

# U.S. Country Commercial Guides



Gabon 2020

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# **Doing Business in Country**

#### **Market Overview**

- Gabon is located on the Gulf of Guinea in Africa and has a population of approximately 2 million.
- President Ali Bongo Ondimba was first elected president in 2009 and reelected in 2016. Gabon is a
  multiparty democracy. Currently, the ruling Gabonese Democratic Party (PDG) controls the government,
  the Senate and most local offices.
- President Ali Bongo Ondimba's reform plan, "The Strategic Plan for an Emerging Gabon," focuses on building infrastructure, sustainable development, and growth of Gabon's services and manufacturing industries. The objective is to diversify an economy that has largely depended on the petroleum sector for revenue generation.
- Gabon's Gross Domestic Product (GDP) was \$16.7 billion in 2019 (World Bank 2019 estimate). The IMF forecasts 0.2% growth for 2020.
- Gabon's per capita GDP of \$7,210 (World Bank 2019) is one of the highest in sub-Saharan Africa and it is thereby considered an upper middle-income county.
- Aggravating other challenges including falling commodity prices, the coronavirus pandemic will have a significant impact on the national economy. According to the government, national economic activity is expected to fall 0.2% in 2020, after increasing 3.9% in 2019. The full extent of the economic impact of the coronavirus is the subject of continuing study. The economy remains heavily dependent on oil, but the government is committed to diversifying to other sectors.
- Gabon's largest industries are petroleum, minerals (mostly manganese), and timber. The government plans to develop Gabon's agricultural sector and to improve its national infrastructure. The timber industry is moving downstream into furniture and plywood products.
- Gabon's income distribution is highly skewed and its rankings on human social indicators do not reflect its relative wealth. As recently as 2020, the Human Development Index ranked Gabon 115th out of 165 (<a href="http://hdr.undp.org/en/countries/profiles/GAB">http://hdr.undp.org/en/countries/profiles/GAB</a>). Estimates are that 30% of the population has a monthly income below the guaranteed monthly minimum wage of \$143.
- Gabon belongs to the Economic and Monetary Community of Central Africa (Communauté Economique et Monétaire de l'Afrique Centrale, CEMAC). As a CEMAC member, it uses the Central African franc (CFA), which is pegged to the euro (CFA 656 = €1).
- A former French colony, Gabon gained independence in 1960 but maintains strong economic, political, and cultural ties with France. The government has increased its bilateral and multilateral engagements as it attempts to diversify Gabon's international relationships and, in pursuit of that objective, has worked to strengthen economic ties with the United States.

### **Market Challenges**

- Doing business in Gabon presents well known challenges that the government is addressing with mixed results. Business development is challenging due to excessive bureaucracy, cases of corruption, absence of a clearly-established and consistent process for companies to enter the market, high production costs, a small domestic market, rigid labor laws and work visa requirements, limited and poor infrastructure, outdated laws and regulations, a cumbersome judicial system, and inconsistent application of customs regulations. There is also a preponderance of French companies (this is changing) in the country's business sector, which have made knowledge of French language and culture a necessity in doing business. The government, however, is pursuing an effort to make Gabon bilingual by establishing English as the second language.
- In the World Bank Group's 2019 "Ease of Doing Business" rankings, Gabon ranked 169 out of 190 economies. Because there has been little discernable progress in recent years in improving the business climate despite a number of government initiatives designed to facilitate foreign direct investment, the government has again embarked on a reform process it claims will be implemented vigorously once the new legislature is in place.

- Economic conditions in Gabon weakened throughout 2018 and into 2019, as the government adjusted its
  budget to account for protracted low oil prices. Many international companies, including U.S. firms,
  continue to have difficulties collecting timely payments from the Gabonese government, and some
  companies in the oil sector have closed operations.
- The economy remains heavily dependent on the extractive industries, such as those found in the oil, manganese, and timber sectors.
- Gabon's lack of sufficient modern infrastructure, such as all-weather roads connecting major economic centers, makes doing business across the country costly and time-consuming, especially in more remote areas
- Gabon's dependence on the export of raw materials leaves it vulnerable to external factors that influence price.

