

Congo

KEY FACTS

Official name: République du Congo
(Republic of Congo)

Head of State: President Denis Sassou Nguesso (from 1997; re-elected 12 Jul 2009)

Head of government: President Denis Sassou Nguesso (from 2009)

Ruling party: Parti Congolais du Travail (PCT) (Congoese Labour Party) (from 1997; re-elected 5 August 2012)

Area: 342,000 square km

Population: 4.09 million (2012)*

Capital: Brazzaville (political);
Pointe-Noire (business)

Official language: French

Currency: CFA franc (CFAf) = 100 centimes (Communauté Financière Africaine (African Financial Community) franc)

Exchange rate: CFAf495.02 per US\$ (Jul 2013); CFAf655.95 per euro (pegged from Jan 1999)

GDP per capita: US\$3,346 (2012)*

GDP real growth: 3.83% (2012)*

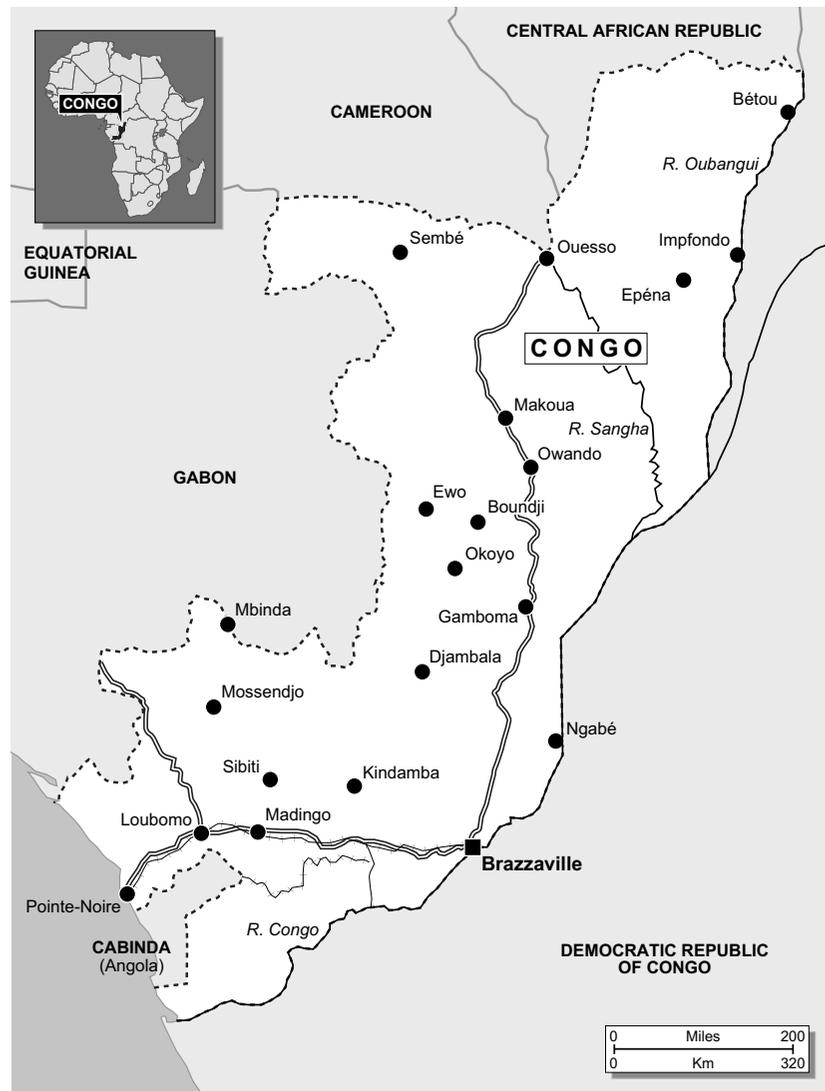
GDP: US\$13.69 billion (2012)*

Inflation: 5.01% (2012)*

Oil production: 296,000 bpd (2012)

Balance of trade: US\$713.34 million (2011)

* estimated figure



Congo's substantial natural resources, mainly oil, are a solid base for structural reform of the economy. According to the *African Economic Outlook 2013* (AEO), published jointly by the African Development Bank and the Organisation for Economic Co-operation and Development, the importance of oil has steadily increased since deposits were discovered and production began in 1957 and world prices began to rise. According to *British Petroleum Statistical Review of World Energy June 2013* output rose to 296,000

barrels a day (bpd) in 2012 (from 65,000bpd in 1980) through new investment and full production of initial deposits. Congo is now the fifth largest producer in sub-Saharan Africa and oil is 70 per cent of its nominal gross domestic product (GDP) and 90 per cent of total exports. Recent estimates say the country has reserves of 1.6 billion barrels at the end of 2012, enough to last for another 40 years at the present rate of production.

Oil revenue (about 80 per cent of government income) funds a great deal of

public investment, which was US\$1.2 million between 2009 and 2012. (More than 70 per cent of infrastructure spending is from domestic resources.) Oil income allowed the government to launch a bold programme to upgrade energy and transport infrastructure that should help economic diversification. A special 'oil reserves fund' has been opened at the Banque des Etats de l'Afrique Central (BEAC) (Bank of Central African States) to receive unbudgeted surplus revenue from higher oil prices.

The country has other substantial mineral reserves, along with forestry resources, natural gas and good agricultural potential. Gas reserves are estimated at between 1.7 trillion and 2.6 trillion cubic metres (20 years of production at the current rate). Iron reserves are put at more than 2 billion tonnes and Congo has the world's second biggest forestry reserves after the Amazon. The forestry sector is 10 per cent of non-oil GDP and generates CFAf100 billion (US\$2 billion) in exports of wood (the country's second biggest export) and more than CFAf20 billion (US\$0.4 billion) annually in tax revenue. Sustainable production of wood is estimated at 5 million cubic metres (1 million in 2011). Congo also has 10 million hectares of arable land.

