

GABON



| GENERAL ECONOMIC DATA | |
|------------------------------------|-------------------------|
| Population - 2005 | 1.3 million |
| Area | 268 000 Km ² |
| GDP - 2005 | USD 8.1 billion |
| GDP per inhabitant - 2005 | USD 6,177 |
| Growth rate - 2005 | 2.9% |
| Inflation - 2005 | 0.1% |
| Trade balance (% of GDP) - 2005 | 46.1% |
| Budget balance (% of GDP) - 2005 | 8% |
| Investment (% of GDP) - 2005 | 21.4% |
| Domestic savings (% of GDP) - 2005 | 55.3% |
| Total debt (% of GDP) - 2004 | 58.3% |
| COFACE Country risk rating | B |

Sources : World Bank, World Development Indicators database, April 2006
 BAfD/OCDE (2005), Perspectives économiques en Afrique
 Banque de France, Rapport annuel de la Zone Franc, 2006
 FMI, Perspectives Economiques Régionales, May 2006
 Missions Economiques, MINEFI - DGPTÉ
 CIA, The World Factbook - COFACE Rating

ECONOMY STRUCTURE

Highly dependent on the oil sector representing 51% of GDP and 81% of exports, Gabon is entering into a new era in order to be prepared for the decline of oil production. Within the framework of the 9th EDF, Gabon should benefit from an allowance of EUR 79 million for financing infrastructure and for supporting the reorganisation of the mining sector, the new stage of its economic development.

Sectorial distribution:

- Primary industry (10.1% of GDP): agriculture (sugar, palm oil, coffee, cocoa), forestry, breeding, mines (manganese, iron, uranium, gold, ...), fishing
- Manufacturing industry (59.2% of GDP): hydrocarbon (50.9% of GDP), agro-food, **Construction & Civil Engineering (17% of the manufacturing industry)**, processing industry (chemicals, building materials, metals)
- Service industry (30.7% of GDP): transport, trade, banks, corporate banking, telecommunications

CONSTRUCTION & CIVIL ENGINEERING SECTOR

The steady development of the Construction and Civil Engineering sector during the last 5 years is mainly supported by public investments. The other clients mainly come from the important actors of the service industry (energy, water, transport, telecommunications) and of the mining and oil sectors. The activity is shared out as follows: 70% for the works in the infrastructure field and 30% for the building construction. The infrastructures are still too insufficient particularly for the circulation of goods between regions and especially for their immediate transport to the ports. The Government expects that this situation should improve to the extent that Gabon has large resources of manganese and schedules the exploitation of iron deposits until 2010 (20 million tons/year). Encouraged by the steel market, the development of the mining sector is deemed as a development leverage, as a supplement of the oil exploration. In order to encourage the development of the mining sector, important financing is envisaged for the infrastructures (creation of a mining port, development and rehabilitation of roads, development of the railway network). Gabon benefits from the support of numerous donors (AFD, World Bank, AfDB, BEAC, IDB, the German Cooperation, EU) revitalising the sector.

PLAYERS

The sector is dominated by some major companies, which are either subsidiaries of international groups or local structures. In 2004 there were approximately 3,500 employees. Many local companies have expanded. They benefited not only from certain favourable development circumstances, but they took advantage of the Gabonese legislation: for large building sites, the major companies are obliged to subcontract 10% of their activity. The actors can be divided into four categories: subsidiaries of international groups, medium-sized companies with private or national capital, small individual and family structures, and the informal sector.

The main international groups of the sector which have a local structure are: Acciona infraestructuras (Necso Entrecanales Cubiertas), Bouygues (Colas, Dragages), Vinci (Sogea-Satom, Sogec, Socoba EDTPL), Ortec (Friedlander).

The main local contractors are: Entraco, Faco construction, Gtab, Soco TP, Socofi, Vibec.