## **Market Opportunities**

Oil

- The petroleum sector continues to provide opportunities for U.S. companies. With the natural decline of mature oil fields, the government is developing its offshore, deep-water resources to achieve a target of doubling oil production to 500,000 barrels per day (bpd) by 2025—up from the current level of 198,000 bpd. Presently, offshore resources account for more than 70% of the less than 2 billion barrels (2012 estimate) in reserves. Gabon's focus on offshore development could open new opportunities for U.S. oil and gas technology and services. In addition, Gabon's location in Central Africa and relative stability gives U.S. companies good geographic proximity to other markets in the region.
- Gabon adopted and passed a revised Hydrocarbons Code in 2019. This followed extensive consultations
  with legal, academic, and tax experts who sought to make Gabon more attractive to international
  investment.

#### Wood products

- In 2009, the government prohibited the export of untreated wood and raw timber in support of local production of wood products to encourage a wood-based manufacturing sector.
- Opportunities exist for timber processing companies. Gabon has an ambitious vision to expand exports in the forest-wood products sector and promoted the sector with the first annual Gabon Wood Show in 2018. Gabon produced 270,000 cubic meters of tropical veneer, making Gabon the African leader (6th world producer of tropical veneer and 12th worldwide producer of all types of veneers). For sawn timber, Gabon was the fourth largest producer in Africa and the 26th worldwide for all types of sawn wood combined. Gabon's Special Economic Zone (SEZ), with its tax-free zone to attract new investors, is already producing steel rebar, furniture, veneer, plywood, and other wood products. The expansive acreage, modern port, and tax breaks of up to 25 years is co-located with multiple international businesses and has already be attractive to U.S. investors in this sector.
- The New Owendo International Port, a \$300 Million Multipurpose terminal opened in October 2017. The terminal is meant to receive container vessels, general cargo and bulk cargo. The wharf length, draught, and equipment (two ship-to-shore gantry cranes and four container gantry cranes) bring the Owendo container terminal up to international port standards. It provides a competitive service to ship-owners, importers, and exporters. Vessels reaching 6,000 TEUs (Twenty-foot Equivalent Units) can be handled with high levels of productivity. Bolloré Corporation manages the port.

#### Mining

Opportunities for U.S. mining support companies include furnishing cranes, draglines, trucks, and tractors.
 Manganese is the main mining activity, and in June 2015, Compagnie Minière de l'Ogooue (COMILOG), a

subsidiary of the French company ERAMET, inaugurated a factory for domestic production of value-added manganese products. Firms have also obtained prospecting/exploration licenses for iron ore, copper, gold, diamonds, and other minerals. In the future, there may be opportunities for mining in the area surrounding the Belinga iron ore deposit, believed to be among the largest iron ore deposits in the world. Gabon was the fourth-largest manganese producer in the world in 2019. Gabon has an annual production of about 1.8 million tons. Manganese is the country's second-largest export, accounting for nearly 11% of its global sales.

