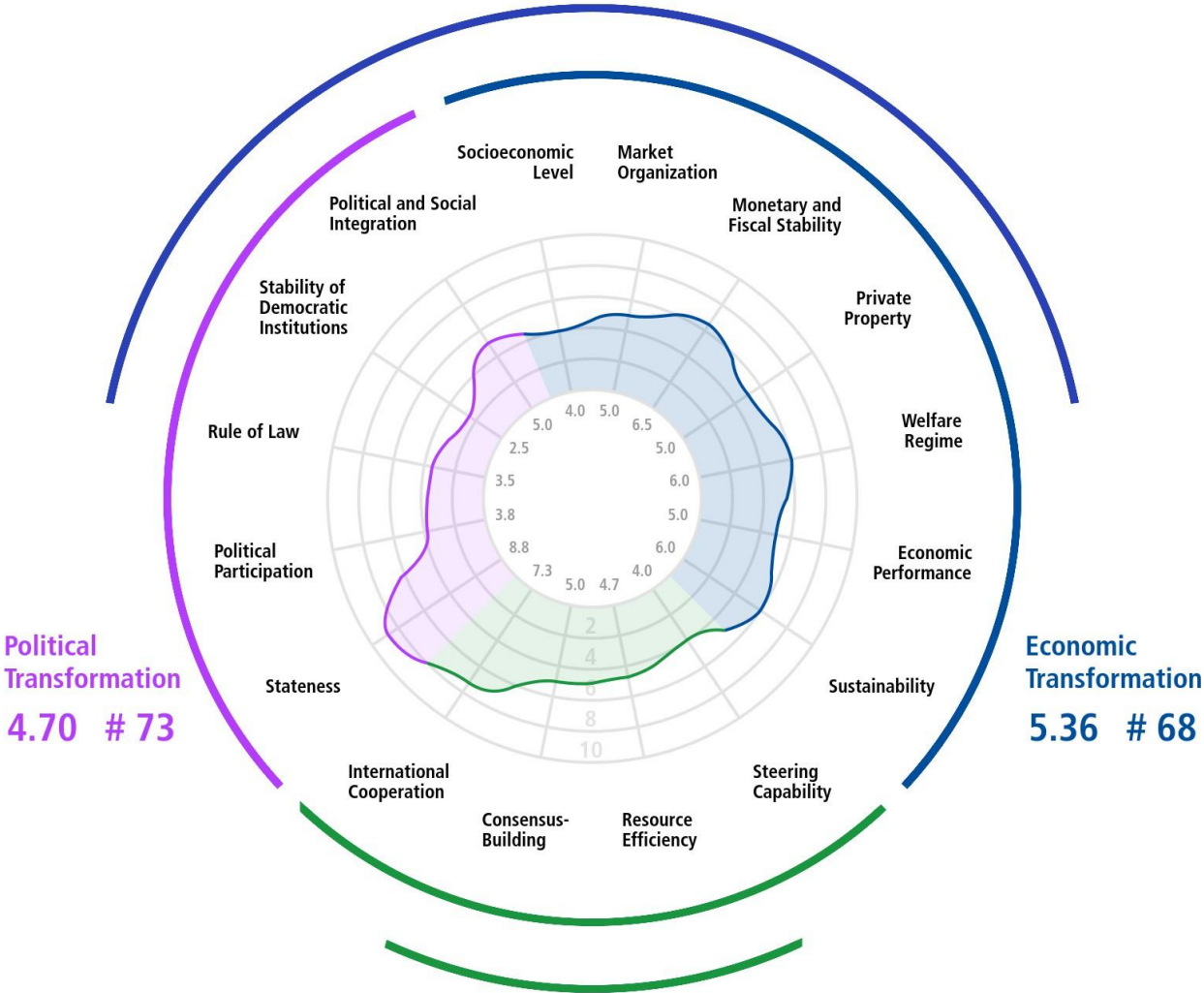


Gabon

Status Index

5.03 # 70

on 1-10 scale out of 137



Political Transformation
4.70 # 73

Economic Transformation
5.36 # 68

Governance Index

4.57 # 76

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	2.4	HDI	0.706	GDP p.c., PPP \$	16471
Pop. growth ¹	% p.a.	2.0	HDI rank of 189	112	Gini Index	38.0
Life expectancy	years	65.8	UN Education Index	0.675	Poverty ³	% 8.1
Urban population	%	90.7	Gender inequality ²	0.541	Aid per capita \$	41.5

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

A political crisis triggered by President Ali Bongo's stroke in 2018 and the opaque manner in which he continued to wield power through his next of kin during his recovery has elicited various responses from 2020 to 2022. On the one hand, critics have called for his resignation to bring an end to the six-decade rule of the Bongo dynasty. Democratic opponents are still striving to identify a candidate around whom they can rally for the upcoming 2023 presidential elections. On the other hand, loyal members of the PDG party continue to stage an institutional charade of cabinet meetings and rubber-stamp legislation to conceal the unsettling absence of their party leader. Within the dynasty, powerful family members vie for position and wealth amid uncertainty about the patriarch's health and the prospect of his passing.

Given his announcement of candidacy, there is little doubt that Ali Bongo will secure his second re-election bid. With control over 80% of legislative seats, nearly all regional and municipal governments, the courts, and public administration, including state security, the ruling PDG's heavyweights aim to retain power and enrich themselves through corrupt practices tied to dynastic rule, rather than following through on the constitutional reforms toward multiparty democracy initiated in 1991.

However, viewed purely from an economic perspective, Gabon has emerged from the COVID-19 pandemic in better shape than it entered. This is partly due to Ali Bongo's return to the public sphere after two years of secretive recovery following his stroke. His government seems to have managed the public health crisis relatively well through a series of lockdowns and free vaccination programs. The main factor, however, has been the rebound of international commodity prices, with global benchmark prices for crude oil averaging \$99 per barrel in 2022. Oil prices spiked to heights (\$117) not seen since 2008 in March 2022 due to the Russia-Ukraine war. Any decline in price since August (e.g., \$80 at year's end) reflects market uncertainty about an impending global recession. Despite a long decline in crude oil production, output increased from 170,000 to 191,000 barrels per day in 2022. Given that petroleum accounts for 83% of the country's exports, the dual increase in oil production and prices has restored Gabon's macroeconomic trade balance.

Manganese production also rose to 10.06 million tons in 2022, a 6.9% increase from 2021. For the second consecutive year, Gabon holds the distinction of being the richest country in Africa (excluding very small countries) in terms of per capita GDP. According to the Center for the Study and Reflection on the French-speaking World (CERMF), its per capita GDP was \$8,017 at the start of 2022, surpassing that of Botswana at \$7,348.

If windfall gains from natural resources are directed toward reducing the swollen public debt (which fell from 78% of GDP in 2020 to 68% in 2021, with projections to reach 58% by year's end), and if the strategic investments made by Bongo's government in the green economy and diversified growth through his signature Gabon Emergent Development Plan begin to generate wealth rather than consume it, there is still a possibility that his gamble may succeed and lead Gabon toward becoming an emerging economy.

History and Characteristics of Transformation

The year 1960 marked Gabon's independence from France, ushering in a new era that held promise of economic benefits for the Gabonese people. The country's extractive industries, such as manganese, uranium, and oil, were expected to generate substantial government revenues to fuel social and economic development. However, this independence was contingent upon signing cooperation agreements with France, which left most of the existing dominant-dependent relationships largely unchanged. This form of French neocolonialism hindered development, as it burdened African societies with the need to satisfy French interests, often undermining the very foundations of their newfound independence.

Omar Bongo, who collaborated closely with the French, established a single-party authoritarian regime under the Parti Démocratique Gabonais (PDG) banner. He held power for nearly four decades, initially under de jure one-party rule and later, after a constitutional reform in 1991, under de facto one-party rule.

With the end of the Cold War in 1990, there was hope for a substantial shift from authoritarian governance and statist economics toward political democracy and free market capitalism. While the transition to democracy didn't materialize, market reforms were largely implemented. Following Omar Bongo's passing in 2009, his son Ali Bongo succeeded him as president. The PDG never lost a national election, due to adept electioneering by its members and the backing of Bongo's "selectorate," who sustained the Bongo dynasty to preserve their own self-interests. Changing rulers would jeopardize their positions and privileges.

Ali Bongo, who assumed power from his father in a quasi-dynastic manner, has governed much like his father did from 1967 to 2009. He has cooperated with foreign investors and multinational corporations, utilizing proceeds from extractive industries to fund patronage systems that support his regime. Despite the formal semblance of electoral democracy, the ruling PDG isn't truly a governing party. Ali Bongo governs in a neo-patrimonial presidential style, where he personally controls crucial decisions. His stroke in late 2018 rendered the government machinery ineffective and raised doubts about his fitness to rule. This led to a legitimacy crisis within his personalistic and increasingly dynastic rule.

Members of his family, such as First Lady Sylvie Bongo (who managed the presidential palace), his brother Fred Bongo (overseeing security), and his eldest son Nouredin (the heir apparent), assumed power, sidelining influential superministers and chiefs of staff who were managing the ambitious “Gabon Emergent” program in his absence.

Through high-profile anti-corruption initiatives like “Operation Mamba” and “Operation Scorpion,” individuals holding considerable power, including influential superministers, were removed from office. They were replaced by members of the Bongo family, particularly his eldest son, Nouredin. In this way, Ali Bongo consolidated his fragile personal power base through dynastic methods. He uses international appearances to reassure partners in Europe, America, and Asia that he remains in control and will honor his debts (including a Eurobond to private creditors), uphold contracts (with extractive industries), and fulfill his regional and global commitments to environmental, biodiversity, security, and trade agreements.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

There is no competition with the state's monopoly on the use of force throughout the entire territory. No group seeks to secede from the central state. Most of the territory of Gabon is covered with dense rainforest and few roads, which would make it an ideal ground for a rebel movement, were one to exist. But there is no rebel movement or armed insurgency force in Gabon, and the state alone controls the entire territory, with the assistance of pre-positioned French troops at Camp Charles de Gaulle outside of Libreville. Organized crime or other groups do not control any significant parts of the country either.