The SEBTP (the Association of Construction and Civil Engineering Companies) joins together civil engineering companies, the main finishing construction companies, the research offices and service suppliers acting in the construction field. The Construction & Civil Engineering companies employ approximately 3,500 employees of which 276 executives and 1,000 day labourers, having a foreseen turnover of FCFA 140 billion (forecasts made in 2004).

INFRASTRUCTURES

- **Roads:** the road network features 9,170 km of which 937 km of asphalted roads. The poor maintenance of the network leads to a rapid degradation. In this respect, the UE conditioned its financial support (9th EDF) with the implementation of an autonomous Road Maintenance Fund (RMF), funded by non-tax resources, in order to preserve the Gabonese road patrimony. Several projects are in progress or scheduled within the RNCP (Road Network Construction Programme) aiming at developing the North-South and East-West axis and the interconnection with the neighbour countries:
 - The rehabilitation of the Ndjolé – Médoumane axes (46 km), EUR 35 million loan (AFD)

- The construction of the Franceville-Léconi-Kabala (95 km – EUR 34.7 million), and Lalara-Koumameyong axes (27 km – EUR 25.1 million) financed by the Islamic Development Bank (IDB).
- The construction of the Alembé-Mikouyi (302 km), Fougamou-Mouila (109 km), Libreville-Nsilé (105 km) axes
- **Railways:** the only currently existing railway is the Transgabonais which links Libreville to Franceville (650 km), and became functional in 1986 after 13 years of works. The future exploitation of the iron ore in Belingua, procurement contract awarded to a consortium of Chinese company, determined the authorities to seriously consider the construction of a new railway between Belingua and Booué (North-East) in order to transport the ore to Libreville. The construction of an intermodal railway/road station is also foreseen.
- **Airports:** Gabon has 3 international airports (Libreville, Port-Gentil and Franceville) and 26 regional aerodromes. Discussions concerning the construction of a new international airport (Malibé II) North of Libreville, carried out by the Gabonese Government have programmed. The Bouygues Group presented a model in October 2006.
- **Harbours:** there are two trading ports (Libreville (Ewendo) and Port-Gentil) covering 90% of the needs. In spite of the concession to the Sigeprag Company since 2003, these ports are outdated and lack modern handling equipment. Construction projects of two large deep water ports (Mayumba and Santa Clara) are being studied within the framework of the exploitation of the iron and manganese ores of Belinga.
- **Waterways:** 1,600 km of waterways are navigable on the rivers Ogooué, Komo and Fernan Vaz. Passenger transport is mainly assured by the CNI (National Company of Inland Navigation) and some independent shipping companies. The construction of the Sindara river port is scheduled.
- **Energy:** electric installed power in Gabon (350 MW) is equally of thermal (gas, gas oil and heavy fuel) and hydraulic origin. There are 3 main dams (Kinguélé, Tchimbélé and Poubara) producing 90% of hydroelectricity and supplying energy to Libreville and Franceville. Only 1% of the hydroelectric capacity is exploited in Gabon. Transport and distribution of electricity are ensured by the Energy and Water Company of Gabon (*Société d'Énergie et d'Eau du Gabon - SEEG*) privatised in 1997 (subsidiary is held at 51% by Véolia). The Ministry of Energy is in charge of rural electrification based on the development of solar energy. Several projects aiming at covering the needs of Libreville and at supporting the development of the mining sector are being studied:
 - The Ngoulmendjim dam (45 MW) or Kingulé dam (27 MW) – energy supply for Libreville
 - The dam in the region of Poubara (2x36 MW) – operating the manganese deposit
 - The dam of Mayibout (2x25MW) across Ivindo – operating the iron ore
- **Water:** 87% of the population has access to drinking water (95% in cities and 47% in villages). The water policy is assured by SEEG in the urban area and by the Ministry of Mining for the rural area. Drainage infrastructures are clearly insufficient. A comprehensive drainage programme was launched in order to improve the situation in Libreville and Port Gentil. The other cities of Gabon will be involved in a second phase. For this purpose, EUR 14 million have been granted by AFD for drainage works in Libreville.

