

Doing Business in the Republic of the Congo:

2014 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business in the Republic of the Congo

- Market Overview
- Market Challenges
- Market Opportunities
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Market Overview

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- The Republic of the Congo (RoC), also known as Congo-Brazzaville or simply Congo, is a country located in Central Africa roughly the size of the U.S. state of New Mexico. The RoC is bordered by Gabon, Cameroon, the Central African Republic, the Democratic Republic of the Congo, and Angola (Cabinda); RoC also has a 170 km coastline on the Atlantic Ocean.
- The current President, Denis Sassou-N'Guesso, has been in power since 1997 when he re-gained power during the Civil War; he had previously been President from 1979-1991. His party, the Parti Congolais du Travail (PCT), dominates the Parliament.
- The economy is heavily dependent on oil, which accounts for 80% of government revenues and 70% of GDP. Oil production, which had been declining and is currently around 280,000 barrels per day, is expected to reach a new peak of over 320,000 barrels per day in about 2017, when new offshore fields are expected to come online.
- According to the World Bank, GDP growth for 2014 is forecast to reach 5.4%, down slightly from the estimated 5.6% achieved in 2013.
- The RoC has a large trade surplus, with 2013 exports totaling almost \$10 billion and imports at about \$4.3 billion.
- Congo's biggest trading partners include France, China, the United States, and Italy.
- France is the biggest exporter of goods to Congo.
- China and the United States are the biggest importers of Congolese goods, mostly petroleum products.
- Population is estimated at slightly more than 4 million. The population is highly urbanized (about 62%), with the largest population centers being the capital city of Brazzaville, and the port/commercial center of Pointe-Noire.
- Income distribution is extremely skewed, with 46% of the population living below the poverty level of \$1.40 per day, according to the IMF.
- Unemployment, particularly among youth and women, remains high. According to some sources, unemployment may be as high as 53%.
- The Republic of the Congo is a member of the World Trade Organization (WTO), the Economic and Monetary Community of Central Africa (CEMAC), and the Bank of Central African States (*Banque des Etats de l'Afrique Centrale*, BEAC.)
- As a CEMAC member, Congo uses the Central African franc (CFA), which is pegged to the euro (CFA 656 = 1 Euro).

Market Challenges

- The Republic of the Congo ranks 185 out of 189 in the World Bank's 2014 Ease of Doing Business Index. This ranking highlights the fact that numerous challenges exist in the way business is conducted in Congo including corruption, poor infrastructure, a weak court system, and an inadequately trained workforce.
- The absence of a true middle class, lack of western-standard health care, and a tight housing market may make the market less attractive to certain businesses.
- Transportation of goods can be a challenge. Rail and road linkages between the commercial center of Pointe-Noire and the capital city of Brazzaville are substandard and do not connect with Kinshasa (the capital of the neighboring Democratic Republic of the Congo (DRC) just across the Congo River from Brazzaville). There are ferry and speedboat connections between Brazzaville and Kinshasa. Interior linkages are also problematic.

Market Opportunities

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- In an attempt to decrease its dependency on the oil sector, the government has laid out ambitious plans to diversify the economy, and attract foreign investors to develop key sectors such as agriculture, transport, mining and information technology services.
- The government has established "Special Economic Zones" (SEZ) in a few key areas of the country, with favorable terms for investing in these zones.
- The petroleum sector still provides opportunities, as Congo searches for new fields and attempts to keep old fields productive. A new bid round for exploration permits, as well as passage of a new hydrocarbon law (which has been in progress for at least 3 years) may become realities in late 2014 and serve to energize the sector.
- While only a fraction of the size of the oil industry, forestry is currently the secondlargest sector of the economy and continues to expand.
- Within the framework of its annual "Municipalisation Accélérée," the government has built airports, roads, bridges, buildings, and dams, and is continuing to fund large construction projects, often awarded to foreign firms, in regional capitals.
- Congo has much arable land which is not being leveraged, providing potential for mechanized agriculture and associated food processing endeavors.
- Mining, tourism, transportation, and energy are additional promising sectors.

Market Entry Strategy

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- Visiting the Republic of the Congo to meet with key players in the government and the various economic institutions is important for understanding the business environment, opportunities, and challenges. The importance of relationships cannot be overstated; do not expect to make serious inroads without establishing a ground presence and strong local contacts.
- There is a small U.S. business community in the Republic of the Congo concentrated primarily in the oil sector. These enterprises are located mainly in Pointe-Noire.
- All national-level government entities are based in the capital city of Brazzaville.
- U.S. stakeholders are advised to become familiar with the challenges posed by local infrastructure and labor force realities prior to any major investment.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the Republic of the Congo, please click on the link below to the U.S. Department of State Fact Sheet.

http://www.state.gov/r/pa/ei/bgn/2825.htm

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Using an Agent or Distributor

One is not typically required to use an agent or distributor to set up a business in the Republic of the Congo. However, the law does require a company's bylaws or statutes to be registered in the RoC and to be aligned to the Congolese commercial code. Congolese Law requires foreign companies to hire a General Manager who is a resident of the Republic of the Congo.

Establishing an Office

To establish an office, one will usually need to contact a local lawyer or a local representative of an international law firm (also known as a "Notaire") who will help to make sure that the company's bylaws respect the Congolese standard business code. The company will also need to hire a resident to serve as General Manager.

Franchising

Franchising follows the same rules as establishing an office in the RoC.

Direct Marketing

There are no restrictions on foreign firms directly marketing products in the Republic of the Congo as long as such products conform to Congolese law.

Joint Ventures/Licensing

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Joint Ventures/Licensing follows the same procedures as establishing an office in the RoC.

Selling to the Government

The Congolese government typically publishes public bids to buy or contract with commercial entities through a commercial transaction. Public bids are published for transactions involving amounts above \$100,000 for equipment, supplies and other goods and for transactions above \$40,000 for professional services (i.e. architects, lawyers, consulting services). Below this level, the government may do a simplified process for public bids where three bidders are asked to submit their bids and the bidder with the lowest price is selected.

With the importance of personal relationships, as well as the limited government use of internet-based resources, companies hoping to successfully do business with the government should have either a local presence or a local partner. With a local presence or partner, a company can more easily identify opportunities to bid on government projects – which may be advertised by word-of-mouth prior to publication, or show up physically posted in hard copy only at the advertising ministry itself. Additionally, a potential bidder will be taken more seriously – and have opportunities to bid on the lower-valued projects handled via simplified bid - if the relevant government ministry is acquainted with the company.

Distribution and Sales Channels

Most U.S. products sold in the Republic of the Congo are marketed through Congolese agents. Some prominent examples include Tractafric (selling Caterpillar heavy equipment). Small local firms sell other U.S. products and services. The only locally-produced U.S.-based product is Coca-Cola, which is part of a complete product range (Coke, Fanta, Sprite, etc.) produced under a licensing agreement with a local brewery.

Selling Factors/Techniques

U.S. companies need to be aware that English is not widely spoken in the RoC. The official language is French. Few government officials have more than a passing knowledge of English, and English skills are lacking in all sectors. Companies without internal French language proficiency would be well-advised to engage a trusted translator before attempting to enter the RoC market.

Personal relationships are very important. There is no substitute for face-to-face contact.