The vast majority of the population accepts the nation-state as legitimate. The Gabonese are proud nationalists and always have been, ever since independence in 1960. Some even display xenophobic tendencies, which can be seen as an indication of an excessively strong sense of nationalism. Among the population, there are Fang migrant workers who have entered the country from neighboring Equatorial Guinea, as well as a Lebanese expatriate community. Apart from French citizens residing in Gabon, these groups do not have the right to become citizens and face discrimination, particularly during periods of economic crisis. They are often perceived as taking away job opportunities from Gabonese citizens.

Gabon is a country that lacks religious divisions. The majority of its citizens are nominally Christian, with a strong element of syncretic practices that blend traditional religious cults. The state remains secular, following the French-style concept of "laïcité." About 6% of Gabon's population practices Islam, including the president, Ali Bongo. Most adherents follow Sunni Islam, while the majority of Muslims, about 80–90%, are foreigners. The government's television stations provide free airtime to the Catholic Church, Protestant congregations, and Islamic mosques. Alongside these global religions, Gabon embraces numerous indigenous African religions, freely practiced by its people. The constitution guarantees freedom of religion, and the government generally respects this right in practice.

Question
Score

Monopoly on the
use of force

10



State identity

9



No interference of
religious dogmas

10



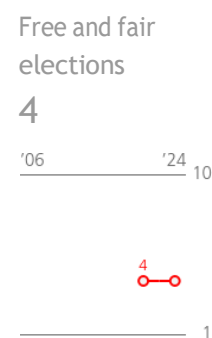
The oldest religions in Gabon are the ones that have developed locally through the country's approximately 40 Bantu peoples, most of whom have inhabited the rainforests. These religions are referred to as "traditional" because they were created by non-literate peoples. Unlike Christianity and Islam, these belief systems have not been preserved through sacred scriptures but through oral traditions that evolved over many centuries. Gabon's traditional religions have also featured secret initiation societies for both males and females. The elders of these organizations instruct initiates in the moral, physical, and intellectual knowledge and values of their respective peoples at different stages of development from adolescence to maturity. Despite the presence of official Christian churches and Islamic organizations, these ancient religious norms still wield considerable influence over the ruling clans.

Although there are many development indicators that go unreported by the government authorities of Gabon, almost all people (91.6%) are reported to have access to electricity. Most people (85.3%) are reported to have access to running water, and almost half of the population (49.8%) are reported to have access to basic sanitation services – that is, piped sewer systems, septic tanks, or pit latrines, ventilated improved pit latrines, composting toilets, or pit latrines with slabs. In this sense, the state has a basic administrative structure that provides basic public services throughout the country. However, there are noticeable differences in the provision of services between those who live in urban centers like the capital city Libreville or the oil capital Port-Gentil, and those who live in the rainforest. Some communities are completely cut off from state services, especially during the rainy season.

2 | Political Participation

Since the end of the Cold War and under pressure from foreign donors, Gabon has held multiparty elections for the presidency, the National Assembly, the Senate, and local government posts. Almost all of these have been – and continue to be – dominated by the ruling PDG.

The last presidential elections took place in 2016, after which Ali Bongo was declared the winner, with a narrow lead over opposition leader Jean Ping. According to the U.S. State Department, observers noted numerous irregularities, including a questionable vote count in Bongo's home province. The government forcibly dispersed violent demonstrations that followed the election. Similarly, in the 2018 legislative elections, the Gabonese Democratic Party won 100 of the 143 National Assembly seats. The African Union observer mission did not comment on the freeness and fairness of the elections but noted some irregularities. Some opposition parties boycotted the elections; however, fewer did so than in the 2011 legislative elections. While elections are conducted regularly and universal suffrage is guaranteed on paper, the State Department notes an "inability of citizens to change their government peacefully through free and fair elections" as well as "serious and unreasonable restrictions on political participation."



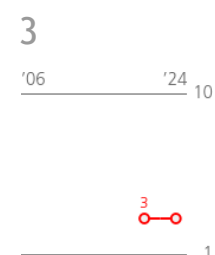
Furthermore, since the beginning of this decade, the government has adopted a constitutional amendment that increased the number of deputies from 120 to 143, gerrymandering the electoral map in a way highly beneficial to the ruling PDG. It reserved almost as many seats for the Bongo clan's fief of Haut-Ogooué as for Libreville, despite Haut-Ogooué having a population four times smaller. The government also decided to reduce the number of senators by half, from 102 to 52. This decision sparked controversy because some provinces would have more senators than others. Haut-Ogooué, for example, received 11 senators, while the Estuary, the most populous province and the home of the capital Libreville, received only 8. In the last presidential election, serious irregularities occurred during the voting process and ballot count. The irregularities in the 2016 elections, such as Haut-Ogooué showing that 99.9% of the electorate had voted and Bongo had received 95.5% of the votes, led observers to question the conduct of the election.

The next general elections are scheduled for 2023.

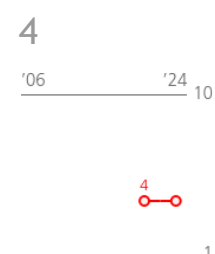
Gabon's political elite is very small and strongly interconnected through informal loyalties and family ties. The power structure follows a neo-patrimonial model, where formal principles of candidate selection and governance coexist with informal clientelism practices. The ruling Bongo family, which includes hundreds of members holding crucial positions in the government and economy, wields significant informal influence over official government representatives. Moreover, they often serve as elected representatives in national, regional, and local governments. The dynastic character of the Bongo regime became more evident during Ali Bongo's absence from the presidency after suffering a stroke in late 2019. During this period, his wife Sylvia and their eldest son Nouredine assumed leadership of the ruling Bongo clan, while his half-brother, Frédéric Bongo, who serves as the general director of the Republican Guard's special services, took control of the repressive security apparatus. Also exerting influence are business elites, particularly those affiliated with the Franco-Gabonese business community.

Association and assembly rights are protected by the constitution, but subject to government restrictions. The U.S. State Department, in its Human Rights Practices report, notes that there are "serious and unreasonable restrictions on political participation," including especially restrictions on the right of assembly but much less on freedom of association. The traditions of civil society are relatively pronounced. Gabon's labor code recognizes the right of workers to form and join independent unions and bargain collectively. The Gabonese Trade Union Confederation (COSYGA) is affiliated with the International Trade Union Confederation. The Syndicat de l'Education Nationale (SENA) has been denouncing structural problems in education. The independent oil workers syndicate, Organisation nationale des employés du pétrole (ONEP), is the most effective trade union in the country, working in the economic sector that provides the bulk of the country's exports and government revenues. There are few legal constraints imposed upon individuals who

Effective power to govern



Association / assembly rights



want to form or join non-governmental organizations or other interest groups. But when such groups challenge the power structure of the status quo, they can be repressed, in retail fashion, by the security forces under the control of the Bongo family.

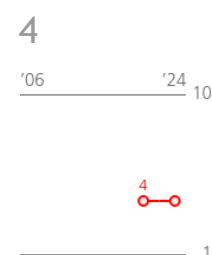
Freedom of expression is enshrined in Gabon's constitution, and in 2016, the government passed a communication law that abolished prison sentences for press offenses. However, the human rights report by the U.S. State Department reports "serious restrictions on free expression and media." Police still summon journalists for questioning under the penal code. The High Authority for Communication (HAC) is a supposedly independent government offshoot created by the Bongo government (during the crisis caused by his stroke in 2019) to replace the previous National Council for Communication (CNC), for which there was at least some kind of constitutional provision. The HAC has nine members, seven of whom are appointed by the government. Its president, Raphaël Ntoutoume Nkoghe, used to be President Bongo's communication adviser and can still be seen alongside the president in photos. Article 55 of the organic law governing the HAC is misapplied to allow its president to sanction media outlets without first calling a meeting of all nine HAC members.

Academic freedom is largely respected, and Gabon ranks in the top 30–40% in the Academic Freedom Index.

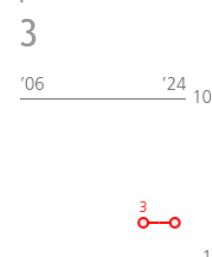
3 | Rule of Law

Despite the de jure constitutional separation of powers, there is de facto unity of power in the executive. The separation of power is a constitutional formality but is weakly developed in practice. The National Assembly is dominated by the ruling PDG, which imposes party discipline in voting. Although it provides some space for debate and political representation, the parliament does not efficiently fulfill its functions of constraining and overseeing the executive. Since cabinet positions are often filled with members of parliament, elected representatives have an incentive to build loyal ties to top elites to further their careers. Government reshuffles are frequent as a consequence of the constant need to rebalance the interests of members of the top elite. The ruling PDG is dominated by personalized networks centered around the Bongo clan, and these networks stretch across all other institutions. The Senate, an institution created to retire elderly party members in style, has even less autonomy. The courts are not independent of the executive either.

Freedom of expression

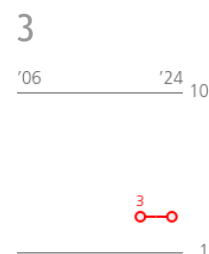


Separation of powers



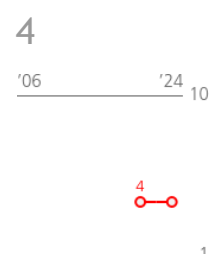
The judiciary is comprised of individuals selected by the Bongo clan and loyal to the ruling PDG party, and it has shown no independence in relation to executive power. The highest court in the country is the Constitutional Court, presided over by the former mistress of President Omar Bongo, the father of current President Ali Bongo. The Constitutional Court has validated a series of irregular presidential elections with blatant partiality. The president appoints and can dismiss judges through the Ministry of Justice, to which the judiciary is accountable. Corruption is a problem. Individuals charged with offenses have reportedly paid bribes to influence the judicial process, avoid facing trial, or both.

