **Chad, Republic of Congo** and **Equatorial Guinea**; its value is pegged by the euro and backed by the **French** treasury. The FCFA was adopted in 1945 but has long drawn criticism for stunting development in the countries that use the franc, including **West African** nations that use the West African franc.

CEMAC heads of state held discussions in **Yaoundé** (Cameroon) in November 2019, with the aim of addressing areas including the guarantee of unlimited coverability by France of the FCFA, the fixity of the exchange rate, the freedom to transfer between member countries and France, and the centralisation of reserves with an account at the French treasury.¹⁷ The CEMAC heads of state reaffirmed their desire to have a stable and strong common currency in the region.¹⁸

The recent symposium aimed to develop a plan to revisit the monetary cooperation agreement with France, allowing countries that use the FCFA more control and sovereignty.¹⁹ CEMAC commission president **Daniel Ona Ondo** told the press following the end of the symposium that the use of the FCFA is not the cause of underdevelopment in CEMAC countries. Ondo, a former prime minister of Gabon, said the CEMAC countries have small, non-diversified economies, which has been the main factor stunting development. Ondo believes that CEMAC countries cannot blame their problems on the FCFA and that removing it will not "*generate growth of 10% or 20% as some people think*".²⁰

¹² Direct Infos Gabon, 28 Nov 2022

¹³ Gabon Review, 28 Nov 2022

¹⁴ ARC Gabon analyst

¹⁵ Gabon Review, 28 Nov 2022

¹⁶ Le Nouveau Gabon, 24 Nov 2022

¹⁷ Le Nouveau Gabon, 18 Nov 2022

¹⁸ Direct Infos Gabon, 17 Nov 2022

¹⁹ Direct Infos Gabon, 17 Nov 2022

Gabonese citizens are in favour of getting rid of the FCFA and establishing an independent single currency. A poll conducted by pan-African research network **Afrobarometer** in July indicated that 89% of Gabonese citizens are in favour of this move.²¹ Eight out of ten people polled across the CEMAC region believe that the FCFA benefits France more than their countries.

Gabon's move to join the **Commonwealth** in July also drew attention to possible future plans to move away from the FCFA and it appears to be the keenest of CEMAC countries to do so. Foreign minister **Micheal Mousa Adamo** told **United Kingdom** publication **The Spectator** in July that joining the Commonwealth could see Gabon move away from the FCFA:

*"Eventually that has to change, it will change... You cannot stick to the CFA forever."*²²

What to watch...

The 2023 elections will be a pivotal moment for Gabon. Bongo's father, **Omar Bongo Ondimba** (1967-2009), ruled for 42 years before his death in 2009, when Bongo took over as head of the PDG. As opposition parties gear up for the elections (see above), the highly likely outcome is Bongo retaining power. Bongo's influence is entrenched in Gabon's institutions and the chances of a win being overturned are not high. Pre-election tensions will continue to build throughout 2023, and post-election protests and violence, as seen in 2016, cannot be ruled out.

Gabon has also already received nearly half of its **International Monetary Fund (IMF)** funds made available under the **Extended Credit Facility (ECF)**, agreed upon in July 2021. Gabon has accessed approximately \$263.63m of its \$553.2m extended arrangement. The country's first and second reviews were completed in June, and a third review in November. Both reviews have been positive, with Gabonese authorities complying with the programme set out by the IMF. The focus for the IMF has been promoting economic diversification, inclusive economic growth and increasing transparency in Gabon's oil and extractive sectors. The IMF recommended an audit of the oil sector, which government agreed to in August. While no date has been made public yet, the audit is expected in 2023. The audit will be a test for the dominant oil sector and whether Gabon has truly followed through on commitments to organisations such as the **Extractive Industries Transparency Initiative (EITI)**.

Gabon's environmental strategies in 2023 will also be a priority for the government. The **United Nations Framework Convention on Climate Change (UNFCCC)** certified the government's planned 180 million carbon credits in November and these can now be sold. The goal was to sell 90 million at the **UN Climate Change Conference 2022 (COP27)** for \$2 billion; however, no sale has been confirmed. If successful, the sale of the carbon credits could be a large contributor to revenue in 2023 and going forward. In 2023, the government may announce the release of further credits or plans to ensure that it can continue using its forests as potential revenue generators.