Electronic Commerce

Electronic commerce is not widely used in the Republic of the Congo. The internet penetration rate is one of the lowest on the continent due to lack of reliable infrastructure and equipment. The situation is expected to improve with the recent completion of a fiber optic link which connects both Pointe-Noire and Brazzaville to the West Africa Cable System. This should pave the way for improved internet performance once distribution

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and administrative services are able to connect and support all of the businesses and individual customers clamoring for improved service.

Trade Promotion and Advertising

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The general public obtains information through radio, television, and newspaper. The most widely circulated daily newspaper is "Les Dépèches de Brazzaville." Télé Congo and Radio Congo, both government-run broadcasters, are the most widely diffused television and radio channels.

Pricing

Nearly all locally sold goods are imported. Customs fees are among the highest in Africa. International and domestic transportation costs are a considerable factor in the cost of goods sold.

Sales Service/Customer Support

Good customer service, follow-up services, and inventories can confer a significant competitive advantage, as western standards of customer service become more sought-after in local markets.

Protecting Your Intellectual Property

Several general principles are important for effective management of intellectual property ("IP") rights in the Republic of the Congo. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in the Republic of the Congo than in the U.S. Third, rights must be registered and enforced in the Republic of the Congo under local laws. The RoC is a member of the African Intellectual Property Organization, (better known under the French acronym OAPI). OAPI is charged with issuing a single copyright system that is enforceable in all member states.

Your U.S. trademark and patent registrations will not protect you in the Republic of the Congo There is no such thing as an "international copyright" that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Republic of the Congo market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in the Republic of the Congo. 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 Congolese law. The U.S. Commercial Service can provide a list of local lawyers upon request.

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While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. 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 the Republic of the Congo require constant attention. Work with legal counsel familiar with Congolese 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, both RoC or U.S.-based. These include:

- 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)
- African Intellectual Property Organization (OAPI)

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 register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.

- For more information about registering for copyright protection in the US, contact the US Copyright Office at: 1-202-707-5959.
- For more information about how to evaluate, protect, and enforce intellectual • property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.
- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

Due Diligence

Any investors in the Republic of Congo will need to conduct a thorough due diligence. On the ground research into prospective sectors of investment and legal requirements is highly recommended.

A typical investor will contact the US Embassy in Brazzaville, other American companies operating in the Republic of the Congo, and companies operating in the same or similar industries in the Republic of the Congo.

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. A list of local attorneys - not necessarily with business expertise, but providing a link to the legal community - may be obtained at the U.S. Embassy's consular section or through the Embassy's website at http://brazzaville.usembassy.gov. Additional legal references may be provided through the professional resources listed under "Web Resources" in this section.

Web Resources

UNICONGO (Private business support organization with members in Brazzaville and Pointe-Noire. Most U.S. companies with a presence in the RoC are members. Website is in French) http://www.unicongo.org

The Republic of the Congo Chamber of Commerce (Government-run entity responsible for promotion of business in the RoC) http://www.cciambrazza.com

African Intellectual Property Organization (OAPI): http://www.oapi.int/

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- Petroleum Sector
- Forestry Sector
- Mining Sector
- Machinery and Transportation Equipment Sector
- Construction Sector
- Tourism Sector
- Energy Production and Distribution Sector
- Telecommunications Sector

Agricultural Sectors

<u>Agriculture Sector</u>

Petroleum Sector

Overview

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Unit: USD thousands 2014 2015 2012 2013 (estimated) (estimated) Total Market Size 1,450,000 1,500,000 1,450,000 1,500,000 Total Local Production 14.500.000 15.000.000 14.500.000 17.000.000 Total Exports 13,050,000 13,500,000 13,050,000 15,500,000 Total Imports ---Imports from the U.S. -_ --Exchange Rate: 1 USD 510 495 478

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Market size reflects produced oil retained for processing in local refinery. Data Sources:

Total Local Production: National Statistics Center, government of the RoC (GRoC) Ministry of Finance

Total Exports: National Statistics Center, GRoC Ministry of Finance Total Imports: GRoC does not import crude oil.

Imports from U.S.: Crude oil not imported.

Data reflects crude oil production only.

The RoC is the fourth largest oil producing country in sub-Saharan African and currently produces 280,000 barrels per day; oil accounts for over 90% of Congolese exports. By 2017, production is expected to peak at over 320,000 barrels per day as new offshore fields come on line. Despite new finds and better drilling technology, oil production is still expected to see a dramatic decline (by some estimates to near zero) over the next 15 to 20 years.

The RoC has one oil refinery in the coastal city of Pointe-Noire, which fulfills about 65% of the country's domestic needs. The government is in the process of upgrading the refinery to increase its production capacity, and there is continual talk of building an additional refinery.

There are currently two American companies active in oil production in the Republic of the Congo, Chevron Congo and Murphy Oil Congo. (Note: Murphy is exiting the market due to unmet projections.) Additional American companies including Halliburton and Baker Hughes participate in the industry via provision of oil services.

Sub-Sector Best Prospects

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Oil services remain important in both the development of new fields and the maintenance and support of older fields.

Opportunities

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Offshore drilling and exploration remain the principal activities, but some opportunities exist in onshore prospection, refining, research and development, and services (e.g., logistics, construction, drilling, maintenance, and supplies).

Once the RoC enacts a new hydrocarbon law (expected in late 2014 or early 2015), new exploration permits are likely to become available for bid.

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Extractive Industries Transparency Initiative http://www.itie-congo.org/

Forestry Sector

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			Unit: U	SD thousands
	2012	2013	2014	2015
	2012		(estimated)	(estimated)
Total Market Size	15,000	53,000	39,000	-
Total Local Production	131,000	153,000	186,000	-
Total Exports	116,000	100,000	147,000	-
Total Imports	-	-	-	-
Imports from the U.S.	-	-	-	-
Exchange Rate: 1 USD	510	495	478	-

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: National Statistics Center, GRoC Ministry of Finance (2015 estimates not available)

Total Exports: National Statistics Center, GRoC Ministry of Finance

Total Imports: GRoC reports 0, as it considers only raw lumber as imports, not finished or partially finished goods.

Imports from U.S.: no raw timber products from U.S., per International Trade Administration (ITA), U.S. Department of Commerce

Eighty percent of the Republic of the Congo's 22.5 million ha rainforest is commercially viable. The rainforest covers about 60% of the country's total area. Timber is the RoC's second main export after oil. Okoume, a light hardwood used for plywood, is the most commercially active, but some two dozen species can be marketed. Crude logs make up 90% of timber exports; the remainder are processed woods (mainly plywood).

Sub-Sector Best Prospects

Opportunities exist in processing harvested timber.

Opportunities

International organizations including Forest Monitor are currently working with the government to reform the timber industry to improve and enforce transparency, simplify the tax code, expand responsible logging practices, and put in place a new and improved Forest Law. The current Forest Law requires all logging companies to process about 85% of their production, but compliance has been limited given the Republic of the Congo's current lack of technical capacity in this regard.