Independent judiciary



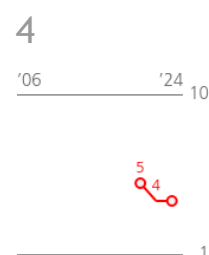
While the ruling family is untouchable, underlings are more frequently prosecuted for corruption. In February 2020, the public prosecutor dismissed a complaint from four civil society organizations against the president's eldest son, Nouredin Bongo, for corruption and money laundering. Nouredin has been one of the main actors in President Bongo's "Scorpion" anti-corruption campaign. In January 2021, the former head of the state-run Gabon Oil Company, Patrichi Christian Tanasa, was imprisoned as a result of one of Nouredin's anti-corruption investigations. In July 2022, Gabon's former presidential spokesman, Ike Ngouoni, was also sentenced to eight years in prison by the Special Criminal Court of Libreville for embezzlement of public funds and money laundering. Yet, the October 2021 release of the Pandora Papers by the International Consortium of Investigative Journalists revealed that the Bongo family itself used substantial resources to sustain patronage networks and fund vote-buying during elections.

Prosecution of office abuse



Legal safeguards against arbitrary arrest and detention are not upheld by the police. Detainees are often denied access to lawyers, and lengthy pretrial detention is commonplace. Cases of arbitrary arrests linked to opposition protests and activism have increased since the failed coup attempt of January 2019. In recent years, the regime has repeatedly denied permits for meetings of opposition protests and has used tear gas and arrests to disperse unauthorized demonstrations against Ali Bongo.

Civil rights



In June 2021, Professor Mathurin Ovono Ebe, the president of the teachers' union at Omar Bongo University, was kidnapped, tortured, and threatened by armed assailants connected to the government. This incident occurred because he had taken part in a protest in front of the university just hours before his abduction.

According to the human rights reports by the U.S. State Department, social stigma prevented women and historically marginalized groups, such as persons with disabilities and lesbian, gay, bisexual, transgender, queer, and intersex (LGBTQ++) persons, from participating equally in political life.

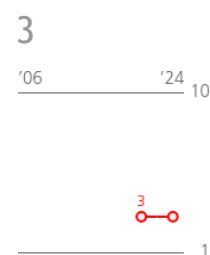
4 | Stability of Democratic Institutions

Democratic institutions exist, but the separation of powers is weak as the PDG and the Bongo clan continue to dominate, rendering them ineffective.

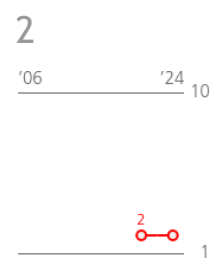
On July 16, 2020, Rose Christiane Ossouka Raponda became the first female prime minister of her country. Prior to her appointment, Raponda had served as the first female mayor of Libreville and the country's first female defense minister. While this represents a significant step forward for women's rights, her government lacks transparency. The presidential budget does not undergo the same level of oversight as budgets for other institutions. At the end of 2020, President Bongo expressed his satisfaction with the constitutional changes, particularly those related to presidential succession in the event of impediments or power vacancies. In 2019, the vice presidency was abolished, and the revised constitution now outlines a different line of succession that ensures power remains with the ruling Gabonese Democratic Party (PDG). Article 13 introduces a triumvirate consisting of the presidents of the two parliamentary houses and the defense minister, all of whom are currently PDG members. This triumvirate will oversee the transition period and prohibit these three individuals from participating in future presidential elections, thereby paving the way for quasi-dynastic succession by Nouredine Bongo, the president's eldest son.

Political power is concentrated in the dominant party, the PDG, and specifically in the ruling Bongo family, which clearly lacks commitment to the formal democratic institutions. While power structures are highly informalized, institutions coexist alongside personal networks and are used to legitimize and regulate access to spoils. The creation of new positions often reflects power struggles and adjustments within the elite. Ali Bongo, especially with an eye on the upcoming elections, is seeking to solidify his position. Shielded from ordinary Gabonese citizens by sporadic violence and absent from public view for over a year during his recovery from a 2018 brain stroke, President Bongo has delegated much of the decision-making to his wife, Sylvie, and son, Nouredine, and entrusted state security to his half-brother, Frédéric. In a move that exemplifies the dynastic politics pervading state institutions, Nouredine Bongo was appointed "general coordinator of presidential affairs" in a 2019 administrative reorganization of the palace, with the responsibility of assisting the president in all state affairs and ensuring strict adherence to his decisions. In November 2021, during a cabinet meeting held via videoconference and personally chaired by Ali Bongo, the government announced that Nouredine would be appointed to a significant new role within the ruling PDG party, the "Strategic Adviser to the President of the Party." As the 2023 presidential elections approach, this position may be more pivotal than any other in maintaining the Bongo clan's grip on power.

Performance of democratic institutions



Commitment to democratic institutions

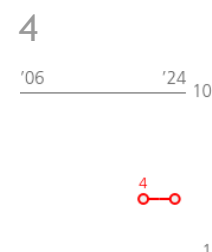


5 | Political and Social Integration

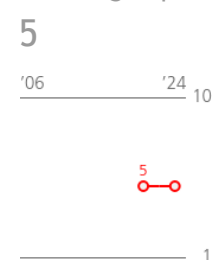
Gabon operates under a dominant party system, with the ruling Parti Démocratique Gabonais (PDG) holding control over the National Assembly, Senate, as well as most local and regional governments. Since the 1960s, the PDG has maintained a monopoly on the executive branch, leaving little opportunity for the opposition to gain power through elections. To challenge the Bongo clan, a coalition of 50 opposition parties known as the Union Nationale (UN) has formed. As the country anticipates presidential elections in 2023, some former opposition leaders have decided to join the Bongo regime. René Ndemezo'o Obiang, who previously served as Jean Ping's campaign manager during the 2016 presidential election, aligned with President Bongo on April 4, 2021. Frédéric Massavala Maboumba, a former spokesperson for the U.N. coalition backing Jean Ping, followed suit on June 19, 2021. In a more discreet manner, former Prime Minister Jean Eyeghe Ndong "paid a visit" to the presidential palace on June 9, causing news to circulate on social networks. This move sparked accusations of treason from Jean Ping's followers. However, one of the main strategies employed by the Bongos and their ruling PDG party is to divide the political opposition through co-optation. Opposition parties face structural disadvantages due to the power resources of the incumbent. Conversely, the existing opposition lacks a clear alternative societal project and is primarily focused on the distribution of spoils rather than challenging the system itself. These opposition parties are not organized along societal divisions and fail to represent well-articulated interests. The voting patterns exhibit a high level of volatility, and parties tend to rely heavily on personalized leadership.

Relatively few non-governmental organizations (NGOs) operate in Gabon due to the difficult and inconsistent registration process. The most powerful interest groups in the country are the big business lobby. The Investment Promotion Agency (ANPI-Gabon) houses over 20 public and private agencies, including the Chamber of Commerce, National Social Security Fund (CNSS), and National Health Insurance and Social Security (CNAMGS). Forest protection NGOs are the second-most powerful interest groups. By 2022, all forest development operations had undergone a certification process by the Forest Stewardship Council – a project funded by the French Development Agency (AFD) with technical support from the World Wide Fund (WWF). The goal was to actively involve Gabonese civil society organizations in improving the governance of agro-industrial and forestry operations. However, human rights interest groups face discouragement from the regime. Whenever civil society organizations dare to challenge the Bongo regime, especially regarding the ill-gotten gains of the ruling clan, they are either shut down or violently repressed, which also hinders their cooperation.

Party system



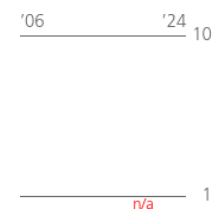
Interest groups



Gabon is a neo-patrimonial rent economy that represents an authoritarian regime. The latest Afrobarometer survey confirms a gap between the approval of democracy as a system of government, and the satisfaction with the supply of democracy and the effectiveness of institutions. Sixty-eight percent believe that leaders should be chosen through fair and free elections, but only 31% believe that elections in Gabon are actually free and fair. Additionally, 68% believe that the officially announced results of their most recent election were either “not very accurate, with major discrepancies” or “not accurate at all.” When asked specifically about the most recent 2018 legislative elections, 40% said they had neither been free nor transparent. In contrast, 73% think that democracy is always the preferable political system.

Approval of democracy

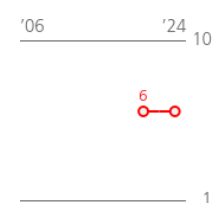
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Generally, the extent of social capital is relatively weak. NGOs have only limited influence, although they have had some impact on transparency in the extractive sector. NGO campaigns contributed to Gabon rejoining the international transparency initiative EITI.

Social capital

6



Active civic engagement remains limited, however. When asked by the recent 2021 round of Afrobarometer whether they had participated in a community meeting over the past year, 27% responded “no, never,” but 43% said that they would have if the occasion had presented itself. The remaining 30% said they had. When asked if they had participated in a protest, 58% responded “no, never,” but 33% said they would have if the occasion had presented itself. Another more direct measure is “trust.” When asked if they trusted their neighbors, 58% answered affirmatively. Additionally, 48% said they trusted other people they knew, 58% said they trusted people from other religions, and 64% said they trusted people from other ethnic groups.

At the same time, civil society organizations have limited influence. NGOs did have one major success in 2021. After almost a decade since leaving the Extractive Industries Transparency Initiative in 2013, Gabon has returned to the EITI, the global standard for the good governance of oil, gas, and mining.