#### Agriculture and Tourism

- Foodstuffs including meat, poultry, cheese, and beverages primarily enter the Gabonese market as imports.
  Much of it comes from Europe at high prices which results in a heavy trade imbalance and strain on the
  currency. In July 2018, the government reduced exemptions on imports and announced plans to encourage
  more domestic food production, especially in poultry as an initial target.
- Around 86% of the Gabonese live in major urban centers. The rural workforce is insufficient, but the government is working to expand rural occupations. Since 2014, Gabon has been laying the foundations for agricultural development through a project entitled, "Gabonese Agricultural Achievement and Engaged National Initiatives" (the GRAINE Project). The project is funded by the Gabonese government through international loans provided by the African Development Bank and the World Bank; Olam has been awarded the implementation and management. The first fruit produce of the GRAINE program was harvested last year. The project, launched in the Haut-Ogooué Province, located in the southeast, is expected to cover the entire country by 2020. Olam Gabon contributed significantly to the increase in agricultural GDP, which rose from 3.9% to 6.1% between 2013 and 2017. To refocus national efforts on developing the sector, the Gabonese government announced in 2013 a new strategic roadmap for agricultural development, "The National Plan for Agricultural Investment and Food and Nutritional Security (*Plan National d'Investissement Agricole de Sécurité Alimentaire et Nutritionnelle*, PASAN). In 2020, Olam divested or spun off many of its Gabon operations, which may have an impact on some of these plans.
- Gabon has a large range of environmental biodiversity. It has the potential to attract tourists from around the world to experience the country's remarkable wildlife, scenery, beaches, and favorable weather, allowing visitors to interact with nature, and to practice extreme sports and adventure. The country has been labeled "The Last Eden" (see National Geographic) for its diversity of untouched forests. However, Gabon needs almost every type of tourism infrastructure. Roads are poor, cost of air transportation is high and "package" approaches to sightseeing are underdeveloped. The limited lodges in the parks do not have well developed tourist facilities or services.
- As Gabon modernizes and improves existing infrastructure, there are opportunities for U.S. firms in
  housing, water and waste treatment, healthcare technology, aviation infrastructure and maintenance, road
  construction, and education.

#### **Market Entry Strategy**

- There is a small U.S. business community in Gabon, concentrated in the oil, infrastructure, telecommunications, and accounting sectors, which led to the creation of the American Business Association of Gabon (ABAG) in 2012.
- Consulting with established U.S. firms in Gabon is often useful for interested U.S. investors.
- It is advisable to have a French-speaking representative or agent in Gabon to establish a market presence and business operations.
- Gabon is a member of the World Trade Organization (WTO), the Economic and Monetary Community of Central Africa (CEMAC / Communauté Economique et Monétaire de l'Afrique Centrale) and the CEMAC's Bank of Central African States (BEAC / Banque des Etats de l'Afrique Centrale).
- Checking in with Embassy Libreville's Economic Commercial department is always advisable as the market and economic conditions are in flux (see details below).

**Leading Sectors**Note information in the Market Opportunities section.

#### Customs, Regulations, & Standards

#### **Import Tariff**

In April 2018, Gabon signed a free trade agreement to create a single African market of economic cooperation called the AfCFTA (African Continental Free Trade Area) with 44 out of 55 other Africa Union member states. The free trade area will only take effect when all protocols finalized and ratified by at least 22 countries.

Gabon organized in June 2018 a series of a three-day workshop training sessions for economic stakeholders and National Committees for the Admission of Industrial Products to the ECCAS-CEMAC Preferential Tariff regime. The training was to enable Gabonese companies to take advantage of the opportunities offered by the approximately 170 million-strong community market of the sub-region, which will extend to the rest of Africa with the advent of the AfCFTA.

Gabon and its neighbors follow the import tariff structure of Central Africa. Import tariffs include:

General Systems of Preference: no import tariffs for goods produced within a CEMAC-member country.

Common External Tariff: five percent for Category One products (e.g., basic products), 10 percent for Category Two (e.g., raw materials), 20 percent for Category Three (e.g., intermediate products such as most food), and 30 percent for Category Four (all other products).

Processing Fee (*Redevance d'utilisation du systeme informatique*, RUSID): can vary from 2%-80% of the cost of insurance and freight (CIF).

The Value Added Tax (VAT) is generally 18 percent. A reduced VAT of 10 percent is applicable to mineral water, cement, sugar, and chicken produced in Gabon. Milk products, butter, margarine, cereals, medicine and medical supplies, and fertilizer are exempt from VAT. Companies operating in the Special Economic Zone are exempt from customs taxes and some income taxes.

#### **Trade Barriers**

Some products such as soap, cooking oils, and flour are heavily taxed to protect domestic production. Effective in 2014, automobiles more than three years old may not be imported.

There are few barriers in the petroleum sector, where U.S. firms in Gabon operate. Labor laws mandate that 80 percent of a firm's workforce must be local hires. While this law has not always been enforced, there is heavy pressure by the labor unions to enforce it in the oil sector and labor disputes are frequent. Gabon's labor code is heavily skewed in favor of workers and termination can be an arduous and costly endeavor. Labor disputes can effectively stall operations for even large firms for indefinite periods.