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Extractive Industries Transparency Initiative: http://www.itie-congo.org/ Forest Transparency Initiative: http://alpha.foresttransparency.org/en/home

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Mining Sector

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			Unit: USD	thousands
	2012	2013	2014	2015
			(estimated)	(estimated)
Total Market Size	-	-	0	0
Total Local Production	-	-	600,000	720,000
Total Exports	-	-	600,000	720,000
Total Imports	-	-	-	-
Imports from the U.S.	472	199	182	-
Exchange Rate: 1 USD	510	495	478	-

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: National Statistics Center, GRoC Ministry of Finance; GRoC Ministry of Mining

Total Exports: all production is expected to be exported, per the two ministries Total Imports: negligible import as no significant processing capabilities exist; GRoC does not report data

Imports from U.S.: per ITA (minerals and ores); 2014 number extrapolated from YTD data

Data is limited, as most mining has not entered the exploitation phase. The GRoC is projecting measurable revenue for the first time in 2014.

Mining efforts in the RoC are in their infancy; there are currently no large scale operations, only small-scale domestic operations. However, the country is believed to have significant reserves of iron ore, copper, diamonds, phosphates, potash, and gold, among other possibilities. There are currently at least three international companies utilizing exploration permits in hope of commencing iron ore mining operations in the near future. In total, as of 2012, the government of the Republic of the Congo had granted 32 prospecting licenses to 28 companies; 42 exploration permits to 26 companies; and 7 mining licenses to pursue mining interests. (In 2013 and 2014, no new permits were issued, but existing permits were renewed and/or extended.)

Sub-Sector Best Prospects

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Mining operations will require support in developing appropriate infrastructure.

Opportunities

The government is eager to support mining investment as a means of diversifying its economic base away from oil.

Web Resources

Extractive Industries Transparency Initiative http://www.itie-congo.org/

Machinery and Transportation Equipment Sector

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	962,920	1,134,000	1,300,000	-
Total Local Production	-	-	-	-
Total Exports	-	-	-	-
Total Imports	962,920	1,134,170	1,300,000	-
Imports from the U.S.	251,395	246,826	164,220	-
Exchange Rate: 1 USD	510	495	478	-

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: National Statistics Center, GRoC Ministry of Finance Total Exports: National Statistics Center, GRoC Ministry of Finance Total Imports: National Statistics Center, GRoC Ministry of Finance Imports from U.S.: per ITA (machinery + transportation equipment combined); 2014 number extrapolated from YTD data

The Republic of the Congo currently imports machinery and transportation equipment from the U.S. Machinery, much of it related to the petroleum industry, is the top export category from the U.S. to the RoC, according to the Office of the United States Trade Representative.

Sub-Sector Best Prospects

There is increasing interest in upgrading the rail line, as well as purchasing locomotives and railcars, for improving the transportation link between Pointe-Noire and Brazzaville. Potential also exists for rail line construction and associated transportation equipment to support the nascent mining industry.

Opportunities

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Given the RoC's interest in infrastructure improvement and investment, machinery and transportation equipment will remain important potential export opportunities for U.S. companies.

Additionally, companies pursuing opportunities in other sectors listed – petroleum, forestry, construction, and mining – will have a need for such equipment to effectively exploit their own investments.

Web Resources

Construction Sector

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Unit: USD thousands 2014 2015 2012 2013 (estimated) (estimated) Total Market Size n/a n/a n/a n/a **Total Local Production** 3.134.000 3,672,000 3.800.000 4,200,000 Total Exports Total Imports 4,600,000 5,100,000 5,300,000 5,700,000 Imports from the U.S. Exchange Rate: 1 USD 510 495 478

Total Market Size: (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: Ministry of Large Public Works (Grands Travaux); reflects only government projects (materials + labor)

Total Exports: n/a

Total Imports: Construction material imports as reported by the GRoC Customs Office for all construction projects

Imports from U.S.: n/a

Total Local Production reflects only government projects, including labor and materials; additional private projects exist. Total imports reflects construction materials coming into the country, which may be used for either private or government funded construction projects. Insufficient data to accurately calculate Total Market Size, as the value would overstate materials (double counting materials used in government projects) and understate labor (not include labor for private projects)

The Republic of the Congo is actively pursuing infrastructure improvement. In recent years, new airports, dams, bridges, roads, and buildings have been constructed. Construction in the country is active, and infrastructure improvement is expected to remain a government priority into the future. The Republic of the Congo has initiated a program called "Municipalisation Accélérée", which consists of selecting each year a city that will be the beneficiary of a vast program of construction projects to build roads, schools, dams, hospitals, and airports, and ending with the celebration of Independence Day in the selected city or locality every August 15th. This program has benefited seven cities so far and has been linked to five national airports, several hospitals and numerous roads. This year the program of "Municipalisation Accélérée" is taking place in Sibiti, in the south of the country.

Awarding of contracts, however, is not always transparent. Some contracts appear to have been awarded to Chinese firms on a non-competitive basis, likely due to project funding sources being Chinese government loans to the government of the RoC. Most of the largest contracts between the Congo and China are not published.

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Most projects are government funded and will be awarded by the government of the RoC.

Opportunities

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Large government infrastructure projects should be posted on the Grand Travaux website for public bid. While the government is starting to adhere more and more to this, it still does not always happen in practice. However, interested U.S. entities are advised to monitor this website, as well as cultivate government and business contacts that may help identify opportunities as they arise.

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Ministry of Large Public Works (Grands Travaux): http://www.grandstravaux.org/ Site includes links to current public bid offers.

Tourism Sector

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Linit: LISD thousands

Unit. USD thousand			
2012	2013	2014 (estimated)	2015 (estimated)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
510	495	478	-
	- - - - -		2012 2013 2014 (estimated) - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: Total Exports: Total Imports: Imports from U.S.:

Unable to obtain complete numeric data for this sector at this time, however current market size is likely to be negligible. Ministry of Tourism has no statistics to provide.

The Republic of the Congo has some of the last true pristine wilderness areas on the planet. The lush Congo Basin rainforest supports charismatic fauna such as forest elephants and lowland gorillas in quantities not found anywhere else in the world. Remoteness, infrastructure and transportation difficulties, cost, and corruption have thwarted significant inroads in the tourist sector. However, as the country continues to develop overall, the cost-benefit equation is likely to turn and tourism will become more and more viable.

The upscale wilderness lodges at Odzala National Park provide a glimpse of what is possible at the high end of the tourist market. The American NGO Wildlife Conservation Society (WCS) is also prototyping tourism – on a potentially more affordable scale - in a few of the national parks (Nouabalé-Ndoki and Conkouati) and could be a source of guidance to serious, competent investors hoping to develop tourism in the region. The government as well as WCS are committed to welcoming tourism as a way to provide sustainable employment for people living near the national park areas.

Sub-Sector Best Prospects

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Transportation and guide services to access existing park resources.

Lodging and guide services.

Opportunities

Lodging and guide services near national parks are likely to receive strong support from the Congolese government.