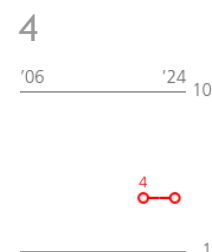
II. Economic Transformation

6 | Level of Socioeconomic Development

Despite an above-average GDP per capita of \$8,625 USD (2021), Gabon continues to face a significant income inequality gap, with a Gini coefficient of 38.8 in 2017. Gender inequality also remains a concern, as indicated by the Gender Inequality Index of 0.541 in 2021. In comparison to countries with similar incomes, Gabon performs relatively poorly on both the Human Development Index (HDI) and the Human Capital Index (HCI). Specifically, Gabon's HDI rank has slightly improved from 117th to 112th out of the 191 countries included in the UNDP Human Development Index for 2022. However, more than half (51%) of Gabon's population identifies as poor, highlighting unmet aspirations for improved living conditions. In rural areas, over 50% of residents live in poverty, and their poverty is three times more severe than that of the urban poor. According to the World Bank, 8.1% of the population lives in extreme poverty based on the most recent data available from Gabon in 2017. These individuals are unable to afford enough food to meet the minimum nutritional requirements of 2,100 kcal per person per day, surviving on less than \$3.65 a day at international prices adjusted for purchasing power parity.

Question
Score

Socioeconomic
barriers



Economic indicators		2019	2020	2021	2022
GDP	\$ M	16874.4	15314.6	20217.9	21071.7
GDP growth	%	3.9	-1.8	1.5	3.0
Inflation (CPI)	%	2.5	1.4	1.1	4.2
Unemployment	%	20.7	21.7	21.8	21.5
Foreign direct investment	% of GDP	9.2	11.2	7.6	5.2
Export growth	%	14.0	10.0	-2.0	7.4
Import growth	%	25.5	-6.0	3.5	8.6
Current account balance	\$ M	-	-	-	-
Public debt	% of GDP	60.0	78.3	65.8	57.7
External debt	\$ M	7198.9	7615.9	7722.0	-
Total debt service	\$ M	699.8	1413.1	1149.2	-

Economic indicators		2019	2020	2021	2022
Net lending/borrowing	% of GDP	2.9	-	-	-
Tax revenue	% of GDP	11.5	-	-	-
Government consumption	% of GDP	11.0	13.2	11.4	10.5
Public education spending	% of GDP	2.9	3.4	2.7	2.2
Public health spending	% of GDP	1.7	1.9	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.6	1.7	1.5	1.3

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

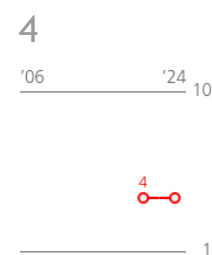
Since gaining political independence, Gabon has operated as a free market capitalist economy, welcoming foreign investors with open arms.

The standard rate of corporate income tax is 30%. A rate of 35% applies to oil and mining companies, while a reduced rate of 25% applies to companies holding intellectual property rights, qualified real estate companies developing urban land and low-rent housing, qualifying tourism companies, and public institutions.

The size of the informal economy is substantial, albeit perhaps below the sub-Saharan standard. Official data is not available. The website World Economics estimates that more than half of the country's economy is informal (51.6% without giving a specific reference year).

Since March 15, 2017, a special solidarity contribution has been introduced at a rate of 1% on the turnover of all companies that generate taxable income, excluding VAT, above CFA 30 million (\$48,665). Initially non-deductible, the Gabon government has agreed to make the CSS deductible for corporate tax purposes. However, behind the official façade, there is an uneven playing field, where French corporations have benefited from inequalities that were amplified by the cooperation accords for many decades. Concessions for valuable natural resources, which represent the primary economic activity, often involved corrupt payments to government officials and a bidding process that lacked transparency. This process privileged insiders and cronies of the regime, particularly members of the ruling Bongo clan.

Market organization

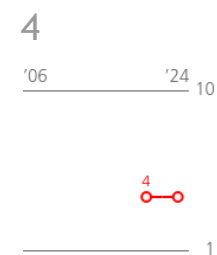


Regional CEMAC regulation of competition law only applies to abuses of a dominant position and cartel behaviors that have a regional dimension – that is, involving legal entities registered and based in the CEMAC region. According to CEMAC regulations, individuals and entities involved in an abuse of dominant position or cartel behaviors may be liable to imprisonment and the payment of a fine. Gabon’s competition law does not contain provisions that prohibit exclusivity arrangements between two or more parties to purchase goods exclusively from a specified seller. Gabonese antitrust law is based on Loi n° 14/1998 of July 23, 1998, which establishes the competition regime (Arts. 1–2), prohibits collective anti-competition (Arts. 7–11), individual anti-competition practices (Arts. 12–23), requires transparency in commercial transactions (Arts. 24–32), defines powers of investigation (Arts. 42–56) and establishes criminal penalties (Arts. 57–59). However, the state has established monopolies in several areas. For example, water and power production/distribution is under the monopoly of SEEG (Société d’énergie et d’eau du Gabon), a subsidiary of the Veolia Water group. The state timber firm, SNBG (Société Nationale Des Bois Du Gabon), has a monopoly over the marketing of ozigo and okoume logs. Additionally, CIMGABON (La Société des ciments du Gabon) holds the monopoly on the import of cement. Gabon is not a member of the International Competition Network.

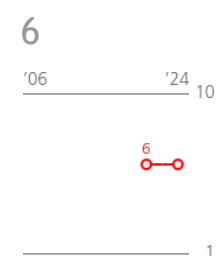
Gabon has been a member of the WTO since January 1, 1995, and foreign trade is primarily liberalized, although some constraints still persist. According to the Heritage Foundation, open-market policies concerning free trade and the uninhibited flow of capital are not firmly ingrained in the economic system. The foundation’s 2023 index highlights that the trade-weighted average tariff rate stands at 14.9%, with non-tariff measures persisting. The index also reveals that the government monitors foreign investment and that investment is deterred by inefficient regulatory regimes.

In April 2022, the government announced the construction of a new special economic zone (SEZ), the Mpassa-Lebombi, in the southeastern province of Haut-Ogooué. According to the website African Business, the new SEZ will be a joint venture between the Gabonese government and the Singaporean commodity trading firm Olam International, which acts as the principal shareholder (40.5%), similar to the country’s two existing zones. The Mpassa-Lebombi SEZ will be developed and modeled after Gabon’s first SEZ, Nkok, which was established in 2011. Nkok currently employs 4,000 people, with 80% of them being Gabonese. It contributes to nearly 40% of the country’s exports. As part of the requirement to operate within the special economic zones, the government mandates that three-quarters of the production must be exported. In return, the zones provide tax exemptions, efficient infrastructure, and access to the country’s resources.

Competition policy



Liberalization of foreign trade



Gabon's banking system includes one development bank, the Gabonese Development Bank (BGD), and five main commercial banks. The International Gabonese and French Bank (BGFI) is the principal commercial bank in Gabon and the largest financial group in the CEMAC zone. Commercial banks like BGFI, Citibank, and EcoBank offer most corporate banking services, or can procure them from overseas. Local credit to the private sector is limited and expensive, but it is available to both foreign and local investors on equal terms. The country's main economic actors, the oil companies, finance themselves outside Gabon. In May 2021, BNP Paribas, one of France's leading banks, was indicted on suspicion of laundering tens of millions of euros of Gabonese public money stemming from corruption and embezzlement by the Bongo family. The bank capital to assets ratio stood at 9.8 and 5.1 in 2019 and 2020, respectively. The ratio of non-performing loans was down to 7.6 in 2020 from 12.8 in 2019.

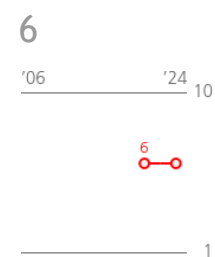
The national microfinance landscape consists of 19 establishments, including 6 savings and credit cooperatives and 13 public limited companies. Four main structures, namely Finam, Loxia, EDG, and Express-Union, dominate the sector, accounting for nearly 95% of its customers. During the first half of 2020, deposits collected from the sector totaled CFA 60.1 billion (\$97,493,919). Customer loans reached CFA 51.7 billion (\$83,867,481) in the first six months of the year, compared to CFA 32.46 billion (\$52,656,449) in the first half of 2019, marking a 59.3% increase.

8 | Monetary and fiscal stability

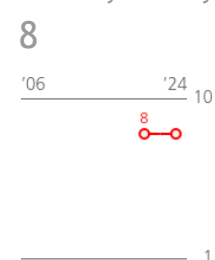
The franc of the Communauté Financière Africaine (CFA), called the "céfa," was established by France in the aftermath of World War II as a currency for its African colonies. The CFA is an African currency tied to the euro. This means that the exchange rate of the Gabon currency remains fixed in relation to the euro, regardless of fluctuations in the euro's value. In 2020, France modified its monetary agreement with the eight member states of the West African Economic and Monetary Union (UEMOA), which includes Gabon. As a result, the Central Bank of West African States (BEAC) is no longer required to deposit half of its foreign exchange reserves with the Bank of France. The law also mandates France's withdrawal from the monetary bloc's governance bodies, such as the BEAC. This has increased the independence of the bank and the monetary zone from French influence. Only the BEAC central bank is now responsible for issuing and managing Gabon's currency. Arguably as a result of this change, inflation rates have remained low, standing at a mere 1.2% in 2020 (the most recent available data). The real effective exchange rate was 104.3 in 2021.

Gabon recorded a government budget deficit equal to 3.40% of the country's Gross Domestic Product (GDP) in 2021. Nevertheless, the government validated a bill

Banking system



Monetary stability



Fiscal stability

5

aimed at modifying the 2022 Finance Law that proposed to increase the 2022 budget by CFA 359 billion (\$582,368,005). This budget thus moved from CFA 2,936.6 billion (\$4,762,764,520) to CFA 3,295.6 billion (\$5,345,132,520) in the amending law that was submitted to parliamentary vote. In this budget envelope, the government estimated that budgetary revenues would increase to CFA 2,239.4 billion (\$3,632,094,610) from previous forecasts of CFA 1,924.6 billion (\$3,121,103,180) in the initial Finance Law. This represents an increase of CFA 314.8 billion (\$510,666,986) that stems from increased oil sector revenues, which have grown as a result of the war in Ukraine.