The huge mining potential is beginning to be exploited, with four projects under way, including one expected to start production in late 2013 and another in 2016, as part of the Congo Iron and Mining Project Development. But development of all these resources is hampered by serious structural constraints.

Congo has not yet managed to take best advantage of its natural resources. Management transparency has however improved with quarterly certification of oil resources by foreign auditors and posting of verification reports on the finance ministry website, new laws to improve management transparency in forestry and in mining (especially granting concessions) and signing up to the Forest Law Enforcement, Governance and Trade (FLEGT) action plan, which guarantees the origin and sustainability of wood products.

But natural resources management needs to be greatly improved with more and better information on extractable resources to conform with Extractive Industries for Transparency Initiative (EITI) standards, better management of the extractive-industry value chain (including maximising oil revenue through good contracts with oil companies) and better use of government resources through improved public finance management.

Profits from natural resources development have enabled the government to speed up its national transport programme and quadruple energy supplies over the past three years. Revenue from natural resources, especially oil, has also funded anti-poverty efforts and economic growth. Oil prospection and production has generated spillover activity, especially in metal industries, maintenance, technical assistance for drilling, seismic exploration and other services for oil companies. Other sectors, however, have benefited little from natural resources, so structural change to the economy over the last two decades has been limited.

Economic growth in recent years seems to have been more balanced but has not really changed structures. Oil has been the pillar of the economy since the 1980s. Since it provides 70 per cent of nominal GDP, the economy is vulnerable to external shocks. Also, because the oil industry is capital-intensive, it provides few jobs. The non-oil sector has shrunk, with the tertiary sector contributing 18 per cent of GDP, the secondary sector only 7 per cent and the non-oil primary sector less than 5 per cent. The weakness of the primary and secondary sectors contrasts with the importance of the country's natural resources, showing a potential for economic transformation undeveloped because of major structural impediments.

The main obstacles to this are poor infrastructure, a largely unskilled labour force and an unfavourable business climate. The lack of good infrastructure is marked in the energy and transport sectors, with only 10 per cent of roads

surfaced and only 38 per cent of these in good or fair condition. Despite increased energy production capacity, inadequate electricity supply comes at the top of a list of ten complaints by businesses. Infrastructure services are still very costly, undermining competitiveness and productivity. Ill-trained labour and unsuitable skills (as shown by 17 per cent unemployment among higher-education graduates) prevent the huge needs of the economy's promising sectors from being met. Serious problems with the business climate, as shown by the country's low rankings in the Doing Business 2013 report, are other big obstacles to economic diversification. Legal unreliability is a major barrier to the private investment that is so vital for transforming the economy. These weaknesses are exacerbated by poor management of natural resources.

The government knows how important the country's natural resources can be for structurally transforming the economy and intends to step up its efforts to create the best conditions for this to happen. It plans to speed up building competitive infrastructure, especially the current upgrading of the road and rail corridor between the expanding port of Pointe-Noire and Brazzaville. It intends to create (with the help of several emerging countries) special economic zones (SEZ) and an investment promotion office to boost key economic sectors, a development bank for SMEs and vocational training colleges for skills needed in high-growth economic sectors (like two such centres in Pointe-Noire and Brazzaville specialising in construction

KEY INDICATORS

Congo

	Unit	2008	2009	2010	2011	2012
Population	m	*3.65	*3.76	*3.87	*3.98	*4.09
Gross domestic product (GDP)	US\$bn	11.85	9.60	11.90	15.60	*13.69
GDP per capita	US\$	3,091	2,434	2,970	3,485	*3,346
GDP real growth	%	5.6	7.5	8.8	3.4	*3.8
Inflation	%	25.0	-20.6	20.7	10.7	*5.0
Oil output	'000 bpd	249.0	274.0	292.0	295.0	296.0
Exports (fob) (goods)	US\$m	8,041.4	6,090.8	6,263.1	1,221.0	–
Imports (fob) (goods)	US\$m	2,874.0	2,490.5	3,519.2	507.7	–
Balance of trade	US\$m	-5,167.4	3,600.2	2,743.9	713.3	–
Current account	US\$m	279.0	-710.0	609.0	103.0	*490.0
Total reserves minus gold	US\$m	3,871.8	3,806.3	4,446.9	5,715.9	163.0
Foreign exchange	US\$m	3,870.7	3,695.5	4,388.1	5,602.8	1,091.0
Exchange rate	per US\$	447.81	472.19	495.28	466.82	917.27
* estimated figure						

and industrial maintenance). It will also encourage local processing of resources with subsidies and tax breaks and speed up the global action plan to improve the business climate. Finally, the government has launched a forestry and environmental programme to assess resources and improve the management of concessions.

The economy

Congo's economic outlook is still quite good but external factors are a major threat. GDP should grow 5.1 per cent in 2013 and 5.3 per cent in 2014. Apart from oil, the main pillars of growth are forestry, transport and telecommunications, and continued government investment in the public sector. These growth rates will depend on faster reforms and proper management of risks from a deteriorating world economic outlook, especially lower demand for oil and thus lower prices. This shows how vulnerable the economy is and the need to diversify it by developing the non-oil private sector.

The reform programme backed by the Extended Credit Facility (ECF) of the International Monetary Fund (IMF) has produced satisfactory results but it must be speeded up. The government's public finance management programme (Programme d'Action Gouvernementale de Gestion des Finances Publiques) has had good effects too. A law to make management of forestry resources more transparent was passed in 2011. The government has begun implementing an action plan to improve the business climate. Adopted in February 2011, the plan created a high council for public-private sector dialogue (Haut Conseil du Dialogue Public-Privé) under presidential supervision and a one-stop shop for registering businesses. These measures, for the first time, enabled satisfactory reviews of all stages of the IMF-backed programme.