HOUSING AND FUNCTIONAL BUILDINGS

Several ongoing projects are related to public buildings (construction and rehabilitation of schools, hospitals, extension of ministries ...) and to private building sites (buildings, company headquarters, hotels, offices, villas and residential blocks). SMEs are active competitors in the private construction field.

- **Housing:** Urban population growth related to rural depopulation and to immigration has not been a controlled process and has lacked development planning, thus entailing the creation of residential areas characterised by extremely precarious accommodation conditions. Urban populations increased annually by 3.2% for 10 years, from 742,000 to 1,014,000 inhabitants. Libreville alone

represent more than 40% of the population, making the housing issue a major problem. The deficit of new dwellings is estimated at 130,000 units over the last 20 years.

The Government initiated new projects aiming at promoting social housing construction in the urban areas, among which the development of new building areas and the acceleration of the distribution of ownership titles. Several building projects are scheduled: the construction of 3,500 dwellings by Moroccan real estate developers; the SNI wishes to be part of the 2,000 social housing projects launched by the President of the Republic.

The institutional mechanisms for promoting and financing housing are:

- SNI - Société Nationale Immobilière (the Real Estate National Company) is the main public operator in the field of social housing construction or real estate operations imposed by the State.
 - BHG - Banque de l'Habitat du Gabon (the Gabon Housing Bank), a branch of the Banque Gabonaise de Développement (Gabonese Development Bank) for granting access to housing to all classes of the population, including low income classes.
 - CRH-Gabon - Compte de Refinancement de l'Habitat au Gabon (Account for Housing Refinancing of Gabon) the purpose of which is to refinance the credits granted by authorised banks for the acquisition of social housing.
- **Functional buildings:** in Gabon there are needs related to the public service domain (education, health ...) as well as to the private sector (construction pertaining to the tourism field, the industrial and mining field ...).

BUILDING MATERIALS

- **Cement:** The Cement Plant of Gabon (CimGabon), privatised and sold to Scancem (Norway) in 2000, produces 270,000 tons of cement per annum, not totally covering local demand
- **Other building materials:** a great part of the construction materials are imported. However, Gabon has unexploited mineral resources: e.g. marble (Fougamou, Tchibanga, Dousseoussou), limestone at Latoursville, clay ...

KEY PLAYERS

Institutions

Ministry of Mines, Energy, Oil and Hydraulic Resources

B.P. 874 Libreville - Tel : +241 74 47 83 - Fax : +241 72 49 90/76 46 72

Ministry of Housing, Urbanism and Land Registry

B.P. 512 Libreville - Tel : +241 77 31 03 - Fax : +241 72 16 40

Ministry of Public Works, Equipment and Construction

B.P. 49 Libreville - Tél : +241 72.22.09 - Fax : +241 77 37 50

Construction & Civil Engineering Contractors

Colas Gabon

BP. 3985 Libreville - Tel : +241 76 15 95 / 76 49 82 - Fax : +241 76 00 14 - Email : rcgab@inet.ga

Dragages Gabon

BP. 4021 Libreville - Tel : +241 70 09 10 / 70 03 28 - Fax : +241 70 03 29

Email : dragages@internetgabon.com - Web : www.dragages-gabon.com

Faco Construction

Echangeur Lalala, BP. 1110 Libreville - Tel : +241 70 41 83 - Fax : +241 70 41 85

Email: faco@assala.net

Seteg

Bd Kalfa BP. 4386 Libreville - Tel : +241 76 55 63 / 76 13 88 - Fax : +241 76 27 77 – Email : seteg@inet.ga

Sitram

Z.I. Oloumi BP. 4056 Libreville - Tel : +241 76 08 20 / 72 30 03 - Fax : +241 76 08 45

SNGE - Société Nouvelle Gabonaise d'Etudes

Quartier Glass BP. 3908 Libreville - Tel : +241 76 28 16 - 72 92 78 - Fax : +241 74 81 19
Email: snge@inet.ga