The state budget adopted by the deputies for 2023 is CFA 3,602.3 billion (\$5,843,146,390), which represents a 9.3% increase of CFA 306.7 billion (\$497,527,206). This increase mainly results from the measures taken to increase tax revenue.

Gabon recorded a government debt-to-GDP ratio of 69.50% in 2021, reduced from a high of 77.3% during the COVID-19 pandemic in 2020. The high level of debt is a problem created by President Bongo's ambitious expenditures on the PDGE (Gabon Emergent Development Plan), inefficient use of government revenues budgeted for it, and grand corruption by individuals entrusted to execute it.

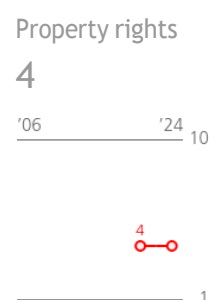
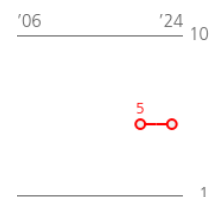
External debt stood at \$7,615.9 million in 2020. Total debt service was \$1,412.6 million the same year. Net lending/borrowing stood at 2.9 in 2019, while government consumption was 11.6 in 2021. Total reserves were \$1,372.0 million in 2019, the most recent data available.

9 | Private Property

Laws for private and commercial property do not impose any restrictions on nationality for possessing and owning property in Gabon. Foreigners who wish to lease or acquire property can do so in accordance with the law. However, Gabon performs poorly on the Global Property Index, which assesses the extent to which laws safeguard private property rights and the government enforces those laws.

According to a 2012 report by the NGO Fern, the state is the primary landowner in Gabon, controlling up to 90% of its territory, which is largely classified as "private government land." The majority of the population lacks formal land ownership and is instead considered to be occupants and users of government property. Traditional land and resource rights are not upheld, and the avenues available for secure land tenure are limited and inaccessible to most people due to procedural constraints.

Urban and peri-urban populations are particularly vulnerable to forced evictions led by the state, often without fair compensation and occasionally for questionable "public purposes." Rural populations are frequently displaced to make way for



foreign concession activities. The current land tenure system benefits privileged elites and transnational interests that have support from participating foreign governments.

According to 2022 data published by the Property Rights Alliance, Gabon's Physical Property Rights Subindex experienced a decrease of -1.44, dropping to 3.396, with a score of 4.167 in terms of perception of Property Rights Protection.

Nevertheless, in 2022 Gabon amended its civil code to establish joint rights and responsibilities for husbands and wives when making decisions about household property and finances. This permanent inclusion of gender issues in property rights balances out the decline in the IPRI subindex.

Private companies are viewed as important engines of economic prosperity but are insufficiently protected legally. Gabon promotes foreign investment and, for that matter, the promotion of foreign private companies, across a range of sectors, particularly in oil and gas, infrastructure, timber, ecotourism and mining. President Bongo has tried to create a climate that will attract foreign private investors, which he sees as the primary engines of economic production and to which he provides legal safeguards. Large foreign private companies, such as Olam (Singapore), Shell (UK-Netherlands), Total (France-Belgium), Maersk (Denmark), Canal+ (France), DHL (Germany), and Bharti Airtel (India), enjoy substantial protections.

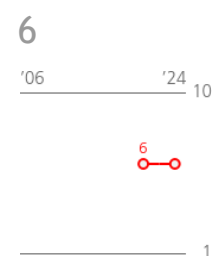
Several business incubators active in the country are attempting to facilitate private business activities. President Bongo has also not embarked on any extensive nationalization programs, even in the extractive industries. In 2010, Gabon created a Special Economic Zone at Nkok to attract more investors in key sectors by targeting local and foreign investors. This zone provides access to electricity and water, as well as on-site legal and financial services.

10 | Welfare Regime

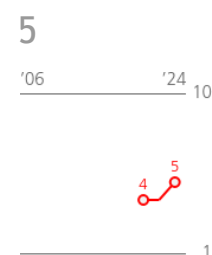
Generally, social safety nets are rather rudimentary, which includes all kinds of vulnerable groups, including the elderly. However, the average level of health care infrastructure in Gabon is relatively high compared to the rest of Africa, and its social security structure is relatively more developed. The country has a total of 100,000 civil servants – that is, a ratio of 55 per 1,000 inhabitants – one of the highest figures in Africa. Civil servants are not at risk of unemployment and continue to receive 100% of their salaries.

In the United Nations Development Programme ranking, which takes into account aspects of health, as well as other indicators such as education, Gabon ranks 115th in the world, yet ranks 3rd in sub-Saharan Africa. After implementing a UNDP-partnered country program during COVID, which included government subsidies for small businesses and aid to help unemployed workers caused by the pandemic, the proportion of people who have access to basic social services increased from 20% to 40%. By 2022, the UNDP reported that “the quality of social sector budgeting is

Private enterprise



Social safety nets



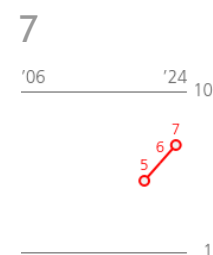
significantly improved and people, especially the most vulnerable, have made better use of quality basic social services.” The population’s level of confidence in access to basic social services thus remained stable throughout the period from 2018 to 2022, with an average score of 47.7%.

Generally, equality of opportunity has largely been achieved, albeit with limitations. Significant progress has been made in recent years regarding the rights of women and gender equality. In March 2021, the government enacted a bill amending the civil code aimed at promoting gender equality. Among other provisions, women are now able to open bank accounts and work without their husbands’ permission. Consequently, Gabon’s score on the Women, Business and the Law 2022 index increased substantially to 82.5, a significant improvement from 57.5 two years ago. In 2018, the literacy rate for both men (85.9%) and women (83.4%) was nearly equal. However, as of 2022, the ratio of females to males in primary education was 1.0, whereas in higher education (tertiary sector) it was only 0.6.

There is little religious discrimination in Gabon, and although President Bongo converted to Islam, one finds none of the Islamic extremism found in other countries to the north. Freedom of religion is protected by law and practice.

Ethnic discrimination is not widespread either, as Gabon’s multiethnic society lacks a dominant national ethnicity to persecute others. The Bongo family itself derives from an ethnic minority – the Téké – so the regime has practiced ethnic patronage/clientelism toward “big men” from each ethnic group, following a regional electoral strategy known as “géopolitique.” Nevertheless, the major inequalities in Gabon can be described as regional. The northern provinces of Ogooué-Ivindo and Woleu-Ntem are the poorest. They are predominantly rural with few cities at incipient urbanization levels and tend to have a sparse population comprised mostly of the largest ethnic group, the Fang. These northern Fang lack basic services and infrastructure and must contend with a variety of natural barriers. The southern provinces, such as Ngounié and Nyanga, also lag behind but have intermediate-urbanized cities where a larger number of poor people live. Low performance can be observed in terms of nutrition and basic medical care, health and wellness, access to services, affordability of housing, personal rights, and access to advanced education, where little progress has been made over time.

Equal opportunity



11 | Economic Performance

The country is rich in natural resources such as timber, manganese, and oil. With a small population and large natural resources, Gabon's national income figures have been relatively high for decades. The World Bank reports a per capita GDP of \$15,598 in terms of purchasing power parity (PPP) in 2021, representing a return to "normal" after two years of COVID effects on international commodity prices. The GDP was \$18.269 billion in 2021, up from \$15.317 billion in 2020 (the worst year of the COVID-caused economic crisis). Inflation was quite low, with the latest available numbers showing it to be 1.2% in 2019.

But not all the news is good news. GDP per capita growth rates were negative in 2021 and 2020 (-0.9% and -4.2% respectively). The rate of unemployment has risen to 22%. Domestic taxes have fallen to 11% of state revenues, and public debt has swollen since President Ali Bongo came to power in 2009, from around 20% of GDP to 65.8% in 2021.

This increase in public debt has mainly been caused by taxation failures, extensive spending on the PDGE (Gabon Emergent Development Program), and widespread corruption within all levels of public administration. Servicing this debt will require larger amounts of public revenue in the future, which will hinder the country's potential for becoming an emerging economy.

12 | Sustainability

Since 2009, the government has been advocating for Gabon to become an environmentally sustainable emerging economy through Ali Bongo's "Green Gabon Plan." This initiative includes actions in various areas, such as the environment and ecotourism, and has led to the establishment of a network of national parks in 2002, covering an area of 30,000 km², which accounts for 11% of the territory.

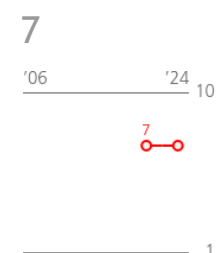
Gabon features a strong Ministry of the Environment, which is overseen by a National Agency that is responsible for managing its 15 natural parks. In June 2019, Lee White, a British zoologist and botanist born in Uganda, renowned for his work on large mammals and the African forest in Gabon, and as one of the founders of Gabon's national parks, was appointed as the minister of water and forests, the sea, and the environment. In this role, he is tasked with sustainable development objectives and land use planning. This appointment demonstrates the Bongo regime's commitment to environmental objectives.

However, despite the government's promise of significant progress in ecotourism, this industry has not yet materialized. As a result, Gabon's natural reserves are facing a complex situation. On one hand, local rural communities, which rely on traditional sources of livelihood, such as hunting and farming, have been deprived. On the other hand, large foreign corporations from Europe and Asia have been granted concessions to exploit mining operations and establish palm oil plantations.