Despite this progress, bold reforms are still needed so the country can use its natural resources better to diversify the economy and promote broad long-term growth. Despite fairly satisfactory economic expansion, good prospects for oil, forestry, mining and agriculture and a per capita income of US\$2,300, which makes the Republic of Congo a lower middle income country, poverty is still high and achieving the Millennium Development Goals (MDGs) is a big challenge. Unemployment is also high, especially among young people aged 15–29. The structure of the economy has changed little and the country is still very dependent on oil.

Speeding up reform is thus vital, especially by urgently improving the business climate, upgrading infrastructure, developing human resources and boosting good management, especially of natural resources.

Risk assessment

Politics	Fair
Economy	Fair
Regional stability	Poor

COUNTRY PROFILE

Historical profile

From the fifteenth century, the Bakongo, Bateke and Sanga began settling in what is now the Republic of Congo.

1482 Portuguese explorer Diogo Cao mapped the coastline.

1880s The colonisation of what is now the Republic of Congo began in the late nineteenth century after the French explorer Pierre Savorgnan de Brazza signed a treaty with the Chief of the Batekes to establish a French protectorate over the north bank of the Congo river.

1910 Middle Congo, as the country was then known, became a colony of French Equatorial Africa.

1928 Africans revolted over forced labour that had been used to build the Congo railway. More than 17,000 Africans died in the revolt.

1946 Congo was granted a territorial assembly by the French and representation in the French parliament.

1960 Congo became independent with a catholic priest, Abbé Fulbert Youlou, as president.

1963 Alfonso Massamba-Debat became president and Pascal Lissouba became prime minister. The country became a one-party socialist state.

1969 Captain Marien Ngouabi led a coup against Massamba-Debat and became president. The Parti Congolais du Travail (PCT) (Congoles Workers' Party) was declared the only legal political party.

1970 Ngouabi proclaimed Congo a Marxist state.

1977 Ngouabi was assassinated by forces loyal to Massamba-Debat, who in turn was executed for treason. Joachim Yhombi-Opango of the Comité Militaire du Parti (CMP) (Party of the Military Committee) became president.

1979 Colonel Denis Sassou-Nguesso took over the PCT, and remained in power under one-party PCT rule until 1992.

1990 The PCT abandoned Marxism.

1992 A new constitution was approved by a referendum. Multi-party legislative elections were won by the Union Panafricaine pour la Démocratie Sociale (UPADS) (Pan-African Union for Social

Development), led by Pascal Lissouba. Lissouba was elected president, defeating Sassou-Nguesso.

1993 Political unrest forced new elections, which were won by UPADS.

1994 A peace agreement saw members of the opposition join the government. The currency was devalued.

1997 The government attempted to disarm rebel militia loyal to Sassou-Nguesso, resulting in a civil war. Thousands of people were killed and tens of thousands forced to flee their homes. After several months of fighting the Angolan Army invaded and sided with Sassou-Nguesso who succeeded in overthrowing the government of Pascal Lissouba.

Sassou-Nguesso assumed the presidency at the head of the Conseil National de Transition (CNT) (National Transitional Council).

1999 The warring factions signed a peace accord with the government. However, armed conflict continued.

2001 A peace conference proposed a new constitution and 15,000 militia were given financial incentives to demobilise. Lissouba was convicted *in absentia* of treason and corruption and sentenced to 30 years' hard labour. Congo signed a treaty establishing the Gulf of Guinea Commission.

2002 The new constitution, which strengthened the powers of the president, was endorsed by 80 per cent of the electorate. Sassou-Nguesso was elected president with almost 90 per cent of the vote after his rivals were either banned from running or withdrew. The legislative election for the new bicameral parliament led to the creation of a pro-Sassou-Nguesso coalition consisting of the PCT, the Forces Démocratiques Unies (FDU) (United Democratic Forces) and a number of independents. Electoral disputes between government forces and rebels in the south loyal to former prime minister Bernard Kolelas led to intense fighting, which reached Brazzaville. An agreement on power-sharing was reached between the government and two main rebel groups, but fighting continued in the east.

2003 All parties signed a peace agreement ending the civil war. A new constitution was adopted paving the way for elections.

2004 The Congo, which was held responsible for large-scale diamond smuggling from the Democratic Republic of Congo (DRC), was expelled from the Kimberley Process Certification Scheme (for diamonds), when it was unable to explain why its exports outstripped its production. The move severely limited the Congo's exports of diamonds.

2005 The president appointed his close ally, Isidore Mvouba, as prime minister

and caused a wave of criticism, as the constitution does not allow for presidential appointees. Bernard Kolelas was given an amnesty and allowed to return home after eight years in exile.

2006 Congo was chosen to hold the year's presidency of the African Union, after Sudan withdrew its candidacy amid diplomatic concern about its human rights record.

2007 Former Ninja rebels, who had been led by Pastor (Frederic) Ntoumi in support of Lissouba in the 1997–99 civil war, symbolically burned their weapons to demonstrate their commitment to peace.

Around 40 political parties boycotted parliamentary elections. The ruling PCT won 88 seats (out of 137). The London Club (a group of private sector creditors) cancelled 80 per cent of Congo's debt.

2008 A government programme to demobilise, disarm and re-integrate ex-combatants of Paster Ntoumi, was launched.

2009 President Denis Sassou Nguesso was re-elected. The position of prime minister was abolished and all cabinet responsibility reverted to the president.

