

World eyes "new Africa"

■ **PRESIDENT BONGO** has met with the head of one of the world's most powerful companies, Dubai World Chairman Sultan Ahmed bin Sulayem, to discuss investment opportunities in Gabon.

Sultan bin Sulayem (on left of picture) visited Libreville as part of a tour of West Africa with senior Dubai World officials, including representatives of Dubai World Africa, the group's investment subsidiary dedicated to the continent.

In Gabon, the sultan and his team from the United Arab Emirates (UAE) discussed with President Bongo and his cabinet matters of mutual economic interest, during which Sultan bin Sulayem said that he was deeply impressed by the country's political and economic stability, rapidly diversifying economy and its prudent use of natural resources.

He added: "Dubai World sees West Africa as a region with huge potential for economic growth. The emerging economies of the countries we are currently visiting represent the new Africa of the 21st century and have a lot to offer the outside world."

The sultan led a delegation that included special advisor Karim Wade, son of the President of Senegal, Saeed Ahmed Saeed, CEO of the UAE real estate development company Limitless LLC and



James Wilson, CEO of Dubai World Africa.

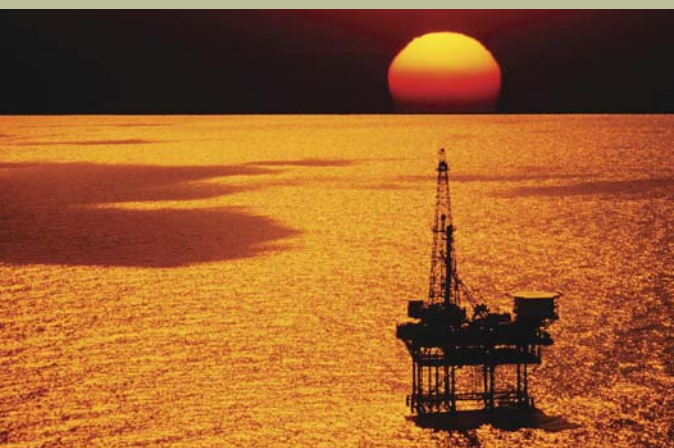
Extensive discussions were held with President Bongo and members of the Gabonese government regarding investment in hotels, ports, airports, an oil refinery, the Isle of Mandji Free Zone, and ecotourism and management of the national parks. President Bongo and the delegation then flew over the Wonga

Wongué Presidential Reserve and Pongara National Park by helicopter accompanied by the Gabonese Minister of Defence Ali Bongo Ondimba. A Memorandum of Understanding is currently being negotiated between Dubai World and the Gabonese government and further meetings are planned in the near future.

Steady growth

■ **GABON ACHIEVED** "robust growth of 6 per cent" in 2007, thanks to "the dynamic performance of the non-oil sector and domestic demand and sustained increase in the commodities market", according to the International Monetary Fund (IMF).

The IMF team led by economist Cyrille Briancon recently visited Libreville and said that oil production had also shown a small improvement. Inflation, however, reached 5 per cent in 2007



reflecting the combined effect of the rising prices of foodstuffs and retail fuel products, as well as pressure from domestic demand.

Gabon should reduce fuel subsidies in order to meet its fiscal deficit target, the IMF said. Mr Briancon also urged the government to implement policies to reduce corruption and make the country more attractive to investors. "The implementation of macro-economic policies and structural reforms slowed in late 2007, posing risks to the economic outlook," he said. "The mission called on the authorities to bring government expenditure more firmly under control, including fuel-price subsidies."

Gabon is Sub-Saharan Africa's sixth-biggest oil producer and pumped 232,000 barrels of oil a day in 2006. Nigeria, Angola, Sudan, Equatorial Guinea and the Republic of Congo are bigger oil producers.

The IMF believes that economic growth in Sub-Saharan Africa will continue this year, but says that it could be affected by the slow-down in the global economy and the continuing credit crisis in international financial markets.

Overall economic growth in the region nonetheless is expected to average about 6.5 per cent this year, driven by oil exporters Nigeria, Angola and Gabon. In its previous forecast in October, the IMF said growth would be about 7.5 per cent.



Landmark on the horizon

■ **LIBREVILLE LOOKS** set to gain a new attraction in the form of an impressive Roman Catholic basilica that is expected to cost around \$73 (€47) million to build.

"The project has not yet been completely finalised," said the Archbishop of Libreville Basile Mve Engome, but the plan was to construct a new place of worship overlooking the city. It is expected to have capacity for 4,500 worshippers and to be built on the site of the capital's Cit  de la D mocratie, originally built for the 1977 summit of the Organisation of African Unity.