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Wildlife Conservation Society (WCS) Congo: http://congo.wcs.org/

Odzala Wilderness Camps: http://www.odzala-kokoua.com/

USAID Central African Regional Program for the Environment (CARPE): U.S. government program working through partners such as WCS to promote sustainable livelihoods (such as tourism) to protect environmental resources: http://www.usaid.gov/central-africa-regional and http://carpe.umd.edu/

Energy Production and Distribution Sector

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		Unit:	megawatt (MV	V) production
	2012	2013	2014	2015
	2012	2010	(estimated)	(estimated)
Total Market Size	625	625	625	625
Total Local Production	600	600	600	600
Total Exports	150	150	150	150
Total Imports	175	175	175	175
Imports from the U.S.	-	-	-	-
Exchange Rate: 1 USD	n/a	n/a	n/a	n/a

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: Local production expected to increase starting in 2016, Per Ministry of Energy

Total Exports: Cross-border exchanges, per Ministry of Energy Total Imports: Cross-border exchanges, per Ministry of Energy Imports from U.S.:

The RoC's energy sector is ripe for investment. The absence of reliable power grids and adequate electrical distribution has a dampening effect on investment and development, as potential investors typically have to account for providing their own power generation to operate effectively. Electricity production cannot keep up with demand; worse, distribution cannot keep up with production, so production is often wasted or simply scaled back. The distribution system suffers from old, failing infrastructure and significant energy theft. A large percentage of clients – around 30% - don't pay their bills, and it is estimated that 40-50% of the produced energy is stolen by individuals pirating electricity. Accounting is so poor that the national electric company (SNE) is uncertain whether it is charging too much, too little, or the right amount to recover costs.

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Infrastructure projects; technical assistance

Opportunities

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The Ministry of Energy and the national electric company (SNE) are eager to find partners to work with them to improve the country's situation in this sector.

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Société Nationale d'Electricité (SNE): http://www.sne.cg/

Telecommunications Sector

Overview

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Unit: USD thousands

2012	2013	2014	2015
2012		(estimated)	(estimated)
110,000	115,000	120,000	120,000
110,000	115,000	120,000	120,000
-	-	-	-
-	-	-	-
-	-	-	-
510	495	478	-
	110,000 - - -	110,000 115,000 110,000 115,000 - - - - - - - -	2012 2013 (estimated) 110,000 115,000 120,000 110,000 115,000 120,000 - - - - - - - - - - - - - - -

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: Total telecommunications revenue, per the Ministry of Telecommunications (ARPCE) Total Exports: n/a

Total Imports: n/a Imports from U.S.: n/a

Phone saturation in the RoC is strong, but supporting infrastructure, particularly for data communications, is lagging. Internet penetration is also extremely low and rates are extremely high, providing significant room for competition and growth in that sector. And, while overall low income keeps people from having their own personal computers and internet services, cyber cafes are widespread, indicating both a desire for internet services as well as a potential market for local internet advertisers.

MTN, Airtel, and Congo Telecommunications are the primary players in the market.

Sub-Sector Best Prospects

Infrastructure support and management; internet services.

Opportunities

Most businesses and government offices lack a web presence. Government officials in particular use yahoo and hotmail accounts for their email access, lacking a specific government or ministry domain.

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MTN: http://www.mtn.com Airtel: http://www.airtel.com Return to top

Agricultural Sector

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Overview

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Unit: USD thousands

	2012	2013	2014 (estimated)	2015 (estimated)
Total Market Size	-	-	-	-
Total Local Production	-	-	-	-
Total Exports	-	-	-	-
Total Imports	-	-	-	-
Imports from the U.S.	2,740	9,573	n/a	-
Exchange Rate: 1 USD	510	495	478	-

Total Market Size = (Total Local Production + Total Imports) – (Total Exports) Data Sources:

Total Local Production: Total Exports: Total Imports: Imports from U.S.: per I^T

Imports from U.S.: per ITA (agricultural products); 2014 data not available *Ministry of Agriculture statistics not currently available.*

The Republic of the Congo's agricultural sector is limited and cannot satisfy domestic demand. Approximately 40% of the population is engaged in agricultural production, which contributes just 5.5 % to the gross domestic product (GDP). Only a small percentage of arable land is currently under cultivation; the exact percentage is not known, but it is certainly less than 10%, and the quantity under cultivation has not increased appreciably in recent years. The country relies heavily on food imports, which account for about 80% of domestic food consumption. Imported foodstuffs come mainly from the Democratic Republic of the Congo, France and the United States. France is the largest source of Republic of the Congo's imports.

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Corn grows well in the RoC, and has potential as a human food source, as well as to support poultry and livestock production.

Mechanized farming is a good area for investment, as land, labor, and demand are readily available.

Opportunities

Opportunities exist for exporting food products to the RoC, as well as setting up operations in the RoC for the production and/or processing of food. South African farmers have recently leased land for food production in the RoC, and the NGO International Partnership for Human Development (IPHD) has successfully prototyped large-scale industrial farming in three different areas of the country.

Food processing is not likely to be lucrative at this time unless raw foodstuffs are imported, as there is likely to be an insufficient supply base to support most types of production facilities. However, U.S. based Seaboard Corporation has a successful flour milling operation in Pointe-Noire using imported wheat.

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International Partnership for Human Development (IPHD): http://www.iphd.org

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Chapter 5: Trade Regulations, Customs and Standards

- Import Tariffs
- Trade Barriers
- Import Requirements and Documentation
- U.S. Export Controls
- Temporary Entry
- Labeling and Marking Requirements
- Prohibited and Restricted Imports
- Customs Regulations and Contact Information
- Standards
- Trade Agreements
- Web Resources

Import Tariffs

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The Republic of Congo 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 5% for category one products (e.g., basic products), 10% for category two (e.g., raw materials), 20% for category three (e.g., intermediate products such as most food), and 30% for category four (all other products).
- Processing Fee (*Redevance d'utilisation du systeme informatique*) –can vary from 20%-60% of the cost of insurance and freight (CIF).

Value Added Tax (VAT) is generally 18%. A reduced VAT of 10% is applicable to mineral water, cement, sugar and chickens produced in the Republic of the Congo. The following products when produced in the Republic of Congo are exempt from VAT: milk products, some agricultural products (e.g.: vegetables, fruits, cereals...), drugs and medical supplies, and fertilizer.

Trade Barriers

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All categories of products may be imported into the RoC with two exceptions – sugar and eggs. Some items such as motor vehicles are heavily taxed (up to 50% duty).

Customs can sometimes inflict unnecessary trade barriers, with arbitrary, irregular, or uneven enforcement of regulations. Lack of understanding of appropriate application and enforcement of customs regulations on the part of government inspectors can contribute to problems.

A bill of lading and an invoice must accompany all goods entering the Republic of the Congo. Import permits and sanitary certificates are required for farm products (including meat and poultry) and permits must also be secured for hazardous products (weapons, explosives, chemical products).

U.S. Export Controls

The Republic of the Congo has not been singled out for any specific export controls or embargoes. U.S. companies hoping to export to the RoC should verify requirements with the appropriate governing agency for their specific product.

Temporary Entry

Some goods enter the RoC duty free on a temporary basis. For certain sectors, such as Petroleum, Mining and Agriculture, the law suspends customs duties in the form of temporary admission (up to 3 years) or exemptions on all entry taxes/duties for the importation of material required in sector operations. Farming equipment, for example, may be exempted.

Labeling and Marking Requirements	Return to top

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

Prohibited and Restricted Imports

All categories of products may be imported into RoC with two exceptions – sugar and eggs. The Ministry of the Interior regulates the private import of all firearms and munitions.