2010 The World Bank and International Monetary Fund (IMF) announced a package of debt relief amounting to US\$255.2 million, which allowed a total debt savings of US\$1.9 billion. The president announced one of Africa's toughest child protection legal frameworks. Transparency International successfully appealed against a Paris court's ruling of 2009 that it could not act against foreign heads of state. France's highest appeals court gave the judiciary permission to proceed with investigations into assets held in France by President Denis Sassou-Nguesso, as well as by Teodoro Obiang Nguema of Equatorial Guinea and the late Omar Bongo, former president of Gabon.

2011 An ecology summit of heads of state, ministers and representatives of 35 rainforest countries was held in Brazzaville at the beginning of June. The meeting, to strengthen co-operation, issued a call for international funding for equatorial forest conservation (forests are deemed to provide an international service in carbon capture and provision of livelihood to an estimated 1.5 billion people worldwide). However, they failed to agree a formal structure of co-ordinated forestry policies. Later in June the government announced that four economic zones would be established in 2012, in a move to diversify the economy from hydrocarbons to manufacturing and service industries. The zones will provide tax breaks and other incentives for participating companies. The Singapore Co-operation Enterprise signed a memorandum of understanding (MOU) for help to develop the zones. Several

companies from various countries expressed an interest in the zones.

2012 On 4 March a military munitions depot exploded in a suburb of Brazzaville and killed almost 300 people, injured around 2,300 and left 17,000 people homeless. Parliamentary elections were held on 20 July and 5 August, in which the ruling PCT won an overwhelming majority with 89 seats out of 139, plus a further 21 seats of allies, which will allow the government to change the constitution to allow President Denis Sassou Nguesso to run in the 2016 presidential elections. The opposition UPDS declared the result marred by fraud and irregularities. In September, Charles Zacharie Bowao was sacked as defence minister, having been held responsible for the explosion in March, which he had referred to as a 'minor incident without significant damage'.

2013 In September six people were found guilty of being involved in the March 2012 munitions dump explosion. The heaviest sentence went to an army colonel, who received 15 years of forced labour for arson. Another colonel was sentenced to five years for embezzling funds which were supposed to be used to build proper containers for the munitions.

Political structure

Constitution

President Sassou Nguesso suspended the 2000 constitution in 2002 in favour of an older version in which presidential terms in office is seven years.

Form of state

Republic

The executive

Executive authority is vested in the directly elected president, who serves a seven-year term.

National legislature

The bicameral Parliament consists of the Assemblée Nationale (national assembly), with 153 members, elected in single seat constituencies for five-year terms. The Sénat (senate) has 72 members, elected by local, district and regional councils (six representatives for each of the 12 regions), to serve for six years.

Legal system

Based on the French inquisitorial system, where questions of criminal process is undertaken by a *juge d'instruction* (examining judge), who investigates and conducts serious and complex enquires. Membership of the judiciary ensures independence from the executive. Traditional, customary law sometimes applies.

Last elections

12 July 2009 (presidential); 20 July and 5 August 2012 (parliamentary)

Results: Presidential: Denis Sassou Nguesso won 78.6 per cent of the vote, Joseph Kignoumbi Kia Mboungou (

independent) 7.46 per cent; turnout 66.42 per cent (official figure).

24 June/5 August 2007 (parliamentary (two rounds)).

Parliamentary: Parti Congolais du Travail (PCT) (Congoese Labour Party) won 89 seats out of 139, Mouvement Congolais pour la Démocratie et le Développement Integral (MCDDI) (Congoese Movement for Democracy and Integral Development) seven, Union Panafricaine pour la Démocratie Sociale (UPDS) (Pan-African Union for Social Development) seven, independents allied to PCT 12, other parties allied to PCT nine, others 12. *Three seats remained vacant*

Next elections

2016 (presidential); 2017 (parliamentary)

Political parties

Ruling party

Parti Congolais du Travail (PCT) (Congoese Labour Party) (from 1997; re-elected 5 August 2012)

Main opposition party

The Union Panafricaine pour la Démocratie Sociale (UPDS) (Pan-African Union for Social Development)

Population

4.09 million (2012)*

Seventy per cent of the population lived below the national poverty line in 1995–2001.

Two-thirds live within 510km of the Congo–Océan Railway, which links Pointe-Noire on the Atlantic coast with Brazzaville, the national capital, in the interior. The government is anxious to discourage the present urban drift.

Last census: June 1996: 2,600,000 (provisional)

Population density: 7.6 inhabitants per square km. Urban population 62 per cent (2010 Unicef).

Annual growth rate: 2.6 per cent, 1990–2010 (Unicef).

Internally Displaced Persons (IDP)

100,000 (UNHCR 2004)

Ethnic make-up

Kongo (48 per cent), Sangha (17 per cent), Teke (17 per cent).

Religions

Traditional beliefs (over 50 per cent), Christianity (about 40 per cent, mainly Roman Catholic, some Protestant).

Education

Primary education is followed by seven years of secondary school which is divided into a four-year first cycle (ages 12 to 16) and a three-year second cycle (ages 16 to 19). In the second cycle, students can opt between general or technical education. Higher education is provided by the Université Marien-Ngouabi, which is largely state subsidised. It has a yearly enrolment of about 12,000 students.

Public expenditure on education typically amounts to 6 per cent of annual gross national income.

Literacy rate: 83 per cent adult rate; 98 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Six to 12

Enrolment rate: 120 per cent for boys, 109 per cent for girls, total primary school enrolment of the relevant age group (including repetition rates) (World Bank)

Pupils per teacher: 70 in primary schools.

Health

In 2004 a measles epidemics broke out in remote regions of northern Congo due to 'weak vaccination coverage' in earlier programmes and it was expected that, without a thorough immunisation campaign, measles would continue to return in two- to three-year cycles.

Pneumonic plague broke out in February 2005 in the north-east killing over 60 people and prompted control teams to be sent by international medical agencies to treat the victims. Many locals had fled the area and raised the fear of the infection spreading.