²¹ Le Journal de la Afrique, 28 Sep 2022

²² The Spectator, 4 Jul 2022

Planner

Aug 2023 **(Gabon)** Local, national assembly and presidential elections

Chronology

- 7 Dec 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. French transport and logistics company **Bolloré** buys **Société nationale d'acconage et de transit (SNAT)**, strengthening its presence in **Gabon's** port sector;
- 5 Dec 2022 **Libreville (Gabon)** *Direct Infos Gabon*. **Gabon** experiences a small earthquake measuring a magnitude of 5.5, causing no damage or injuries;
- 2 Dec 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. Members of parliament (MPs) recommend that government limit the tax exemptions granted to certain companies in 2023, in line with recommendations from the **International Monetary Fund (IMF)**;
- 30 Nov 2022 **Libreville (Gabon)** *Gabon Review*. President **Ali Bongo Ondimba** arrives in **Togo** to meet his counterpart, President **Faure Essozimna Gnassingbé**, to discuss increasing bilateral cooperation;
- 28 Nov 2022 **Quebec (Canada)** *Gabon Review*. **Gabon's** mines minister, **Elvis Ossindji**, takes part in the **Quebec Mines & Energy 2022 Congress**, promoting **Gabon's** mining potential to investors;
- 25 Nov 2022 **Libreville (Gabon)** *RFI*. Political opposition coalition platform **PG41** spokesperson **Théophile Makita Niembo** highlights a lack of consultation with opposition parties as the interior minister announces a revision of the electoral lists;
- 25 Nov 2022 **Libreville (Gabon)** *Gabon Media Time*. **National assembly** adopts the 2023 financial budget set at 3,295.6 billion FCFA (\$53 billion);
- 24 Nov 2022 **Libreville (Gabon)** *North Africa Post*. Trade minister **Yves Fernand Manfoumbi** announces plans to inject \$20.5m from bilateral and multilateral sources to support **Gabon's United States-bound** exports over three years;
- 23 Nov 2022 **Port-Gentil (Gabon)** *Le Nouveau Gabon*. Public works ministry announces plans to build a new railway line linking the **Belinga** mining site to **Port-Gentil**, the economic capital of **Gabon**, creating a new export line;
- 22 Nov 2022 **Libreville (Gabon)** *Gabon Review*. **Forces de police nationale** commander-in-chief **Serge Herve Ngoma** says 2.6 billion FCFA (\$4.1m) has been lost to scam, fraud, embezzlement and forgery between January and October;
- 21 Nov 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Compagnie minière de l'Ogooué (Comilog)**, the **Gabonese** subsidiary of **France-headquartered Eramet**, sells its 76% stake in the **Maboumine** deposit to the government, allowing the government to look for new partners and revive the deposit;
- 19 Nov 2022 **Libreville (Gabon)** *Direct Infos Gabon*. **United Kingdom-headquartered** oil firm **Assala Gabon** announces an investment budget of \$370m for 2023;
- 16 Nov 2022 **Libreville (Gabon)** *Direct Infos Gabon*. **North Korea** officially becomes **Gabon's** second largest export destination, importing high volumes of crude oil;
- 16 Nov 2022 **Libreville (Gabon)** *Anadolu Agency*. Opposition presidential candidate **Sosthène Orphée Lendjedi Ibola** faces prosecution on charges of insurrection and establishing terrorist cells in **Mouila, Oyem** and **Libreville** after agents of the **Direction générale des recherches (DGR)** (general directorate of investigations) reportedly detained him;
- 16 Nov 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Gabon** and **Guinea-Bissau** sign framework agreements in several sectors including agriculture, economic exchanges, fishing and industry, in a bid to improve bilateral relations;

14 Nov 2022 **Libreville (Gabon)** *Proactive Investors*. **Australia**-headquartered **Armada Metals** identifies new drilling targets at the **Nyanga** project following a natural source audio-magnetotelluric (NSAMT) survey;

11 Nov 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Australia's Apollo Minerals** announces that the exploration phase of **Kroussou** mine revealed zinc and lead potential of between 140 and 300 million tonnes, which the company considers a supergiant base metals project;

11 Nov 2022 **Libreville (Gabon)** *Le Nouveau Gabon*. **Direction générale de l'économie et de la politique fiscale (Dgepf)** (directorate for economy and fiscal policy) indicates that commercial activity increased by 5% to 87.7 billion FCFA (\$141.3m) in quarter two from 83.2 billion FCFA (\$134m) in quarter one , a direct outcome of government lifting all **Covid-19** measures;

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