A Czech architectural company, Helika, has won the tender for the church design. Its plan is for a basilica crowned by a dove of peace and hands joined in prayer. "This is the design that most appealed to the President," Archbishop Engome said. Helika is also bidding for the architectural design of a new modern teaching hospital for Libreville and a new international airport for the capital that will increase its current capacity tenfold.

The basilica project is set to be financed by the Gabonese government with a loan facility from the Swiss Export Bank. Up to 75 per cent of Gabon's population are Catholic.

Legitimate beef

■ **THE FIRST** home-grown organic beef has been released onto the market in Gabon. The meat was produced in the southern province of Nyanga on a 100,000 hectare cattle ranch owned by the Belgian company Siat Gabon. It has a herd of 3,000 cattle and aims to increase this to 25,000 by 2015 thanks to the recent import of 2,000 heifers from Cameroon. The company focuses on rearing the N'dama breed which is trypanotolerant – resistant to the tsetse fly that causes sleeping sickness in cattle and humans.

"The high quality of the meat is due to our policy of not using growth hormones or feed antibiotics," says

veterinarian and ranch director Mostin Laurent.

Slaughtering is carried out at a modern abattoir at Tchibanga from where the meat is transported overnight in refrigerated trucks directly to the capital.

Over the next five years, Siat Gabon aims to increase

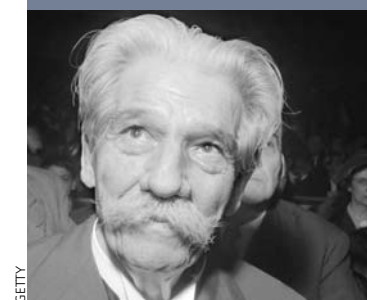
production to meet 25 per cent of national demand. Its competitors are South Africa and Cameroon. Its beef is already cheaper than that of South Africa, if more expensive than the Cameroonian.

"That's due to its quality and guaranteed chain of supply," says Dr Laurent.



IN SHORT

■ **SOUTH AFRICAN-** Gabonese business relations have been boosted by a series of events organised by the South African embassy in Gabon. These include the recent visit of a delegation of South African businessmen to explore investment opportunities in key sectors such as oil, wood processing, financial services, tourism, construction and agro-industries. This was followed by a commercial exhibition at Gabon Expo by South African companies to promote their services to the Gabonese business sector.



■ **GABON MAY** be in line to receive a second World Heritage Site award for the historic Schweitzer Hospital at Lambar n  founded by the Nobel Peace Prize doctor and philosopher Albert Schweitzer in 1913 (above). An assessment team from UNESCO visited the hospital in April. Last year, Lop  National Park won Gabon its first World Heritage Site award.

■ **CHINESE CONSTRUCTION** company CEMEC is to build a 125 km road that will connect the northwest region of the Republic of Congo to the Gabonese border. The route was agreed by the Presidents of Gabon and Congo in 2006 and will cost \$110 (€70) million. The road is expected to assist trading opportunities between the countries.

NEWS IN BRIEF

Record output predicted

■ **FRENCH MINING** giant Eramet is planning to ramp up production of manganese ore to record output from its mine in Gabon to meet expected growth in the hunger for steel.

"We are studying the possibility of going above the 3.5 million tonnes mark and we are even thinking of exceeding four million tonnes," said Patrick Buffet, Eramet's managing director.

Eramet's Gabonese arm, COMILOG, is based in Franceville and employs 1,500 people, 97 per cent of whom are Gabonese.

It had previously stated that it would produce 3.5 million tonnes in 2008 but has revised predictions to meet world demand.

■ **CANADIAN MINING** company Pitchstone will soon begin work on an \$800,000 (€513,000) uranium exploration programme in Gabon. The company has been granted a permit by the Gabonese government to carry out sampling and prospecting in a 600,000-

hectare area of the Franceville Basin. A company spokesman described it as "one of the most significant uranium districts in the world," adding that the region was "under-explored and offers excellent potential". Pitchstone is also carrying out uranium exploration in Namibia.

■ **WORK ON** a new training facility for Gabonese mining engineers has been inaugurated by President Bongo. A new higher-education institution will be built in Franceville in southeast Gabon and is expected to be completed in 2010.

This will have capacity for up to 300 students who will be trained in the fields of geology and mineralogy in preparation for Gabon's anticipated mining boom with the development of the Belinga iron-ore mine in the north of the country. Gabonese students wishing to pursue these disciplines currently study in South Africa and Europe.



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Field work

■ **GABON'S LEADING OIL** company Total Gabon is planning a multi-million dollar development programme that it hopes will boost oil production from flagging fields.

It has begun improvement works on its important Anguille field, located 20 kilometres offshore Port Gentil.

The company said the aim of the redevelopment was to increase production at the oilfield to a peak of 30,000 barrels per day (bpd) by 2014.