HIV/Aids

HIV prevalence: 4.9 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 54 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 4.5 births per woman, 2010 (Unicef)

Child (under 5 years) mortality rate (per 1,000): 96 per 1,000 live births (WHO 2012); 16 per cent of children aged under five were malnourished (World Bank).

Head of population per physician: 0.2 physicians per 1,000 people, 2004 (WHO 2006)

Main cities

Brazzaville (political capital, estimated population 1.6 million in 2012), Pointe-Noire (economic capital, 822,850), Loubomo (86,433), Nkayi (76,491), Kindamba (61,304), Impfondo (40,654), Ouessou (31,062).

Languages spoken

French is used for all business documentation. Other major languages are Lingala, Kikongo and Munukutuba. English is not much spoken.

Official language/s

French

Media

Despite the repeal of repressive press laws in 2000 the international human rights watchdog, Freedom House, described the Republic of Congo in 2006 as only partially free, as the government monopolised the broadcast media, which has a

much larger share of the potential media audience.

Press

While there are many, small, independent newspapers published in Brazzaville few have a sustainable market outside the capital.

In French, the principal newspapers include the government-owned *Les Dépêches de Brazzaville* (www.brazzaville-adiac.com), the independent *Le Choc* (www.lechoc.info), and the Catholic publication *Semaine Africaine* (www.lasemaineafricaine.com).

Broadcasting

Radiodiffusion-Télévision Nationale Congolaise (RTN) is the state-run broadcaster.

Radio: RTN operates Radio Congo which broadcasts programmes in French, Lingala and Kikongo. The capital's own station, Radio Brazzaville, is also state-run and canal FM is a community station for the city. Radio Liberte is a private station. Foreign radio stations include Reveil FM, from Kinshasa (Democratic Republic Congo) and Radio France International (RFI) (www.rfi.fr) with news programmes in French.

Television: RTN operates the only locally broadcasting TV station, while satellite reception is available.

National news agency: Les Dépêches de Brazzaville

Other news agencies: APA (African Press Agency): www.apanews.net
Congopage (in French): www.congopage.com
Mwinda Press (in French): www.mwinda.org
Panapress: www.panapress.com

Economy

The economy is dominated by petroleum extraction, which accounts for most government spending. Foreign direct investment (FDI), which amounted to US\$2.8 billion in 2010, is typically limited to petroleum extraction and forestry, the prime industry before oil was found; between them the two industries account for 80 per cent of GDP. However, these sectors are dependent on external markets and global commodity prices which fluctuate. Agriculture accounts for only around 4 per cent of GDP (3.3 per cent in 2011), which is typically subsistence farming and is the country's largest employer. About half the area of forest is exploitable for commercial logging, while only 5 per cent remains protected from development. The service sector, both government and private are also largely supportive of the primary industries and constitutes almost 16 per cent of GDP. Eco-tourism is a fledgling industry and in 2008 and 2009 measures were undertaken to preserve the

environment of isolated regions and the Congo Basin for the indigenous pigmy (BaAka) tribes, gorillas, rainforests and bio-diversity in general.

GDP growth was 7.5 per cent in 2009, rising from 5.6 per cent in 2008; in 2010 it increased by 8.8 per, before falling to an estimated 3.4 per cent in 2011. Before the international creditors, led by the Paris Club, agreed to reschedule the Republic of Congo's debts, the government had to demonstrate that it was implementing macroeconomic reforms. In 2008 US\$643 million of debt was cancelled and in 2010 a further US\$2.4 billion was cancelled, which amounts to all bilateral debts. The debt-to-GDP ratio of 198.7 per cent of GDP at the end of 2004 was reduced to 55.6 per cent of GDP at the end of 2008. With the cancellation of its debts the International Monetary Fund (IMF) expected the ratio to move into surplus of 2.5 per cent of GDP in 2010. In 2012 the IMF reported that net external debt in 2011 had turned negative and assets exceeded debt by 30 per cent of GDP.

World Bank donors pledged up to US\$3.9 billion for sub-Saharan Africa in 2006, with around three-quarters of this sum being invested in the regional transportation system. The Trans-African Highway 3 (from Tripoli to Windhoek) passes through the Republic of Congo, but there are still gaps in the highway to both north and south, preventing most through traffic. Improvements to the roads and mass transit could further encourage foreign investment. For its own benefit the government will have to broaden the tax base and improve revenue collection.

The Congo's economic performance has improved steadily but the IMF advised that any windfalls from high oil prices should be spent on poverty-alleviation, such as providing basic health and education services. Remittances were US\$14 million (0.2 per cent of GDP) in 2009, which fell in 2010 to an estimated US\$13 million. In 2011, the UN Human Development Index (HDI) ranked Congo 137 (out of 187) for national development in health, education and income. Since 2000, Congo's progress has grown beyond the average improvement of other sub-Saharan countries in Africa. In 2010, 51.2 per cent of the population experienced at least one indicator of poverty, while 54.1 per cent lived on less than the equivalent of US\$1.25 per day; the headcount poverty rate was 40.6 per cent of the population (2000–10).

External trade

As a member of the Communauté Économique des États d'Afrique Centrale (Economic Community of Central African

States (ECCAS) Republic of Congo uses the CFA franc (Communauté Financière Africaine franc), issued by the Banque des États de l'Afrique Centrale (BEAC) (Bank of Central African States). ECCAS operates a customs and economic union with a common external tariff between its six members, with free movement of capital, people and goods and services.

There is a regular large trade surplus from oil export earnings, but invisibles and debt payments keep the current account in deficit.

In 2011, plans to set up four specialised economic zones, in Brazzaville, Pointe-Noire, Oyo-Ollombo in the north and Ouessou in north-west were agreed and due to be set up in 2012. However the lead time was extended despite French delegations of commercial representatives visiting in September 2012, ready to do business.