Customs Regulations and Contact Information Return to top

The Republic of the Congo belongs to a free trade zone through CEMAC. Member countries include Cameroon, Central African Republic, Chad, the Republic of the Congo (RoC), Equatorial Guinea, and Gabon. However, in practice, the free trade requirements are not always properly implemented on the ground, and importers are sometimes required to pay tariffs in spite of the existence of this free trade zone.

For more information contact:

Customs Office (*Direction Generale des Douanes et Droits Indirect*) Ministry of Finance Brazzaville, Republic of the Congo

Standards

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- Standards Organizations
- Conformity Assessment
- Product Certification
- Accreditation
- Publication of Technical Regulations
- Labeling and Marking
- Contacts

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The Republic of the Congo standards duplicate French standards, which are sometimes not adapted to the local market. The Republic of the Congo has no central standards or regulatory agency.

Standards Organizations

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The RoC follows CEMAC general standards (www.cemac.int). As a member of the World Trade Organization (WTO), it is required to adhere to the Agreement on Technical Barriers to Trade (TBT).

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: http://www.nist.gov/notifyus/

There are no special conformity assessment requirements.

Product Certification	Return to top
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There are no special product certification requirements.

Accreditation	Return to top
There are no special accreditation requirements.	
Publication of Technical Regulations	Return to top

The US Embassy in Brazzaville has no particular knowledge of published technical regulations.

Labeling	and	Marking

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There are no special labeling or marking requirements.

Contacts

Ministry of Commerce Brazzaville, Republic of the Congo

Trade Agreements

The Republic of the Congo is a member of the World Trade Organization (WTO). It is also a member of CEMAC and its free trade area.

Web Resources

Ministry of Finance: http://www.mefb-cg.org/actus/actualites.html

Economic and Monetary Community of Central Africa (CEMAC): http://www.cemac.int

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

NOTE: CEMAC has six member countries and ECCAS has ten member countries.

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Chapter 6: Investment Climate

- Openness to Foreign Investment
- Conversion and Transfer Policies
- Expropriation and Compensation
- Dispute Settlement
- Performance Requirements and Incentives
- Right to Private Ownership and Establishment
- Protection of Property Rights
- Transparency of Regulatory System
- Efficient Capital Markets and Portfolio Investment
- Competition from State Owned Enterprises
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- OPIC and Other Investment Insurance Programs
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Openness to Foreign Investment

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The government of the RoC (GRoC) has expressed a strong desire to increase the amount of foreign direct investment (FDI) and has held recent conferences (Build Africa, focusing on infrastructure, in February 2014; a Hydrocarbons Conference in April 2014) to encourage additional foreign investment. However, there have been no noticeable changes in the bureaucracy and corruption that continue to stifle the amount of FDI in the country.

In order to create a business in the RoC, investors must provide to the "Centre de Formalites des Entreprises" (CFE) two copies of the company by-laws, two copies of capitalization documents (e.g. a bank letter or an affidavit), a copy of the company's investment strategy, the company-approved financial statements (if available), and ownership documents or lease agreements for the company's office in the RoC.

The CFE is designed to provide all services under one roof (the so-called "guichet unique") in order to facilitate the opening and closing of businesses. CFE has offices in Brazzaville, Pointe-Noire, N'kayi, Ouesso and Dolisie.

The cost of registering a business depends on the type of company one is trying to register. Registration fees range from \$244 for a small company with a capitalization below \$2,000, to \$4,500 for a large company with a capitalization that exceeds \$200,000.

A local partner is not required to start up a business in Congo, but country managers must either be Congolese or foreign nationals who have been residents for two or more years. The entire business registration process should take an average of three weeks, according to the CFE, though the World Bank's Ease of Doing Business Index puts the required time at closer to six months. There might be additional government licensing and permit requirements, depending on the nature of the business.

Despite the existence of the CFE, a highly centralized decision making process often hinders FDI. At the same time, some U.S. companies have experienced lengthy delays in their pursuit to invest in the Congo due to overlapping authority within the country's decision making apparatus.

The Investment Charter, established by Law 6–2003 on January 18, 2003, offers a range of guarantees to foreign investors including no discrimination or disqualification on all types of investment and equal treatment under Congolese law.

In addition, Congo is party to the Organization for the Harmonization of Business Law in Africa (OHADA), a commercial code adopted by 16 African countries that governs investments and business practices.

There are no known pending lawsuits in regard to the investment code in Congolese commercial courts. However, lawsuits have been filed at OHADA's tribunal in Abidjan, Cote D'Ivoire relating to investors doing business in the RoC. In principle, the judicial system upholds the sanctity of contracts; parties also may appeal to foreign or international justice courts for any necessary relief.

In terms of investment trends, the **energy & mining** sectors will continue to be important in the coming years. Oil remains important to the government of the RoC (GRoC), which is in the process of rewriting the country's hydrocarbon law and planning for a likely new bid round. Mining is seen as an important sector for the future, and many large projects are currently in the exploration phase. The government is eager to support mining investment as a means of diversifying its economy. Additionally, **agribusiness** could be a growth opportunity, given that the country cultivates only about 2% of its arable land, most agriculture is practiced at the subsistence level, and the country imports about 80% of its food.

Measure	Year	Rank or value	Website Address
TI Corruption Perceptions index	2013	154 of 177	http://cpi.transparency.org/cpi2013/re sults/
Heritage Foundation's Economic Freedom index	2013	169 of 177	http://www.heritage.org/index/ranking

TABLE 1: The following chart summarizes several well-regarded indices and rankings for the RoC:

World Bank's Doing Business Report "Ease of Doing Business"	2013	185 of 189	http//doingbusiness.org/rankings
Global Innovation Index	2013	Not evaluated	http://www.globalinnovationindex.org/ content.aspx?page=gii-full-report- 2013#pdfopener
World Bank GNI per capita	2012	\$2,550	http://data.worldbank.org/indicator/N Y.GNP.PCAP.CD

TABLE 1B - Scorecards: The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a 2012 per capita gross national income (GNI) or \$4,085 or less. A list of countries/economies – including the RoC - with MCC scorecards and links to those scorecards is available here: http://www.mcc.gov/pages/selection/scorecards. Details on each of the MCC's indicators and a guide to reading the scorecards, are available here: http://www.mcc.gov/documents/reports/reference-2013001142401-fy14-guide-to-theindicators.pdf

Conversion and Transfer Policies

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The Republic of the Congo is a member of the CFA Franc Monetary Zone (Communauté Financière Africaine - CFA), a member of the Central African Economic and Monetary Community (CEMAC), and a member of the Bank of the Central African States (Banque des Etats de l'Afrique Centrale – BEAC). BEAC serves as the Central Bank for Cameroon, the Central African Republic, Chad, the Republic of the Congo, Equatorial Guinea, and Gabon. The BEAC monitors electronic transfers into and out of the CEMAC Zone where there is a commercial interest to do so.