#### **Import Requirements & Documentation**

A bill of lading and an invoice must accompany all goods entering Gabon. Import permits and sanitary certificates are required for farm produce (including meat and poultry), and permits must also be secured for hazardous products (weapons, explosives, chemical products). Gabon does not require an import license for other products. As of February 2016, a certificate of conformity is required for regulated goods. A list of regulated goods can be found at Intertek's website at <a href="http://www.intertek.com/government/certificate-of-conformity-for-exports-to-gabon/">http://www.intertek.com/government/certificate-of-conformity-for-exports-to-gabon/</a>. Intertek, a private company, is an authorized provider of certificates of conformity.

#### **Labeling/Marking Requirements**

French labeling of the price for all imported and domestic goods is required, but not strictly enforced. Non-French labeling is a disadvantage in Gabon's market. There are no other special labeling or marking requirements.

#### **U.S. Export Controls**

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counselling exporters, and drafting and publishing changes to the Export Administration Regulations; and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the *bona fides* of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end use and end user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the U.S. during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "red flags", or warning signs, , and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry specific topics. Interested parties can check a list of upcoming seminars and webinars or reference BIS provided online training.

BIS and the EAR regulate transactions involving the export of "dual-use" U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State's Directorate of Defense Trade Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the BIS website or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the BIS website and on the e-CFR (Electronic Code of Federal Regulations) and is updated as needed.

The Consolidated Screening List (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

#### **Temporary Entry**

Some goods enter Gabon duty free on a temporary basis. For certain sectors, including petroleum, mining, and tourism, the law suspends custom duties in the form of temporary admission (up to ten years) or exemptions on all entry taxes/duties for the importation of material required in its operations. Seismic boats and drilling equipment in the petroleum sector are examples of exempted goods.

#### **Prohibited & Restricted Imports**

All categories of products may be imported into Gabon with two exceptions – sugar and eggs. The Ministry of the Interior regulates the private import of all firearms and munitions. Effective in 2014, automobiles more than three years old may not be imported, although there is a diplomatic exemption.

#### **Customs Regulations**

Gabon belongs to a free trade zone through Economic and Monetary Community of Central Africa (CEMAC). Member countries are Cameroon, the Central African Republic, Chad, the Republic of Congo, Equatorial Guinea, and Gabon.

For more information contact: Customs Office (*Direction Generale des Douanes et Droits Indirect*) B.P. 40 Libreville, Gabon

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http://www.douanes.ga/ Tel. +241-11-79-53-72 / 73

#### **Trade Regulation Web Resources**

Gabonese government: <a href="https://www.investirgabon.com/">https://www.investirgabon.com/</a>

Economic Community of Central African States (ECCAS): http://www.ceeac-eccas.org/

#### **Trade Standards**

#### Overview

Gabon generally follows French standards.

#### Standards

As a member of CEMAC, Gabon follows the organization's general standards. As a member of the World Trade Organization (WTO), it is required to adhere to the Agreement on Technical Barriers to Trade.

#### **Conformity Assessment**

Gabon has authorized Intertek, a private company, to provide of certificates of conformity: <a href="http://www.intertek.com/government/certificate-of-conformity-for-exports-to-gabon/">http://www.intertek.com/government/certificate-of-conformity-for-exports-to-gabon/</a>.

#### **Product Certification**

Telecommunication equipment providers are required to obtain a certificate from ARTEL, Gabon's telecommunications regulating agency.

#### Accreditation

Gabon does not have an accreditation body; the country tends to follow European accreditation decisions.

#### **Publication of technical regulations**

Official Journal of the Gabonese Republic (Journal Official)

#### **Contact Information**

Mr. Barthelemy Ngoulakia
Deputy Secretary
Ministry of Commerce
B.P. 561 Libreville, Gabon
Tel. +241-11-76-09-91/ +241-11-74-59-25 Fax +241-11-76-58-38

#### **Trade Agreements**

Gabon is a member of the WTO. It is also a member of CEMAC and that organization's free trade area. Gabon has bilateral investment treaties with the following countries: Belgium, Luxembourg, China, Egypt, France, Germany, Italy, Lebanon, Mali, Morocco, Portugal, São Tomé and Príncipe, South Africa, Spain, and Turkey. Gabon does not have a Bilateral Investment Treaty with the United States.