Output strength



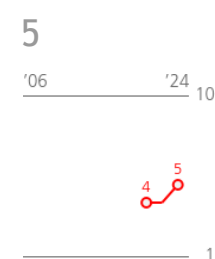
Environmental policy



Despite these challenges, Gabon is internationally recognized as a global leader in climate action. Its strong environmental preservation measures and long-standing political dedication to conserving the country's pristine natural environment make it perhaps the most carbon-positive country in the world. Gabon acts as a net absorber of carbon emissions, emitting minimal amounts while significantly absorbing carbon. In 2021, it achieved a groundbreaking milestone by becoming the first country to receive payments based on reduced forest emissions. With 88% of its surface covered by forests, Gabon's natural environment has demonstrated its ability to absorb nearly 200 million tons of carbon annually. As a result, the country has earned certified carbon credits, which it intends to sell in carbon markets.

Gabon spends approximately 3% of its GDP on education at all levels. According to the UNDP, the country's Education Index, which measures the average years of schooling, has increased from .609 in 2011 to .675 in 2021. However, Gabon lacks an education monitoring report or a sectoral plan. The most recent collection of statistical data occurred in the 2012/13 academic year, but the results of this data have never been published. On August 9, 2018, a coordinated program was signed between the United Nations and the Ministry of Education to support the production of basic statistical data. This program was the result of the collaborative efforts of UNICEF, UNESCO, and the United Nations Population Fund. Due to the lack of up-to-date data, it is crucial to critically address the educational situation in Gabon, especially considering the impact of the COVID-19 pandemic, which forced school closures and hindered the educational achievements in already underfunded and understaffed public sector schools. According to the latest data available from UNESCO, the overall literacy rate in 2018 was 89.8%, with 88.1% for men and 91.4% for women. The total number of illiterate individuals was 204,631, with 85% of them being men and women over the age of 24. The implementation of Education for All (EFA) policies has significantly improved the educational attainment of Gabonese citizens, particularly in terms of enrolling young girls in school. Unfortunately, information regarding research and development expenditure is currently unavailable.

Education policy /
R&D



Governance

I. Level of Difficulty

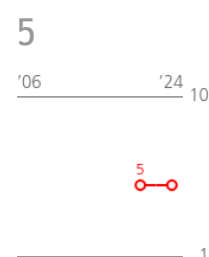
The country's location on the West Coast of Africa has long privileged it geographically for trade with the Atlantic world, and its rich natural resource base is still a major potential economic advantage for development. Still, the extreme poverty of the population, largely created by the corrupt accumulation of wealth by a small percentage of the elite, is a structural impediment, as are the severe infrastructural deficiencies of a country where most of the territory – covered by rainforest – is still inaccessible because of a lack of roads. The Road Network Development Program is working on three roads: Fougamou-Mouila, La Leyou-Lastoursville, and Ndendé-Lébamba. The Fougamou-Mouila-Ndendé-Doussala section (Congo Brazzaville border) represents an important link in the Ndjamená-Yaoundé-Brazzaville road corridor, selected as one of NEPAD's priority projects. Most economic growth is provided by the extractive industries, whose workforce remained untouched by the virus and has continued to produce goods for export. Because the government has failed to supply statistics to the World Bank, one cannot give an exact percentage of the labor force with education, but, overall, the level is low by international standards, especially technical training for blue-collar industrial jobs. The rentier mentality has also created a break in the work-reward causation, which makes manual labor an undesirable outcome for most Gabonese who wish for high-paying jobs in government in air-conditioned offices in the capital city – an aspiration that is not in sync with Gabon's real development needs.

Generally, the traditions of civil society are weak.

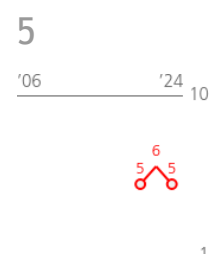
Bridging and bonding social capital are rather high, as individuals are part of extensive social and, especially, kinship relations, from which obligations and a social support structure arise. At the same time, these networks stretch across ethnic groups and link people of different origins to the Gabonese national identity.

At the same time, civil society organizations have limited influence. NGOs did have one major success in 2021. After almost a decade since leaving the Extractive Industries Transparency Initiative in 2013, Gabon has returned to the EITI – the global standard for the good governance of oil, gas, and mining. The civil society anti-corruption NGO Publish What You Pay Gabon played a crucial part in making it happen by forming a coalition of civil society actors and insisting that getting access to IMF funds should be conditional on Gabon returning to the EITI. This

Structural
constraints



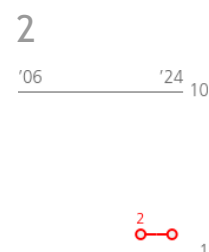
Civil society
traditions



determined use of strategic leverage forced the government to act and suggested a road forward for civil society to effectuate positive change.

Gabon has one of the highest rankings on the Global Peace Index at 1.97 in 2022, placing it eighth from the top. In a central African region plagued by prolonged social conflicts and wars, Gabon is considered a haven of peace. No violent incidents occur in Gabon based on social, ethnic, or religious differences. Post-election protests are the only regular occurrences of violent political incidents, which often escalate into violence when confronted by the authorities. The security forces are responsible for the majority of injuries and deaths in these confrontations. The government's use of limited violence has effectively maintained public order and the state's monopoly on violence. Violent crime and ritual killings remain serious concerns in Gabon. Noncitizen African immigrants, who constitute a significant portion of the population, are subjected to harassment and extortion, including by the police. Some minority groups reportedly face workplace discrimination and live in extreme poverty. However, none of these groups have attempted to mobilize themselves into any form of collective action resembling a guerrilla force, insurrection, or secessionist movement. Due to the COVID-19 pandemic, much of the population was confined, and with no elections occurring between 2020 and 2022, there was no critical event of electoral fraud for the disgruntled population to rally around.

Conflict intensity



II. Governance Performance

14 | Steering Capability

Ali Bongo proposed his “Gabon Emergent” strategic development plan in the August 2009 presidential elections, promising to transform Gabon into an “emerging” nation in less than a generation. To turn this campaign slogan into a program, Bongo presented a comprehensive development strategy that outlined the orientations and programs necessary for achieving this emergence. The plan focused on three main themes: promoting economic growth by diversifying the economy away from raw material exports and toward value-added production, implementing government policies to reduce poverty, and ensuring the sustainable development of natural resources. During his first five-year term, Bongo implemented the Strategic Plan for Gabon Emergent (PSGE), which consisted of 28 government policies that aimed to develop four key factors of competitiveness: sustainable development, good governance, human capital and infrastructure. To finance these ambitious projects, significant public spending programs were carried out, with funds primarily derived from windfall revenues from oil, mining, and timber industries.

Question
Score

Prioritization



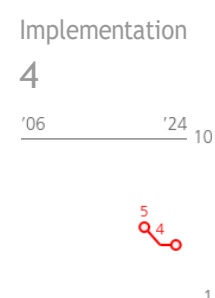
A dramatic decline of world commodity prices in 2014, including Gabon's key exports of oil, manganese and timber, demonstrated the soundness of following a strategy of diversifying economic development away from extractive industries and raw materials. In the program's first phase (2010 – 2014), high oil revenues helped propel overall growth to an average of 6%, led by the construction and services sectors. Meanwhile, the national debt skyrocketed, and high commodity prices allowed Bongo to borrow money to pay for his ambitious programs. But the collapse of oil prices in 2014 and declining oil production reduced available financing for the second phase of the PSGE (2016 – 2020) and caused public debt to more than double. The PSGE is now a thing of the past, replaced by the new Transformation Acceleration Plan (PAT) with 20 projects selected for implementation, including the optimization of governance in the oil and gas sectors, upstream forest consolidation, tuna fishing, land reform, overhaul of educational programs and training curricula, vocational training centers, upgrading primary health care, acceleration of investments in the energy and water sectors, and digital infrastructure and priority road programs.

Despite these investments not paying off so far, the government has demonstrated its commitment to strategic priorities.

Some of the problems with the implementation of the Bongo regime's Gabon Emergent Development Plan (PSGE) were the collapse of oil prices in 2014 and declining oil production, which reduced available financing for the second phase of the PSGE (2016 – 2020). This situation caused public debt to more than double by 2016, increasing from 20 to 43% of GDP. Part of the increase was due to President Bongo issuing \$1.5 billion in Eurobonds in 2013 and \$500 million in Eurobonds in 2015.

After President Bongo's re-election in 2016, he pledged to continue with the PSGE. He planned to increase public spending, borrow more money, and make Gabon Emergent his emblematic public spending program. By the year 2020, with only five years left until the cut-off year of 2025, President Bongo still believed in the possibility of Gabon becoming an emerging country. However, another sharp decline in world commodity prices in 2020, caused by economic fallout from the COVID-19 pandemic, led to an increase in public debt to \$11.26 billion by 2022.

To address urgent balance of payment needs in 2020, the IMF provided emergency financing of \$299.61 million through the Rapid Financing Instrument. Since then, commodity prices have risen, improving the fiscal situation for the government. As a result, the government has budgeted a new Transformation Acceleration Plan (PAT) economic program to sustain Gabon's progress toward emergence. Whether these objectives will be achieved remains to be seen.

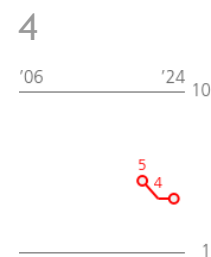


The Gabonese government demonstrates little willingness or ability to learn. The country's economy was gradually recovering from the 2014 oil price shock when it was hit by the COVID-19 pandemic. Decisive confinement measures helped save lives, but the fall in oil prices severely impacted the economy, leading to increased unemployment and poverty – even though the risk of dependence on oil was known beforehand. With a weak economy and increased COVID-19-related spending, the fiscal deficit widened, resulting in a significant increase in public debt. Despite these pressing issues, the Bongo dynasty, which is shielded from hardship due to its vast fortune deposited in off-shore fiscal paradises, shows little willingness to learn and change policy. This makes it nearly impossible for Gabon to achieve Bongo's goal of becoming an “emerging country.” While Gabon, like many African nations, has made efforts to transition and diversify its economy by transforming some of its resources, these measures have had a limited impact on economic growth and overall economic dynamics. With sluggish growth, a stagnant economy, declining economic integration, and a lack of competitiveness, Gabon is still far from realizing its vision of becoming an “emerging country” in the foreseeable future. So far, Ali Bongo has failed to learn from this striking failure and adapt his strategic plan accordingly. The new Transformation Acceleration Plan (PAT) lacks a true substitute for the Gabon Strategic Plan of Emerging (PGSE), instead relying on increased public spending of unearned mineral and forest rents. Rather than continuing down the path of unrestrained public spending, the government must implement fiscal austerity measures.