Imports

Principal imports are manufacturing equipment, vehicles and machinery, construction materials and foodstuffs.

Main sources: France (typically over 25 per cent of total), China (over 15 per cent), US (around 10 per cent).

Exports

Principal exports are petroleum, timber, plywood, sugar, cocoa, coffee and diamonds.

Main destinations: US (typically 40 per cent of total), China (30 per cent), France (10 per cent).

Agriculture

The agricultural sector employs 30 per cent of the workforce. Agriculture has been overshadowed by development of the petroleum industry.

Total agricultural land is 34.2 million hectares of which 29.3 per cent is pasture and 1.5 per cent arable (mainly in the alluvial Niari Valley).

Farming is small-scale with output concentrated on subsistence crops such as plantains, cassava, yams, groundnuts, manioc, potatoes, wheat, maize, beans and paddy rice. Despite some growth in food production, Congo relies heavily on food imports.

The main cash crops are coffee, cocoa, tobacco and sugar. Attempts to expand production of other cash crops include the rehabilitation of oil palm estates and a major new cocoa project.

Fishing is underdeveloped but is practised commercially on a small scale.

The main agricultural export is timber, mostly Okoumé logs (of which Congo is a major world supplier). About half the total timber output is used for wood processing. Approximately 60 per cent of the country is covered by woodlands and forests, much of it unsuitable for commercial

exploitation. There are large eucalyptus (fast growing) plantations near Pointe-Noire.

Industry and manufacturing

The industrial sector contributes over 10 per cent to GDP and employs a fifth of the workforce. The manufacturing sector is largely underdeveloped, contributing less than 5 per cent to GDP. Construction contributes a further 5 per cent, although this figure could grow rapidly, particularly in the repair of the damaged infrastructure, if political stability remains calm and reconstruction efforts are sustained.

Most manufacturing enterprises operate in the Brazzaville and Pointe-Noire districts and in the Niari Valley. Activity is centred on agri-food and timber processing, textiles and oil refining.

There are also a few small-scale import substitution industries (footwear, soft drinks, metal working, chemicals) and a cement plant.

Structure and ownership of parastatals is being reformed and the privatisation programme is expected to be renewed after years of delay. Emphasis is on joint-venture enterprises, particularly in pulp/paper and light manufacturing.

Tourism

Apart from business arrivals generated by the growing oil industry, tourism is underdeveloped and is in need of foreign investment to improve facilities. Around 80 per cent of the country is covered in dense rainforest, with the population located mainly in the south-east around the capital. The remainder of the country is sparsely populated. In 2011, not only are the domestic roads and rail system in a poor state but incentives for the government and foreign investors to upgrade and extend them are only now emerging. One of the Congo's potentially biggest tourist attractions is gorilla watching. The western lowland gorilla, which is designated as a critically endangered mammal by the International Union for Conservation of Nature (IUCN), and the forest elephant, are found in the Odzala National Park. The Park includes the northern swamp forest and a neighbouring Marantaceae (dryland) forest.

The travel and tourist industry accounts for less than 1 per cent of GDP, despite an annual increase in contribution from US\$90 million in 2006 to an estimated US\$127 million in 2011. Total employment in the industry fell from 19,600 jobs in 2007 to 14,600 in 2010 (2.7 per cent down to 1.8 per cent) in line with the fall in tourist numbers due to the global economic crisis.

Eco-tourism offers great potential, but Congo has only just begun to fund and attract investment in the tourist sector and

it will take time before the returns benefit the country as a whole.

Mining

Congo has significant deposits of magnesium, gold, diamonds, cement, potash and salt. Commercial exploitation of these deposits was either damaged by the civil war or have yet to be developed.

In July 2004, Congo was expelled from the Kimberley Process, set up to curb the trade in 'conflict diamonds', when the Congo could not account for the discrepancy between reported production and its exports of rough diamonds. As these diamonds are mined mostly by artisans the government claimed it was unable to confirm production, or curb smuggling along its uncontrolled borders. The ban on Congo diamonds effectively suspended legal exports of diamonds.

Gold production from the Yangadou Mine experienced technical problems and production has only amounted to 4kg per month since it opened in 2003, instead of the 1,500kg as expected.

A major magnesium processing plant at Kouilou could have a significant role in the economy when it is up and running. The plan, by Canada's MagIndustries Corporation (MagMetals), is to construct a 72,000 tonnes per annum (tpa) smelter of the local magnesium salt deposits and produce 60,000tpa of magnesium alloy. However, by the beginning of 2005 the project was still awaiting financial backing.

As a by-product of the magnesium mining MagMetals also proposes to exploit the potash and salt deposits found in the locale, with a 300,000tpa potash fertiliser plant and 400,000tpa salt plant.

Hydrocarbons

Proven oil reserves were 1.9 billion barrels in 2011, with production at 295,000 barrels per day (bpd), which was a rise of 1 per cent on the 2010 figure of 293,000.

French oil company Total E&F (Elf and Fino) has the dominant role in Congo's oil sector although it has lost its monopoly status as other foreign companies, especially Italy's Agip, are also investing in the country's petroleum industry. Italy's Eni and Total E&F have said that they would invest in production of Congo's tar sands field. Total E&F began production of the Moho Bilondo deep-water oil field in 2008, with an estimated 230 million barrels of recoverable oil. It has also invested in the only oil terminal in Congo, processing 250,000bpd from all domestic oil fields and able to handle one tanker every four days, loading from offshore buoys. Oil refining capacity was 21,000bpd in 2011, which is more than adequate for domestic consumption of over 9,000bpd.

Proven natural gas reserves were 84.9 billion cubic metres in 2011, most of which was oil-associated. A lack of infrastructure and investment means that most gas is vented or flared.