#### **Licensing Requirements for Professional Services**

Professional license requirements in Gabon are different for each activity. Lawyers, for example, must be Gabonese, registered with the bar, and meet all requirements of Gabonese law (25/2008, Article 8be). Accountants must have a license issued by CEMAC to practice in member countries, including Gabon. Doctors have to be registered and recognized by the Gabonese National Medical Association.

#### **Selling US Products & Services**

#### **Distribution & Sales Channels**

Except for Coca-Cola, which produces a complete product range locally (Coke, Fanta, Sprite, etc.) under a licensing agreement with a domestic company, most U.S. products sold in Gabon are marketed through Gabonese agents. Examples include Tractafric (selling Caterpillar heavy equipment) and SOGAFRIC (selling General Electric products). Small local firms sell other U.S. products.

#### Using an Agent to Sell US Products and Services

There are local companies that act as agents or distributors for U.S. companies. Contact a U.S. Department of Commerce district office (see <a href="www.export.gov">www.export.gov</a> under "contact us" for a listing) to request an Agent/Distributor Service (ADS).

#### **Establishing an Office**

The primary agency for establishing an office and starting a business is the Agency for National Promotion and Investment (ANPI). Established in 2014, ANPI has three core functions – inward investment promotion, business start-up and entrepreneurship support, and export trade development. In January 2018, ANPI opened the doors of new headquarters where it provides a one-stop shop service for its clients, greatly simplifying the somewhat complex processes. It is now possible to establish a company or office within 48 hours. For more details please consult the ANPI website: https://www.investingabon.ga/For more information contact:

Ministère du Commerce (Ministry of Commerce) B.P. 561, Libreville, Gabon Tel. +241-11 76-83-03; +241-011-74-59-25 Fax +241-11 72-15-40

Caisse Nationale de Sécurité Sociale (Social Security Administration) B.P. 134, Libreville, Gabon Tel. +241-11-70-27-38; +241-11-72-03-61 http://www.cnss.ga/index.php/contact

#### **Franchising**

There are currently no direct U.S. franchises in Gabon and opportunities are limited. U.S. and European soft drinks and beers are produced in Gabon under license. U.S. brands such as Kentucky Fried Chicken are managed out of regional hubs, including South Africa.

#### **Direct Marketing**

There are no restrictions on foreign firms directly marketing products in Gabon.

#### Joint Ventures/Licensing

Joint ventures and licensing agreements are limited in Gabon. The state reserves the right to invest in the equity capital of ventures established in certain sectors (petroleum, mining, etc.).

#### **Express Delivery**

Express Delivery is available in Gabon. UPS, FedEx, and DHL maintain a presence in the country. Please see contact information below.

UPS GABON Libreville, Gabon BP 12947 Tel.: +241-11-44-30-80 Fax.: +241-11-44-30-81 Mob.: +241-75-54-42-07

https://www.ups.com/ga/en/contact.page

FedEx GABON Globex Gabon S.A.R.L. Libreville, Gabon BP 3926 Tel. +241 11441504 https://www.fedex.com/en-ga/customer-support.html

DHL GABON Libreville, Gabon Tel. +241-11-76-00-80

#### **Due Diligence**

All U.S. companies are advised to exercise due diligence before doing business in Gabon. On the ground investigation into respective sectors and legal requirements is highly recommended. The U.S. Embassy stands ready to provide perspectives on the overall business climate and to help facilitate trade and investment as appropriate.

#### **eCommerce**

Internet service in Gabon is reliable and not expensive. E-commerce is still in its infancy in Gabon, as the country lacks the ICT and online payment infrastructures necessary to boost such sector.