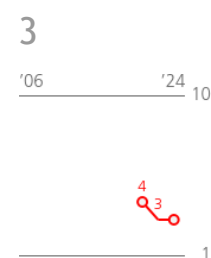
15 | Resource Efficiency

Public administration in Gabon is expensive compared to the limited benefits it provides to the people. The high cost is largely attributed to the lavish spending of ruling elites, who consume a majority of the government's revenue, while leaving their fellow citizens in poverty, even resorting to requiring bribes for basic public services. The number of politically motivated dismissals, disguised as anti-corruption campaigns such as “Operation Scorpion,” has resulted in a loss of experienced directors and agency managers. Recruitment processes have often been influenced by nepotism, both within the presidency and the ministries, where a second generation comprised of the children of first-generation state officials now predominates. Since Ali Bongo assumed power, the government has yet to achieve a balanced budget, and public debt has tripled in size since 2012, surging from \$21.4 billion to \$69.5 billion. This increase is largely due to irresponsible borrowing to finance pet PGSE strategic development projects. Gabon's government debt-to-GDP ratio is projected to reach approximately 65% in 2023 and 68% by 2024. The failure of decentralization, coupled with a clientelistic patrimonialism, has led to a virtual dynasty under the Bongo family rule following the president's stroke in late 2018 and extended periods of convalescence overseas in 2019. The state security forces, which are controlled by the president's half-brother, Frédéric Bongo, appear to be the only effective functioning entity, providing the regime with a strong apparatus for suppressing opposition at a grassroots level.

Policy learning



Efficient use of assets



The government is able to reconcile conflicting interests through distributional politics. Problem solving takes the form of the clientelistic distribution of resource rents. Politics and policymaking are personalistic and dynastic, under the direction of President Bongo and members of his clan. The coordination of government had been handed to a series of all-powerful courtiers who were opaquely transformed into superministers: Maixent Nkani Accrombessi, Brice Laccruche Alihanga and Magloire Ngambia. Each of these all-powerful courtiers became mired in scandal, and each eventually came under the fire of Bongo’s anti-corruption operation “Scorpion.”

The disempowerment of these corrupt courtiers has eliminated a layer of redundancy. Their agencies doubled existing ministries without any rationality. This redundancy was partly responsible for a significant amount of waste in public spending on the Gabon Emergent Development Plan (PDGE), according to the IMF. While his father was recovering from his stroke, Nouredin Bongo, the president’s eldest son, led these politically challenging investigations and arrests, thereby gaining control over a cluster of critically important portfolios in the PDGE. Nouredin was appointed as the “Presidential Affairs Coordinator” in late 2019, under the influence of his mother, First Lady Sylvie (Valentin) Bongo, who was entrusted with numerous multibillion-dollar dossiers. In November 2021, in anticipation of upcoming but yet undisclosed presidential elections, his father appointed him to another new and opaque position within the PDG, the “Strategic Adviser to the President of the Party.”

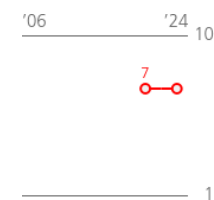
According to GAN INTEGRITY, Gabon has established a comprehensive legal framework to fight corruption; however, enforcement remains moderate and official impunity is a problem. The Gabonese Penal Code (in French) criminalizes abuse of office, embezzlement, passive and active bribery, trading in influence, extortion, offering or accepting gifts, and other undue advantages.

Yet, grand corruption is pervasive and involves higher-ranking government officials and elected officials who exploit opportunities presented through their government work. Nepotism has become the main problem of grand corruption in Gabon. Instead of appointments based on talent, hard work, or merit, government positions are given to members of the ruling Bongo clan or to second-generation heirs of other political families in the Bongo regime. In 2019, the president’s eldest son, Nouredin Bongo Valentin, was appointed to the newly created post of General Coordinator of Presidential Affairs. This position, with largely undefined powers, was described as “a super chief of staff” and “number two in the regime.” In 2021, he was named to the newly created position in the ruling PDG as “Strategic Adviser to the President of the Party.” This appointment places him at the center of his father’s fourth presidential campaign, with all the distribution and clientelist relations involved in building an electoral majority.

One positive development was Gabon’s rejoining of the Extractive Industries Transparency Initiative (EITI), which, through reporting on a wide range of critical matters involving public management of the petroleum and mining sectors, represents a move toward controlling corruption.

Policy coordination

7



Anti-corruption policy

4



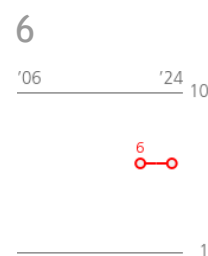
Petty corruption involves low-ranking civil servants and small sums of money. There is an expectation of gift-giving and facilitation payments among low-level government officials. This is part of the culture of doing business in Gabon. Such corrupt payments are addressed by Gabonese law but can encompass under-the-table payments (“pots de vin”), fraud through falsifying data or bills, coercion or force to extort, and the receiving or demanding of undue money in the exercise of public functions. President Bongo has undertaken several highly publicized anti-corruption campaigns in recent years.

16 | Consensus-Building

Despite widespread public dissatisfaction with the status quo, Gabonese citizens exhibit robust support for democracy and reject both military and one-man rule. Afrobarometer reports that substantial majorities of the population disapprove of the country’s overall trajectory, the quality of their most recent election, President Ali Bongo’s performance, and the functionality of their democracy – an overwhelmingly high level of public discontent that emboldened military officers to stage a coup in 2019. Nevertheless, sizable majorities of the citizenry express a desire for democracy and elections while opposing authoritarian alternatives.

While there are political differences between the rich and poor, the urban and rural interests, and the industrial and service sectors, all major political actors accept the market economy as an enduring feature of their economic system since the years of the Cold War. There has been no change in this ideological consensus. Both the ruling party and the opposition agree that the export of natural resources like oil, manganese, iron, and wood, or the plantation-based growth of palm oil and rubber for export, are the only economic paths for their country. Gabon has joined the recent launch of the African Continental Free Trade Area, the world’s largest free-trade area, suggesting an underlying acceptance of the international norm of capitalist development. Disputes arise only as to how rents and revenues should be distributed, but not how they should be generated. Moreover, while many Gabonese see the influence of China and the United States as a good thing, according to a 2021 Afrobarometer survey, 87% of Gabonese also believe their government has borrowed too heavily from China and should finance development from its own resources – the highest score on this question among all countries surveyed in the subcontinent. The majority of Gabonese also do not welcome strings attached to foreign assistance, whether it is the promotion of democracy or Asian alternatives.

Consensus on goals



Reformers are a small minority in both the ruling and opposition parties. The majority of individuals in these parties are pragmatic and adapt to the carousel-like system of politics. The committed reformers, although few in number, have limited control over the anti-democratic actors, particularly the ruling Bongo dynasty and its single-party regime under the PDG. The president is elected for a seven-year term through a single round of voting by plurality. As a result, every seven years, an opposition leader emerges and becomes the focal point for various elements of political opposition and civil society during presidential elections.

However, when these elections are fraudulently manipulated – through activities such as doctored electoral lists, restrictions and intimidation targeting opposition parties, ballot stuffing, and opaque vote counting – the opposition candidate loses the election, resulting in a loss of support. Eventually, they are faced with a dilemma: either leave the country and live in exile or offer themselves as willing collaborators to the regime. Previous examples include Jean Ping and André Mba Obame. As the 2023 presidential elections approach, Alexandre Barro Chambrier may become the third individual to rally the opposition against President Ali Bongo.

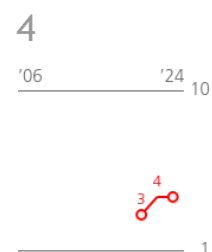
The main barriers to democratic reform are the influential members of the Bongo dynasty, powerful Téké securocrats in law enforcement and the armed forces, as well as members of the ruling PDG party whose privileges and power depend on the maintenance of a de facto single-party regime. These anti-democratic actors utilize various means, including acts of violence, corrupt practices, and exploiting the judiciary to favor the regime. Unfortunately, the courts consistently rule in favor of the regime, severely disrupting the reform process.

Gabon has at least 40 ethnic groups with separate languages and cultures. The largest is the Fang. Others include the Myene, Bandjabi, Eshira, and Bapounou. Gabon lacks a majority ethnic group around which the ruling PDG party could organize an ethno-nationalist power structure. Ethnic cleavages therefore exist. The Bongo family has its origins in the Téké, a very small ethnic group in Gabon. Therefore, the Bongo's strategy has always been to use the ruling PDG party as a vehicle for multiethnic caucusing.

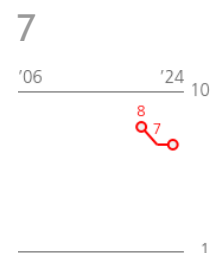
During his father Omar Bongo's era, the underlying strategy had been to offer the largest ethnic group, the Fang (40% of the population), the prime minister post and local governments in the capital Libreville and the northern Woleu-Ntem, while guaranteeing the other small ethnic groups protection from a Fang ethno-nationalist regime (as exists in neighboring Equatorial Guinea). Since most ethnic groups tend to be concentrated in different regions, this strategy – denoted “géopolitique” in the local political patois – has been to co-opt influential ethnic big men and educated ethnic elites from each region into local branches of the ruling PDG party.