The French energy company Total announced, in early 2011, the discovery of two new hydrocarbon reserves, situated 70km offshore of Congo in deep waters. The 25MW gas plant in Djeno utilises gas for electricity production for supply to the Pointe Noire area.

Any use of imported coal is commercially negligible.

Energy

Total installed generating capacity was 121MW in 2006, although generating potential is estimated at 3,000MW, from unexploited hydropower. Around 25 per cent of the country's electricity requirements are imported from the Democratic Republic of Congo (DRC). The state-owned Société Nationale d'Électricité (SNE) is responsible for generating and distribution of energy but transmission is severely limited so that consumption is low and most rural inhabitants rely on wood fuel as a primary source of power.

Construction of a 300 megawatts gas-fired power plant began in May 2008, at the coastal site of Mateve, 15km south of Pointe-Noire.

Banking and insurance

In 2004 the banking system was considered fragile by the IMF, with credit growth limited by the lack of viable projects and a reluctance by banks to make loans as loan recovery is problematic. Of the four domestic banks two have been classified as in good condition and two in either a fragile or critical condition and in need of restructuring.

Central bank

Banque des États de l'Afrique Centrale
Main financial centre
Brazzaville

Time

GMT plus one hour

Geography

The Republic of Congo is an equatorial country on the west coast of Africa. A flat, treeless plane stretches down from the highlands to the coast. The coastline stretches about 170km along the Atlantic Ocean. The rain-forested highlands extends northward to Cameroon and the Central African Republic. Congo is bordered by Gabon in the west, and with the Democratic Republic of Congo to the east. In the south there is a short frontier with the Cabinda enclave of Angola.

Hemisphere

Straddles the equator.

Climate

Equatorial or sub-equatorial. Main dry season from June–September with average temperatures ranging from 15 degrees Celsius (C) at night to 32 degrees C during the day. Rainy season from October–May with higher average temperatures and high humidity. Generally hotter and more humid in Congo Basin, drier and cooler in highlands.

Entry requirements

Passports

Required by all, valid for at least six months.

Visa

Required by all. Tourists must provide evidence of accommodation arrangements in Congo and of sufficient funds. If on business, a letter, issued by the traveller's company, giving a detailed summary of intended purpose of trip, a full itinerary including intended contacts with host company, and the acceptance of full responsibility for any expenses incurred during the term of stay, and repatriation expenses in case of emergency, must be submitted with the application to the local embassy.

Currency advice/regulations

There is no limit to the amount of foreign currency which can be imported, but amounts above US\$335 must be declared; export of foreign currency is limited to the amount declared on arrival. The import and export of local currency is prohibited, except between countries in the CFAf zone.

Health (for visitors)

Medical and dental facilities are inadequate.

Mandatory precautions

A yellow fever vaccination certificate is required by all.

Advisable precautions

Typhoid, hepatitis A and B, polio and tetanus vaccinations are recommended. Malaria prophylaxis should be taken, as a risk exists throughout the country. Water precautions should be taken. Visitors should avoid uncooked fruit and vegetables. There is an Aids risk and a risk of rabies.

Hotels

Good hotels are available in Brazzaville, Pointe-Noire and Loubomo; there are few elsewhere. It is advisable to book well in advance. A 10 per cent tip is usual.

Credit cards

Two hotels in Brazzaville and several in Pointe Noire accept major credit cards.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 5 Feb (President's Day), 8 Mar (Women's Day), 18

Mar (Marien Ngouabi Day), 1 May (Labour Day), 22 Jun (Army Day), 31 Jul (Revolution Day), 13–15 Aug (Independence celebrations), 25 Dec (Christmas Day), 31 Dec (Republic Day).

Variable dates

Easter Monday; Ascension Day.

Working hours

Banking

Mon–Fri: 0630–1300. Counters close at 1130.

Business

Mon–Fri: 0800–1200 and 1430–1730, Sat: 0800–1200.

Government

Mon–Fri: 0700–1400, Sat: 0700–1200.

Shops

Mon–Fri: 0800–1200 and 1530–1800. Sat: 0800–1200 and 1530–1800/1900. Some shops close on Mon afternoons; a few open Sun mornings.

Telecommunications

Telephone/fax

Telephone services are inadequate. Major hotel may provide fax and Internet services.

Mobile/cell phones

There are two GSM 900 networks operating: CelTel Congo and Libertis Telecom; however, coverage is generally restricted to Brazzaville and Pointe Noire.

Electricity supply

220V AC 50 cycles; the voltage varies erratically.

Weights and measures

The metric system is used.

Getting there

Air

National airline: Lina Congo

International airport/s: Brazzaville-Maya Maya Airport (BZV), 4km from city; restaurant, car hire.

Other airport/s: Pointe-Noire Airport (PNR), 6km from city.

Airport tax: CFAf500.

Surface

Road: There is a road from Lambaréné, in Gabon, to Loubomo and Brazzaville; this is not surfaced all the way. Entry from Cameroon is only practicable in the dry season. There is a surfaced road from the Cabinda enclave of Angola.

Water: A ferry service across the River Congo is operational daily from 0800–1200 and 1400–1700 between Kinshasa (Democratic Republic of Congo) and Brazzaville. Cars can be carried. The ferry takes about half an hour. There is also a *vedette* service for passengers only, which takes 15 minutes. Both services are liable to short-notice cancellation or delay.

Main port/s: Pointe-Noire. Brazzaville is the inland river port.

Getting about**National transport**

Air: Internal air service operated by Lina Congo from Brazzaville to Pointe-Noire and the main provincial towns.

Road: There are 1200km of tarred roads; other routes are mainly tracks which can be impassable in wet weather.

There are very few metalled roads outside Brazzaville and Pointe-Noire, while the roads within the towns are generally poor. The main route from Pointe-Noire, through Brazzaville to Ouesso, is not uniform in quality; the section from Loubomo to Pointe-Noire is liable to become impassable in the rainy season.