According to the <u>Digital 2019 report</u> for Gabon by Hootsuite and WeAreSocial, 17% of the population purchases on the internet or pays its bills online, while only 5.9% of the population has a credit card.

Data from the B2C e-commerce index of the UN Conference on Trade and Development estimate that only 6% of the population shops online. However, the index ranks Gabon 104th out of 151 countries and 12th in the African continent for its readiness and capacity to support online trade. Among the factors that hinder the growth of e-commerce in Gabon are logistics problems (due to the country's regional location and poor infrastructure, especially outside bigger towns), a lack of confidence when purchasing online, and the low penetration of online payment methods. In fact, almost all online transactions are paid with cash on delivery, with a smaller share consisting of pick-up and payment in a showroom or physical shop. The main online and mobile payment services are those related with mobile phones, like Airtel money, Bicig Mobile and Mobicash.

Among the main online platforms in the country are:

https://gabomamarket.com/ https://enami-shop.com/ http://deal.ishop241.com/

http://www.frismart.com/v/35-cloth-shop

https://www.biabiamarket.com/

The number of internet users in Gabon increased by 33 thousand (+2.5%) between 2019 and 2020. Internet penetration in Gabon stood at 62% in January 2020.

#### **Selling Factors & Techniques**

English is not yet widely spoken but the government is increasing requirements for English to be spoken in the country, especially in the business sector. Companies should prepare all sales material in French and be prepared to hire translation services for negotiations with the government and local partners, when needed.

#### **Trade Promotion & Advertising**

Some of the major news organizations in Gabon are:

L'Union (newspaper)
B.P 3849 Ancien Sobraga
Libreville, Gabon
Tel. +241-11-73-58-61
<a href="http://www.union.sonapresse.com/">http://www.union.sonapresse.com/</a>

Gabon Television (television) B.P. 150 Boulevard Thriomphale Libreville, Gabon Tel/Fax +241-11-73-25-00

TV+ Chaine 3 (television) B.P. 8334 NKEMBO Libreville, Gabon Tel. +241-11-72-92-04

RTN (television) B.P. 9563, Okala Libreville, Gabon Tel. +241-11-76-88-63

#### **Pricing**

Prices in Gabon are high. International and domestic transportation costs can be a considerable factor in selling goods.

#### Sales Service/Customer Support

Good customer service and follow-up services can confer a significant competitive advantage.

#### Selling U.S. Products and Services Web Resources

There are local companies that act as agents or distributors for U.S. companies. Contact a U.S. Department of Commerce district office (<a href="www.export.gov">www.export.gov</a>) to find an agents/distributors service (ADS). If Commerce records do not already contain suitable prospects, the office will ask the U.S. Embassy in Libreville for information.

Gabonese Presidency: https://presidence.ga/

Gabonese Government: http://www.gouvernement.ga/

Ministry of the Economy, Promotion of Investments, and Forecasting: http://www.economie.gouv.ga/

Ministry of Budget: <a href="http://www.budget.gouv.ga/2-ministere/">http://www.budget.gouv.ga/2-ministere/</a>

Economic and Monetary Community of Central Africa

#### **Protecting Intellectual Property**

The Ministry of Commerce handles patents and copyrights in Gabon. Gabon is a member of the African Intellectual Property Office (OAPI), based in Yaoundé, Cameroon. OAPI aims to ensure the publication and protection of patent rights, encourage creativity and transfer of technology, and create favorable conditions for research. As a member of OAPI, Gabon acceded to international agreements on patents and intellectual property, including the

Paris Convention, the Berne Convention, and the Convention Establishing the World Intellectual Property Organization.