In Libreville, the capital, where more than half the population lives, almost all the country's ethnic groups are represented, but until recently the Bongos assured that the majority Fang dominated municipal and regional government posts, sometimes granting numerically small but historically important groups like the Mpongwe

Anti-democratic actors



Cleavage / conflict management



visible positions of power. Since coming to office, Ali Bongo has broken many of these informal rules that were established by his father to maintain multiethnic solidarity and prevent violence from ethnic cleavages. For example, Ali has appointed prime ministers who are not Fang. Franck Emmanuel Issoze-Ngondet, prime minister from 2016 to 2020, was a Bakota, and Rose Christiane Ossouka Raponda, prime minister since 2020, is a Mpongwe. And he surrounded himself with foreigners, both French (his wife and thus his in-laws), his adopted children, and a chief of staff from Benin. This has frayed multiethnic peace, resulting in Fang ethno-nationalist sentiments in Libreville and the Woleu-Ntem, and revindications by southern Punu-Eshira ethnic groups around the oil capital Port-Gentil.

Because modern civil society often challenges the Bongo regime's reputation overseas and cannot be silenced, the regime tends to suppress non-governmental organizations and excludes them from governance. However, Gabon was re-admitted to the Extractive Industries Transparency Initiative (EITI) in October 2021 after an almost ten-year absence. Civil society, particularly the anti-corruption organization Publish What You Pay Gabon (PWYP), played a vital role in this process. Gabon's extractive industry is predominantly focused on petroleum and manganese production. The EITI views the implementation of EITI regulations as a unique opportunity for Gabon to "translate transparency commitments into improved governance of the extractive sector through a multi-stakeholder approach." After the collapse of international commodity prices in 2017, which served as the main source of Gabon's rentier economy, the government sought support from the International Monetary Fund (IMF). This presented civil society with an opportunity to advocate for Gabon's reintegration into the EITI, which was revoked in 2013 due to a delayed submission of its validation report. A coalition of non-governmental organizations led by PWYP Gabon insisted that access to IMF funds be contingent upon Gabon's return to the EITI, a condition that our government accepted. As a result, a space dedicated to civil society has been re-established after more than a decade of effective presidential monarchy.

There are many ethnic and partisan or personality-based disputes over resource revenue distribution, as well as periodic post-electoral violence that follows each presidential election. Additionally, there was a failed coup d'état in January 2019 by low-level officers, which was quickly terminated by the presidential guard. Nevertheless, Gabon has not experienced a civil war or protracted social conflicts like the ones seen elsewhere on the subcontinent. Therefore, it does not have a legacy of historical injustices committed against ethnic minorities or regional secessionist movements. "Stability" is the word most frequently used by analysts to describe the country.

Public consultation

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Reconciliation

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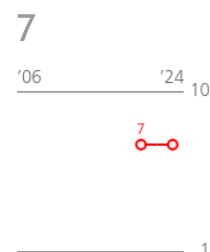
17 | International Cooperation

Long a neo-colonial enclave of enduring French interests, signatory to numerous French cooperation accords in commercial, monetary, diplomatic, and military affairs, Franco-Gabonese relations – most visibly in membership in the Organisation Internationale de la Francophonie and CFA franc zone – have been a trademark of Gabonese foreign affairs since independence. But on June 24, 2022, another major partnership was formed when Gabon was admitted to the British Commonwealth. Gabon has been looking to diversify its commercial partnerships. The Commonwealth offers a promise of prosperity through trade under special terms with not only the UK but also the 55 other members of the Commonwealth, which offers an additional means of lobbying major donors and diplomatic players like the UK, India, and Canada. Multilateral forums like the Commonwealth are particularly attractive to rulers from small countries like Gabon who otherwise might get bullied in bilateral negotiations by bigger, richer, more powerful states. The Bongos have maintained close ties with Paris for decades, but like other Francophone regimes they now seek to be less reliant on their former colonial ruler and less liable, following embarrassing criminal investigations by French judges into their vast off-shore trusts and other illegal enrichment. This diversification of its dependency is a deft diplomatic move, representing a long-term strategy that Ali Bongo has pursued since coming to power in 2009.

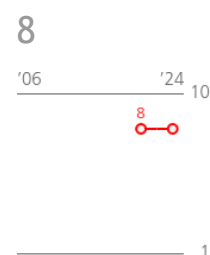
For the most part, Gabon acts as a credible and reliable partner and exhibits notable engagement in international cooperation efforts. For instance, Gabon has actively participated in international forums to combat the effects of global warming and manage its non-renewable resources. As a leader in the Paris climate accords, the U.S.-backed Congo Basin Rainforest initiative and the Extractive Industries Transparency Initiative, Gabon has demonstrated its commitment to these causes. In October 2021, Gabon was re-admitted as an EITI implementing country, and in October 2022, the country announced the completion of verification for over 90 million tons of emission reductions from forests that could potentially be utilized in carbon markets. These credits will be directed to Gabon's sovereign wealth fund. Moreover, Gabon has successfully completed the verification of \$90 million in carbon credits under the U.N. program aimed at reducing emissions from deforestation and forest degradation (REDD+). Professor Lee White, Gabon's minister for forest, oceans, environment and climate change, recently announced that Gabon's forests have effectively removed more than a billion tons of carbon dioxide from the atmosphere over an eight-year period.

Beyond international cooperation in global environmental policies, Gabon actively participates in other political fields. For instance, on October 13, 2020, Gabon was elected to be a member of the U.N. Human Rights Council. The term runs until 2023.

Effective use of support

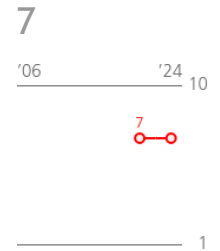


Credibility



Besides being an AU member, Gabon is active in one of the more integrated regional organizations in Africa – the Economic Community of Central African States (CEMAC), which includes Cameroon, the Central African Republic, Chad, Congo-Brazzaville, Equatorial Guinea, and Gabon. Its current president is Gabonese President Daniel Ona Onda. Successfully cooperating with its neighbors and seeking to make the CFA franc zone a genuinely regional currency and not just an instrument of French foreign policy in Africa, Gabon adopted the CEMAC passport in May 2022. Out of the six member countries of this regional integration organization, only Gabon had not yet started to issue this document, which allows the free movement of nationals throughout its member states. It took more than ten years for the Gabonese state to sign the approval of this passport.

Regional cooperation



Strategic Outlook

There are three key recommendations to foster Gabon's development. While the prospects of establishing a more democratic political system appear unlikely, Gabon should strategically utilize its revenues from natural resources, diversify its economy, and reevaluate its foreign relations with a focus on France.

- Redirecting windfall profits from natural resources toward alleviating Gabon's extensive public debt (which declined from 78% of GDP in 2020 to 68% in 2021, and is projected to reach 58% by year-end), and investing strategically in the green economy and diversified growth through Ali Bongo's renowned "Gabon Emergent Development Plan," could potentially shift the course of his bold endeavors to positive outcomes. Such a shift might enable Gabon to transition into an emerging economy that benefits from the risks taken.

- Dependency on extractive industries remains the central obstacle to economic and political transition. Reliance on extractive industries is linked to poverty and authoritarianism. Thus, diversification away from these industries is imperative, mirroring the government's ongoing effort to reduce dependence on the oil and gas sector.

- Also, the country's foreign relations remain critical to both economic growth and democratization. Unless Gabon chooses its partners wisely, efforts aimed at achieving transformation may instead strengthen dynastic rule and crony capitalism. Gabon has long been influenced by enduring French interests, remaining intertwined with its former colonial metropole. The Bongo clan came to power with French assistance and accumulated over 40 mansions in France (according to the last count provided by investigators for the "ill-gotten-gains" scandal). France controls Gabon's monetary policy through the CFA franc. Additionally, France maintains several hundred special forces troops that are stationed at Camp Charles de Gaulle near Libreville's international airport. French cooperation agents play a significant role in providing technical assistance. French is the official language and the primary medium of education in the country, fostering an educated elite with a Francophone worldview. French businesses have traditionally held a dominant presence in Gabon, aided by an active commercial service in Paris and thousands of French expatriates who live and work in the country. The largest foreign corporations operating in Gabon tend to be French. Diplomatic relations with France are maintained through the ministries of foreign affairs and defense, as well as the Elysée. Gabon regularly participates in Franco-African summits of heads of state, the large cultural International Organization of Francophonie, and provides strategic support for France's policy in Africa, including military interventions.

However, a new generation of Gabonese elites, including Ali Bongo himself, seeks to break free from the shadow of "Françafrique." Although his father initiated substantial Chinese investments in Gabon's extractive industries, many commitments, such as the Belinga iron project, were unfulfilled due to Western pressure. Bongo expressed ambitions to transform Gabon into the

“Singapore of Africa,” attracting foreign investment for his “Green Gabon” initiative, exemplified by Olam, a Singaporean company, that has invested in palm oil plantations and the construction of a free-trade port. These developments mark significant gains made in economic transformation.

Bongo proclaimed that he would like to turn Gabon into the “Singapore of Africa” and attracted more foreign investment for his “Green Gabon” program from the Singapore group Olam in palm oil plantations and for the construction of a new free-trade port. Gabon’s new partnership with Singapore offers Ali Bongo a promising alternative to a partnership with the Chinese, who led the investment boom over the last decade. Finally, successful entry into the British Commonwealth in 2022 marks another major step in Gabon’s turn away from French domination, offering a diversified dependency with approval by Western partners. Britain’s New Partnership policy has resulted in two African Investment Summits in London, where the UK, aiming to become Africa’s investment partner of choice, has committed to mobilizing £4 billion in public aid and £6.6 billion in private investment. The promise of prosperity through trade with the UK is a great opportunity for Gabon. Multilateral forums such as these provide Gabon with the opportunity to lobby other major donors and diplomatic players such as India and Canada, and are ushering in an era where ordinary Gabonese can communicate in English.