The common currency used in the Republic of the Congo and other CEMAC members is the CFA Franc (F CFA). The CFA is linked to the Euro and is treated as an intervention monetary unit at a fixed exchange rate of 1 Euro: 655.957 CFA Franc. This agreement guarantees the availability of foreign exchange and the unlimited convertibility of the CFA Franc. It also provides considerable monetary stability to the Republic of the Congo and other countries of the CEMAC. The exchange rate between the CFA Franc and the U.S. dollar fluctuates according to the rate between the euro and the U.S. dollar.

Foreign investors may hold local bank accounts. There is no difficulty obtaining foreign exchange from any of the major commercial banks, which are subsidiaries of French, Moroccan, or African banks. There are no U.S.-based banks, but transfers directly to and from the U.S. are possible.

There are no legal restrictions on converting or transferring funds associated with an investment, including remittances, but CEMAC regulations require banks to record and report the identity of customers engaging in transactions over \$10,000. Additionally, financial institutions must maintain records of large transactions for five years. The RoC authority for exchange control is the General Director of Monies and Credit (DGMC).

Investors are authorized to remit on a legal parallel market with approval from the DGMC.

Expropriation and Compensation

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There is no evidence that foreign investors are discriminated against in any fashion or have been subjected to expropriation of assets, which would violate the constitution. Foreign and national firms established in the RoC operate on an equal legal basis.

Dispute Settlement

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The Republic of the Congo is a member of the World Trade Organization (WTO) and is a party to other international treaties governing trade and commerce. Binding international arbitration of investment disputes is accepted.

Public Law 6-2003, which established the country's Investment Charter, states that investment disputes will be subject to settlement under Congolese law. However, independent settlement or conciliation procedures can be enacted by either party. These procedures are governed by:

- The convention regulating the Community Justice Court;
- The treaty of October 17, 1993, implementing the Organization for the Harmonization of Business Law in Africa (OHADA);
- The International Center for the Settlement of Investment Disputes (ICSID).

Performance Requirements and Incentives

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Presidential decree No: 2004-30 of February 18, 2004, defines the requirements for foreign and national companies to benefit from incentives offered by the Congolese Investment Charter. Four types of incentives are considered:

- (a) Incentives to export.
- (b) Incentives to reinvest the company's profit in the Congo.
- (c) Incentives for businesses in remote areas or areas which are difficult to access.
- (d) Incentives for social and cultural investment.

Some incentives have included diminishing and exempted taxes (company tax is currently 38 percent) and customs duties over a 5-10 year span, reduction by 50% of registration fees, and accelerated depreciation under the general tax structures. For companies owned at least 25 percent by resident companies, other incentives include minimized exposure to dividend taxes (10 percent), capital gains tax reductions, deductions for business expenditures, reduced rents, and deductible remunerations. Other incentives are available by negotiation during the incorporation process.

Four foreign trade zones, also known as special economic zones (SEZs), are in the planning process. Memoranda of understanding were signed with the Governments of Mauritius and Singapore to solicit technical expertise on developing these special economic zones. In 2009, the Ministry to the Presidency in charge of Special Economic Zones, the first of its kind in Africa, was created to administer the nascent trade zones. The Ministry has hired a number of international consultants to assist in the creation of these SEZs, which are envisioned as offering a competitive quality of life, single-window export-import assistance, minimal to zero tax and duty, and a number of other incentives. Only a few companies have signed onto the SEZs at this point, so the area is still ripe for investment, and the government has specifically encouraged U.S. investment in these SEZs.

The RoC government encourages but does not maintain local-purchasing or production requirements. However, there are currently two draft laws under review – one related specifically to the oil industry and another more general bill – that may introduce local content requirements.

The Ministry of Commerce operates price controls on roughly four dozen staple products, including food and fuel. The Ministry of Commerce also subsidizes certain products to make the domestic market more profitable for some companies, notably the sugar company SARIS, which might otherwise seek to export additional supply.

In the oil and forestry sectors, companies are required to respect the environment, particularly regarding water pollution safeguards and forest regeneration. All forestry companies, both foreign- and locally-owned, are required to process 85 percent of their timber in the country and to sell it abroad as furniture or otherwise transformed wood. According to the law, companies are allowed to export up to 15 percent of their wood product as natural timber.

The timber industry in Congo increasingly requires international certification, most often Forest Stewardship Council (FSC) certification, in order to participate. Though a number of Chinese-owned timber companies in the RoC's west and south still operate without certification, most northern timber companies, including Singapore's Olam, which now operates the largest concessions formerly run by the state-owned CIB, are FSCcertified. These companies may benefit from promised government incentives in the future as the RoC continues to participate in a Voluntary Partnership Agreement (VPA) with the European Union's Forest Law Enforcement and Governance Transparency (FLEGT) program and with the United Nations' Reducing Emissions from Degradation and Deforestation (UN REDD).

There are no known performance enforcement procedures for foreign companies. There are no known restrictions on U.S. or other foreign firms from participating in Congolese government-financed or -subsidized research and development programs.

There are no legally onerous visa, residence, or work permit requirements, but low-level corruption in the immigration and customs sectors often proves challenging to overcome. Tariffs and import price controls are applied to a number of staple food goods with the goal of augmenting local purchasing, but often with the result of forcing imported goods into the more expensive local black market.

Right to Private Ownership and Establishment

The law stipulates that each individual, without distinction of nationality, residing in the territory of the Republic of the Congo, has the right to establish a business in agriculture, mining, industry, forestry, handicrafts, commerce or services in accordance with existing policies. Local and foreign investors have the right to own and establish lawful business enterprises and all forms of remunerative activity.

The Republic of the Congo guarantees the legal right and freedom of private business to:

- Import or export raw materials or products, equipment and materials necessary for economic activity;
- Define their own production, commercial and hiring policies; and
- Select suppliers and customers and set prices.

Protection of Property Rights

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The Congo is a member of the African Intellectual Property Organization, (better known under the French acronym OAPI). OAPI is charged with issuing a single copyright system that is enforceable in all member states. As a member of the World Trade Organization (WTO), the Congo must ensure that its legislation conforms to trade-related aspects governing intellectual property. IPR protection for U.S. firms is untested as there is no significant U.S. presence.

The Ministry of Commerce and other interested ministries work together to address issues related to counterfeit products and other items entering the country illegally. Local authorities have seized and destroyed containers of contraband items, such as medical supplies and food products.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at http://www.wipo.int/directory/en/.

Embassy point of contact: Kristine Knapp: KnappKM@state.gov or BrazzavillePolEcon@state.gov

Local lawyers list: http://brazzaville.usembassy.gov/service.html

Transparency of Regulatory System

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Transparency in the government's economic management system is an ongoing concern. The Public Finance Law of 2000 governs transparency and public management. Nevertheless, transparency presents the greatest hurdle to FDI as investors work to navigate an opaque regulatory bureaucracy. Companies that have successfully navigated the bureaucracy, including those with Embassy support, have proven to be helpful to prospective investors in overcoming this burden, but government policies and practice have not helped to establish "clear rules of the game." Instead, personal contacts remain the most important informal rule.

From 2006-2009, the RoC, working with the International Monetary Fund and the World Bank, designed and began implementation of significant changes in the area of public finance and management of Congo's natural resources. A forestry code was adopted, a government procurement system was designed and implemented, major changes were made in the management of revenue from oil production, a national anti-corruption commission was established, new debt management procedures were adopted, and a system for monitoring public spending was developed. Continuing into 2013, the GRoC has worked with technical advisors from the European Union to put in place an improved business framework, including an arbitration system. In spite of these efforts, those who do business in the RoC have not yet noticed significant improvements in the business environment, primarily because the rules seem to exist more on paper at this point than in practice.