Granting patents is based on a first-to-file, first-in-right basis. Similarly, registering trademarks is based on a first-to-file, first-in-right basis, so you should consider how to obtain patent and trademark protection before introducing your products or services to the Gabon market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in Gabon. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Gabon law. The U.S. Embassy maintains a list of local lawyers: <a href="https://ga.usembassy.gov/u-s-citizen-services/attorneys/">https://ga.usembassy.gov/u-s-citizen-services/attorneys/</a>.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Gabon require constant attention. Work with legal counsel familiar with Gabonese laws to create a solid contract that includes non-compete clauses and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, including:

The U.S. Chamber and local American Chambers of Commerce National Association of Manufacturers (NAM) International Intellectual Property Alliance (IIPA) International Trademark Association (INTA) The Coalition against Counterfeiting and Piracy International Anti-Counterfeiting Coalition (IACC) Pharmaceutical Research and Manufacturers of America (PhRMA) Biotechnology Industry Organization (BIO)

#### **IP Resources**

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit <a href="www.STOPfakes.gov">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a> or <a href="contact ITA's Office of Intellectual Property Rights Director">www.STOPfakes.gov</a>.

For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: 1-800-786-9199, or visit <a href="http://www.uspto.gov/">http://www.uspto.gov/</a>.

For more information about registering for copyright protection in the United States, contact the U.S. Copyright Office at: 1-202-707-5959, or visit <a href="http://www.copyright.gov/">http://www.copyright.gov/</a>.

For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.stopfakes.gov/businesss-tools/country-ipr-toolkits. The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. You can get contact information for the IP attaché who covers Gabon at: <a href="www.uspto.gov/learning-and-resources/ip-policy/intellectual-property-ip-attach-program">www.uspto.gov/learning-and-resources/ip-policy/intellectual-property-ip-attach-program</a>.

#### **Local Professional Services**

Retaining an attorney is not required, but a local attorney may be best placed to handle many of the routine problems that may arise. The U.S. Embassy's consular section maintains a list of local attorneys at <a href="https://ga.usembassy.gov/u-s-citizen-services/attorneys/">https://ga.usembassy.gov/u-s-citizen-services/attorneys/</a>.

#### **Principal Business Associations**

The American Business Association of Gabon (ABAG), established in 2012, advocates the principles of free trade, open markets, private enterprise, the unrestricted flow of information, and ethical business practices. Its purpose is to foster commerce between the United States of America and Gabon and to enhance Gabon's business climate for established companies and foreign investors. The group can be reached by emailing Chairperson Bob Weisflog at bobweisflog.abag@gmail.com.

#### Limitations on Selling U.S. Products and Services

There are no manufacturing sectors or services where only citizens or a sub-set of the population are allowed to own or sell.

#### **Selling to the Government**

U.S. firms interested in selling directly to the government should ensure that funds have been appropriated in the Gabonese budget for the items they wish to sell and ideally should receive partial payment in advance. The government has been criticized by the IMF and other international organizations for being late with payments to creditors, this problem worsened in 2015 and into 2016 due to fiscal mismanagement. As of mid-2018, the government implemented austerity measures in conjunction with IMF guidance to gain better control over fiscal management.

U.S. companies bidding on Government tenders may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department's International Trade Administration, the Advocacy Center coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies. The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Consult Advocacy for Foreign Government Contracts for additional information.

#### Multilateral Development Banks and Financing Government Sales

Price, payment terms, and financing can be significant factors in winning a government contract. Many governments finance public works projects through borrowing from the Multilateral Development Banks (MDB). A helpful guide for working with the MDBs is the <u>Guide to Doing Business with the Multilateral Development Banks</u>. The U.S. Department of Commerce's (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

#### **Investment Climate Statement**

The U.S. Department of State's Investment Climate Statements provide information on the business climates of more than 170 economies and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses.

Topics include Openness to Investment, Legal and Regulatory systems, Dispute Resolution, Intellectual Property Rights, Transparency, Performance Requirements, State-Owned Enterprises, Responsible Business Conduct, and Corruption.

These statements highlight persistent barriers to further U.S. investment. Addressing these barriers would expand high-quality, private sector-led investment in infrastructure, further women's economic empowerment, and facilitate a healthy business environment for the digital economy. To access the ICS, visit the U.S. Department of Department of State's <a href="Investment Climate Statement">Investment Climate Statement</a> website.

# **Political Environment**

For background information on the political environment of the country, please click on the link below to the U.S. Department of State Background Notes and view the section below on the Investment Climate.

**Countries & Areas** website