Rail: The Congo-Océan railway runs from Pointe-Noire to Brazzaville, a distance of around 500km. The service has been improved, but the journey is slow. The only other line is the 280km Comilog railway from Mbinda on the Congo/Gabon border which links to the Congo-Océan railway and is used mainly for the carriage of manganese ore produced by Comilog. The railways suffer from lack of maintenance and general upkeep.

Water: The ferries on the rivers Congo and Oubangui are a principal form of transport.

City transport

Taxis: Freely available in Brazzaville and Pointe-Noire; tipping is not usual. Can be hired by the hour or day. Fares should be negotiated in advance of journey.

Car hire

Available from main hotels in Brazzaville and Pointe-Noire. International or national driving licence accepted. Traffic drives on the right.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Congo is + 242, followed by subscriber's number.

Useful telephone numbers

Fire: 18.

Police: 17.

Ambulance: 822-365/368.

Chambers of Commerce

Congo National Chamber of Commerce, Industry and Agriculture, PO Box 1119, Brazzaville (tel: 832-956).

Brazzaville Chamber of Commerce, Industry, Agriculture and Crafts, Avenue Amilcar Cabral, PO Box 92, Brazzaville

(tel/fax: 811-608; e-mail: cciam_brazza@hotmail.com).

Dolisie Regional Chamber of Commerce, Industry and Agriculture, PO Box 78, Dolisie (Tel: 910-017).

La Sangha Regional Chamber of Commerce, Industrie and Agriculture, PO Box 122, Ouessa (tel: 983-200).

Pointe-Noire Chamber of Commerce, Agriculture, Industry and Crafts, PO Box 665, Pointe-Noire (tel: 941-280; fax: 943-467; e-mail: cciamprn@cg.celtelplus.com).

Banking

Banque de Développement des Etats de l'Afrique Centrale, PO Box 1177, Brazzaville (tel: 811-885, 811-761; fax: 811-880).

Banque des États de l'Afrique Centrale, PO Box 126, Brazzaville (tel: 832-814/5, 833-626, 833-362; fax: 836-342).

Banque Internationale du Congo, PO Box 33, Avenue Amilcar Cabral, Brazzaville (tel: 830-308, 831-411; fax: 815-092, 835-382).

Crédit pour l'Agriculture, l'Industrie et le Commerce (CAIC), PO Box 2889, Brazzaville (tel: 810-978, 814-050; fax: 810-977, 835-352).

Mutuelle Congolaise d'Epargne et de Crédit, PO Box 13237, Brazzaville (tel: 837-001; fax: 837-930).

Union Congolaise de Banques; PO Box 147, Avenue Amilcar Cabral, Brazzaville (tel: 833-000; fax: 836-845).

Central bank

Banque des États de l'Afrique Centrale, Direction Nationale, PO Box 126, Brazzaville (tel: 813-684; fax: 811-094; e-mail: beacbzv@beac.int).

Travel information

Direction Générale du Tourisme et de Hotellerie, BP 2480, Brazzaville (tel: 814-030; fax: 815-549; e-mail: mcatcongo@yahoo.fr).

Ministries

Ministry of Construction and Urban Development, BP 1218, Brazzaville.

Ministry of Decentralisation and Regional Development, BP 630, Brazzaville.

Ministry of Defence, BP 1219, Brazzaville.

Ministry of the Economy, BP 2120, Brazzaville.

Ministry of Finance and the Budget, BP 64, Brazzaville (tel: 411-266; fax: 814-145).

Ministry of Foreign Affairs, BP 2070, Brazzaville.

Ministry of Industry, Fisheries and Crafts, Palais du Peuple, Brazzaville (tel: 835-130).

Ministry of the Interior and of Security, BP 64, Brazzaville.

Ministry of Trade and Small- and Medium-sized Enterprises, Brazzaville (tel: 831-827).

Ministry of Transport and Civil Aviation, BP 2146, Brazzaville.

Other useful addresses

Agence Congolaise d'Information (ACI), BP 2144, Brazzaville

Bureau pour le Développement de la Production Agricole, BP 2222, Brazzaville.

Direction de la Statistique, BP 2031, Brazzaville (tel: 834-324).

Institut de Développement Economique de la République Populaire du Congo, c/o The Presidency, Brazzaville.

Office du Café et du Cacao (OCC), BP 2488, Brazzaville (tel: 831-902).

Office Congolais des Bois (OCB), BP 1229, Pointe-Noire (tel: 948-248).

Office Congolais de l'Entretien Routier (OCER), BP 2073, Brazzaville.

Office National du Commerce (ONC), BP 2305, Brazzaville (tel: 834-399).

Republic of Congo Embassy (USA), 4891 Colorado Avenue, NW, Washington DC 20011 (tel: 726-5500; fax: 726-1860; e-mail: info@embassyofcongo.org).

Société Nationale de Recherche et d'Exploitation Pétrolières (Hydro Congo), BP 2008, Brazzaville (tel: 833-560).

Syndicat des Commerçants, Importateurs et Exportateurs de l'Afrique Equatoriale (Sycomimpex), BP 84, Brazzaville.

National news agency: Les Dépêches de Brazzaville

Les Manguiers, 76 Ave Paul Doumer, Brazzaville (tel: 532-0109; fax: 532-0110; email: belie@congonet.cg; internet: www.brazzaville-adiac.com).

Other news agencies: APA (African Press Agency): www.apanews.net

Congopage (in French): www.congopage.com

Mwinda Press (in French): www.mwinda.org

Panapress: www.panapress.com

Internet sites

Africa Business Network: <http://www.ifc.org/abn>

AllAfrica.com: <http://allafrica.com>

Africa Online: <http://www.africaonline.com>