Proposed laws and regulations are not published in draft form for public comment. Nongovernmental organizations and intra-governmental task forces have sought to improve government transparency with little success.

Efficient Capital Markets and Portfolio Investment Return to top

The Republic of the Congo does not have a stock exchange. RoC-based companies may be listed on the Douala Stock Exchange (DAC) or the CEMAC Zone Stock Exchange (BVMAC). Monetary and credit policies are set up by the BEAC within the CEMAC framework. The main objective is to ensure the stability of the common regional currency.

The privatization of the Congo's main commercial banks has been completed. However, the commercial banks provide credit and services primarily to large clients involved in the sectors of: oil, forestry, telecommunications, import-export, and services. The Congo's informal economy is predominantly cash-based and commercial banks serve only a small segment of the market.

Banks do not yet provide adequate credit to small businesses, which appears to be a constraint on the country's economic growth and development. The country's largest credit union, Mucodec, provides small and micro-loans to businesses and private individuals. Several banks, including United Bank of Africa and La Congolaise de Banque, have started to offer loans of up to \$100,000 to private individuals and small businesses in recent years.

Competition from State Owned Enterprises

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During the 1970s and 1980s, the Congolese economy was dominated by state-owned companies. However, the promulgation of Law 24/94 on August 10, 1994, which introduced a framework for privatization, and its addendum, Law 10/95 introduced on April 17, 1995, which identified specific sectors to be privatized, ushered in a new economic era that is receptive to national, private and foreign investments. In the wake of privatization, the remaining number of State-Owned Enterprises (SOE) is quite small. The primary actors are in the **energy & mining** sector; these include the National Oil Company (SNPC), the Electric Company (SNE), and the Water Supply Company (SNDE).

Existing SOEs report to their respective line ministries -- the extent is dependent on the relative influence of the SOEs. Corporate governance regulation of SOEs requires non-state corporate directorship. In practice, this requirement is not met, most notably by SNPC.

Private companies may compete with public companies under the same terms and conditions, and in some cases have successfully won contracts sought by SOEs. SOEs are subject to budget restraints under the law. For the SOEs operating in the non-oil sector, these restraints seem to be sufficiently monitored, and the SOEs are subject to civil society and media scrutiny. SNPC, though, has not been well-monitored and continues to present transparency challenges.

SOEs are required to publish annual reports, which must be audited by state auditors. SOEs are, in theory, subject to the same domestic accounting rules as non-SOEs.

Corporate Social Responsibility

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Corporate social responsibility (CSR) is a well-known concept in the RoC and is viewed favorably by local communities. The petroleum companies have been the primary CSR actors, but telecommunication and transport companies, as well as banks, have increasingly been visible CSR actors, with resulting positive public perception. All CSR actors appear to follow accepted CSR principles. The RoC government has actively promoted CSR, which has helped to finance hospitals, schools, feeding programs, road construction, and broadband internet link-up.

Political Violence

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Multi-party democracy, established during the National Conference in 1991, experienced severe trials in the early 1990s and eventually led to the civil wars that severely damaged Brazzaville and other Congolese cities from 1997-1999. The final peace accord was signed in 2003 and stability has returned. There have not been any significant incidents of politically-motivated damage to projects or installations since post-war reconciliation. Government efforts to arrest a high-profile military officer in December 2013 led to a violent siege of the officer's compound that resulted in the deaths of security personnel and dozens of the officer's supporters; no civilians or businesses suffered serious damage.

Uncertainty and speculation also surround the upcoming 2016 presidential elections. Two provisions of the Congolese constitution of 2002 prohibit President Sassou from running for a third term as president in 2016. Public debate has begun regarding a possible change to the constitution by referendum, which could allow President Sassou to stay in power.

Corruption

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Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. [Insert information as to whether your country is a party to the OECD Convention.]

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN

Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. [Insert information as to whether your country is a party to the UN Convention.]

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html) [Insert information as to whether your country is a party to the OAS Convention.]

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anticorruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) [Insert information as to whether your country is a party to the Council of Europe Conventions.]

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize "active bribery" of public officials (offering bribes to any public official must be made a criminal offense, both domestically and transnationally) as well as domestic "passive bribery" (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements. [Insert information as to whether your country has an FTA with the United States: Country [X] has a free trade agreement (FTA) in place with the United States, the [name of FTA], which came into force. Consult USTR Website for date: http://www.ustr.gov/trade-agreements/free-trade-agreements.]

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot

provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

The Republic of the Congo has signed and ratified the UN anticorruption convention and participates in regional anti-money laundering agreements. Nonetheless, corruption is almost invariably linked to doing business in the country. Tender offers are irregularly publicized. There is an absence of substantiated figures on government spending. Contract terms are not transparent, and bribes are regularly solicited, though Congolese law prohibits bribery. Recourse in the judicial system is limited as court cases are themselves subject to corruption and political influence. Despite the pervasiveness of corruption in the Congolese investment climate, the country is making progress in putting in place mechanisms to address the challenges. Such efforts have included improved participation by diplomatic missions, international organizations, and international financial institutions in review of government programs.

In mid-2013, in a move towards increased transparency and greater integration with the wider international financial community, the GRoC engaged the three major financial rating agencies – Moody's, Standard and Poor's, and Fitch Ratings - to review the financial status of the GRoC and provide a sovereign credit rating. The GRoC received a B+ from Fitch Ratings, a rating equivalent to that held by Ghana and Kenya. Ratings from the other two agencies were in the same range. In late September 2013, the World Bank conducted an assessment of the GRoC that found the Congolese Government eligible to borrow at the concessional window of the World Bank.

Congo also committed itself through the Highly Indebted Poor Countries (HIPC) debt relief initiative completed in 2010 to bringing the internal controls and accounting system of the state-owned oil company SNPC up to internationally recognized standards. This included taking steps to prevent conflicts of interests in the marketing of oil, requiring officials of SNPC to publicly declare and divest any interests in companies having a business relationship with SNPC, and implementing an anti-corruption action plan with international support and monitoring by the International Monetary Fund (IMF). While recent Extractive Industries Transparency Initiative (EITI) reports covering oil receipts show matching private company remissions and government revenue, it appears that the SNPC continues to substantially underreport revenues. Nevertheless, in early 2013, EITI declared the RoC compliant.

As its oil revenues are expected to decrease in the long term, the RoC has sought to diversify its economy through a number of other sectors, including most notably the mining sector. In the past, the mining sector has been rife with corruption, which led to a suspension in 2004 of the RoC from the Kimberly Process. The RoC was reinstated to the Kimberly Process in 2007 following improvements in monitoring the mining sector. However, it is unclear whether the sector has the oversight necessary to monitor the expected boom of increased production – mostly in iron ore – in the coming years.