Socoba-EDTP

Nomba Domaines Bp 2127 Libreville - Tel : +241 70 05 01 - Fax : +241 70 24 32
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BP. 79 Port-Gentil - Tel : +241 55 24 05 - Fax : +241 55 12 87

Socofi

BP 7458 Libreville - Tel : +241 72 48 20/21 - Fax : +241 77 28 19

Sogea-Satom Gabon

BP 3936- Boulevard Remi Issembre- Zi D'oloumi - BP.781 Libreville - Tel. : +241 72 88 76 - Fax : +241 76 08 15
Email : sogea@internetgabon.com

Vibec

BP 20396 Libreville - Tel : +241 72 61 43 - Fax : +241 72.61.53 - Email : vibec@internetgabon.com

Control

Bureau Veritas

BP 1005 Libreville - Tel : +241 74 14 27 - Fax : +241 76 26 63 - Email : veritasdbz@internetgabon.com

Engineering firms

CEE Engineering

BP 20437, Libreville - Tel : +241 76 80 41 - Fax : +241 76 80 41 - Email : cee_engineering@inet.ga

Geri

BP. 2194, Libreville - Tel : +241 73 33 09 - Fax : +241 73 33 21 - Email : gerigabon@inet.ga

SNGE - Société Nouvelle Générale d'Etudes

BP. 3908, Libreville - Tel : +241 76 28 16 - Fax : +241 74 81 19 - Email : snge@inet.ga

Société de Travaux Topographiques Architecturaux et Fonciers

BP. 215, Libreville - Tel : +241 70 30 35 - Fax : +241 70 30 80 - Email : sttaf-cml@inet.ga

Building materials

Cimgabon

BP 477 ZI Les Acae Libreville - Tel : +241 70 20 25 - 70.20.23 - Fax : +241 70 27 05

Intermediary Organisations

SEPBTP (Association of Construction and Public Works Contractors)

BP 20320 Libreville - Tel : + 241 72 69 53 - Fax : +241 72 69 75

Gabonese Order of Architects

BP 6357 Libreville - Tel. : +241 74 71 31 - Fax : +241 74 71 31 - Email : archipro@inet.ga

Water / Energy / Transport

CNI - Compagnie Nationale de Navigation Intérieure

BP. 3982 Libreville - Tel : +241 72 39 28 - Fax : +241 74 04 11

Fonds d'entretien routier

BP 16201, Libreville - Tel. : +241 74 66 25

SIGEPRAG - Société d'Investissement et de Gestion des Ports et des Rades du Gabon

BP. 3905 Libreville - Tel : +241 70 32 74 - Fax : +241 70 31 40
BP. 932 Port Gentil - Tel : +241 56 42 03 - Fax : +241 56 42 06

Transgabonais

BP. 2198 Libreville - Tel : +241 70 24 78 - Fax : +241 70 20 38

SEEG Société d'énergie et d'eau du GabonBP 21 87 Libreville - Tel : +241 76 78 07 / 76 12 83 - Fax : +241 76 11 34 - Web : <http://www.seeg-gabon.com>**Real Estate****SNI - Société Nationale Immobilière**

BP. 515 Libreville - Tel : +241 74 85 73 - Fax : +241 74 76 00

BP. 445 Port Gentil - Tel : +241 55 23 43 - Fax : +241 55 23 43 - Email : snigabon@internetgabon.com**CRH-Gabon**

BP. 8615, Libreville - Tel : +241 76 09 65

Banks**BGD - Banque Gabonaise de Développement :**BP 5 Libreville - Tel : +241 76.24.29/6 16 63 - Fax : +241 74 26 99 - Email : bgd@internetgabon.com**BGFIBank**

BP. 2253 Libreville - Tel : +241 76 23 26 - Fax : +241 74 08 94

Email : bgfi@internetgabon.com - Web : www.bgfi.com**BICIG - Banque Internationale pour le Commerce et l'Industrie du Gabon**

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