Discovered in 1962, this field has seen its output drop to 7,500 bpd and Total Gabon is determined to raise the recovery rate through massive water injection and to eliminate flaring off of gas by 2011. There are also plans to construct a power plant supplied with gas from the field.

The cost of the project has been set at \$2 (€1.3) billion, part of which will be financed by loans. Overall, Total Gabon reported net earnings of \$334 (€213) million in 2007 against \$326 (€208) million the previous year. Output in 2007 amounted to 81,500 bpd, a 4 per cent drop on the previous year.

Total Gabon is Gabon's top-ranked oil operator, with total operated crude oil production amounting to more than a third of the country's output.

■ **SHELL GABON STAFF** returned to work in April following a walkout lasting 12 days. The settlement came after President Bongo intervened personally in talks with officials from Gabon's National Organisation of Petroleum Workers.

Workers at the oil terminal at Gamba obtained the same social benefits as those working on oil rigs. All employees who have served two years with sub-contracting concerns are also to obtain permanent contracts. The strike prevented Shell from exporting 60,000 bpd at the Gamba terminal and halted the export of 30,000 bpd belonging to other companies that use the terminal to ship out their crude.



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Touch wood

■ **THE FORESTRY INDUSTRY** in Gabon has achieved a hefty injection of foreign investment following the acquisition of a 200,000 hectare concession by the Danish timber group Dalhoff Larsen & Horneman (DLH).

DLH is one of the world's major timber wholesalers with sales and procurement offices and warehouse and processing facilities in more than 30 countries on five continents. It has concluded a conditional agreement to acquire the Gabonese

company Compagnie Forestière des Abeilles (CFA). DLH is already the owner of 130,000 hectares of forest concessions in Gabon. In addition, it owns sawmill and kiln-drying facilities in Port Gentil and procurement and sales offices in Port Gentil and Libreville.

CFA has been a long-term sub-contractor and trading partner of DLH. The work of expanding forest production, including the company's own concessions, will start by establishing forestry management plans followed by steps towards Forestry Stewardship Council certification.

"Parallel to this process, investments will be made to increase harvesting equipment as well as to expand sawmill capacity. Total investments including the acquisition of CFA will amount to approximately \$8.5 (€5.4) million," said a spokesman. "Thanks to this acquisition and other investments in sustainable forestry and processing, DLH will obtain a good balance between its own production and timber exports from other suppliers since the existing export quota arrangements in Gabon are based on these ratios."

The investments will strengthen the group's effort to increase its supply of certified tropical timber.



SARAH MONAGHAN

Gabonese head for the African Union

■ **FORMER GABONESE** Foreign Affairs Minister Jean Ping has taken on the chairmanship of the African Union (AU) Commission.

Mr Ping replaced former Malian President Alpha Oumar Konaré as head of the AU at the investiture held in the Ethiopian capital Addis Ababa. He used his first day in office to send an important message to African leaders, saying that for Africa to attain meaningful economic development, it had to follow the example of the fast-growing continent of Asia.

He added that he intended to make the AU an engine for development in the African continent. "I undertake to make transparency and good governance the touchstone of my time in office. I commit to work unceasingly to help Africa overcome the challenges it is confronted by," he said.

Mr Ping was elected in February during the last assembly of the AU following a professional campaign backed by President Bongo. A highly respected diplomat, Mr Ping has held key portfolios in the Gabonese government and also served in 2002 as President of the United Nations General Assembly.

The African Union is a pan-African organisation whose

goal is to lead a united continent towards peace and prosperity. It supports political and economic integration among its 53 member nations. It aims to boost development, eradicate poverty and bring Africa into the global economy. The AU succeeded the Organisation of African Unity in 2002 which originated in the decolonisation struggles of the early 1960s.



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IN SHORT

■ **GABON'S AGRICULTURE** Minister Faustin Boukoubi has begun talks with an Italian agricultural company on the production of bio-fuels. He met with the Italian ambassador to Gabon, Raffaele De Benedictis, and Angelo Favoretto, the head of the Italian agricultural group, Andrew Italia, to discuss palm-oil production.



■ **GABON AIRLINES** HAS expanded its route map to connect twice-weekly Paris and Pointe-Noire, the economic capital of the Republic of Congo. It is also planning to connect with Marseilles in France. On the domestic front, it has concluded an agreement with Gabonese aviation company Air Service to begin offering internal flights to Franceville, Koulamoutou, Mouila, Oyem and Port Gentil, Gabon's biggest cities.

■ **GABON HAS PUBLISHED** its third Extractive Industry Transparency Initiative (EITI) report prepared by an independent expert from accounting company Ernst & Young. It was declared more comprehensive than the previous year's report. The EITI aims to strengthen governance by improving transparency and accountability in the extractives sector. The EITI sets a global standard for the oil profit disclosures of companies and governments.