The timber sector is experiencing many of the same challenges as the mining sector. As noted before, many of the timber concessions have been FSC-certified, but supply chain corruption concerns remain, even as timber exports are expected to increase.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1_00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is

available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.
- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/index.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://data.worldbank.org/data-catalog/BEEPS.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/s?s=global+enabling+trade+report.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at http://www.state.gov/g/drl/rls/hrrpt/.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Bilateral Investment Agreements

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On February 12, 1990, the Republic of the Congo signed a Bilateral Investment Treaty (BIT) with the United States. The treaty entered into force on August 13, 1994.

BITs with France and China have been in place for many years, as well as fiscal agreements with other CEMAC countries. Commercial and bilateral agreements to safeguard investments have been signed with several African nations, including South Africa in 2005 and Namibia in 2007. Because Congo is considered a lower middle income country, it is not eligible for a number of trade agreements open to Least Developed Countries.

OPIC and Other Investment Insurance Programs

The Overseas Private Investment Corporation (OPIC) is active in the RoC with a political risk insurance program covering MINOCO (Minoterie du Congo SA), a flour mill company owned and operated by the Seaboard Corporation. The RoC is also a member of the Multilateral Investment Guarantee Agency (MIGA).

In the event OPIC should pay an inconvertibility claim, the U.S. dollar value in local currency will be dictated by the CFA zone agreement, which pegs the local CFA to the euro at a fixed rate of about 655:1. Thus, the prevailing dollar-euro exchange rate will dictate claim amounts. There are no current plans to devalue the CFA relative to the euro, which would need to be negotiated by the BEAC on the part of the RoC and other CEMAC countries.

Labor

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The state civil service bureaucracy is the country's largest employer, with an estimated 80,000 employees, though this is about one-third the size of the civil service prior to the RoC's democratic transition. The World Bank and other international lending institutions have pressed for reform in public sector hiring practices. Prior to the transition, college graduates of the state's Marien Ngouabi University were guaranteed civil service positions. Though this practice was abolished, the expectation of guaranteed employment regardless of field of study or level of achievement appears to remain. As a result, the potential educated work force is largely trained in skills unrelated to the country's current needs. This problem is slowly improving with the help of businesses, which have placed an emphasis on engineering, management, and technical skills.

Unemployment in the RoC is high, with youth and women disproportionately impacted. Reliable unemployment figures are difficult to obtain; the International Labor Organization (ILO) of the United Nations reports an overall rate of 16 percent, with youth unemployment at 30%. More likely are some of the higher numbers reported by The Heritage Foundation (53%) and Trading Economics and African Economic Outlook (both 46%). Regardless of which figures are accepted, all demonstrate that a strong numerical pool of applicants exists for potential employers.

Except for members of the police, gendarmerie and armed forces, the Congolese Constitution provides workers with the right to form unions and to strike, subject to conditions established by law. The Labor Code allows for collective bargaining; however, collective bargaining is not widespread due to the social and economic disruption and extreme hardship that occurred during much of the 1990s. There are occasional work strikes over non-payment against both public and private institutions, but these are typically resolved quickly and without incident.

The Labor Code establishes a standard work period of seven hours per day and 35 hours per week.

Foreign-Trade Zones/Free Ports

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As a member of the Central African Monetary Community (CEMAC), the Republic of the Congo belongs to a free trade zone which includes Cameroon, Central African Republic,

Chad, Equatorial Guinea and Gabon. Within this zone, imports are subject to very low or even zero customs duties. The CEMAC zone is also considered a preferential trade area for the Congo and the other member countries.

Foreign Direct Investment Statistics

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Congo's economy relies primarily on exploitation of natural resources rather than industrial production. Hence, foreign direct investment (FDI) is concentrated in the oil and forestry sectors, and increasingly in the mining sector. The government has increased its activity to attract investments in the telecommunications and banking sectors, and consequently investments in both sectors have risen. While FDI inflows have increased, outflows remain minimal. Exact data on FDI flows for the RoC are difficult to find. The Congolese government itself reports numbers only sporadically, often for just certain months, and seldom for a complete year.

Economic Data Host Country Gross Domestic Product (GDP) (<i>Millions U.S.</i> Dollars)	statistica Year 2012	Amount \$13.68 billion	USG or international Source of data (Source of Data: BEA; IMF; Eurostat; UNCTAD, Other) http://www.worldbank.org/en/country
U	statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
(Millions U.S. Dollars, stock positions)	r t	No data reported for he RoC \$21 billion	 (BEA) click selections to reach. Bureau of Economic Analysis Balance of Payments and Direct Investment Position Data U.S. Direct Investment Position Abroad on a Historical-Cost Basis By Country only (all countries) (Millions of Dollars)
Host country's FDI in the United	2012	No data	(BEA)_click selections to reach Balance of Payments and Direct

TABLE 2: Key Macroeconomic data, U.S. FDI in host country/economy

States (Millions U.S. Dollars, stock positions)		reported for the RoC	 Investment Position Data Foreign Direct Investment Position in the United States on a Historical- Cost Basis By Country only (all countries) (Millions of Dollars)
Total inbound stock of FDI as % host GDP (<i>calculate)</i>	2012	167.7%	http://unctad.org

TABLE 3: Sources and Destination of FDI

IMF data table not available for the RoC

TABLE 4: Sources of Portfolio Investment

IMF data table not available for the RoC

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Chapter 7: Trade and Project Financing

- How Do I Get Paid (Methods of Payment)
- How Does the Banking System Operate
- Foreign-Exchange Controls
- U.S. Banks and Local Correspondent Banks
- Project Financing
- Web Resources

How Do I Get Paid (Methods of Payment)

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Payment is usually made by bank wire transfers for amount larger than \$2,000 and directly by check or cash if the amount is less than \$2,000.

How Does the Banking System Operate

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The Bank of the Central African States (BEAC), headquartered in Cameroon, regulates the banking system. Overall authority for Republic of the Congo's banking system rests with the Ministry of Finance.

Within the BEAC is the Banking Commission of Central African States (COBAC), which ensures the legality of the operations carried out by financial institutions. BEAC issues the currency and controls liquidity within the zone. The interest rate structure is common to all member countries of the zone. Within the CEMAC zone, the CFA franc circulates freely and may be freely converted to other currencies through the banking system. Credit cards are used infrequently. Foreign-issued credit cards may not work in the Republic of the Congo. VISA is the most universally accepted, but there is no guarantee that U.S.-issued card chips will be compatible with local vendors.

The Republic of Congo's banking system includes eleven commercial banks. Commercial banks offer most corporate banking services, or can procure them from overseas. Local credit to the private sector is limited and expensive, but available to both foreign and local investors on equal terms. The country's main economic actors, the oil companies, finance themselves outside of the Republic of the Congo. Commercial banks have transferred excess liquidity to correspondent banks outside the region.

Foreign-Exchange Controls

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CEMAC regulations require banks to record and report the identity of customers engaging in large transactions. Additionally, financial institutions must maintain records of large transactions for five years. CEMAC regulations do not stipulate a threshold amount for transactions to be reported. Any wire transfer in excess of \$2,000 for individual and \$20,000 for corporation need to file a special authorization with the DGMC (Direction Générale de la Monaie et du Crédit).

U.S. Banks and Local Correspondent Banks

There are no U.S. Banks or Local Correspondent Banks in the Republic of the Congo.

Project Financing

Projects may be financed through national or international institutions. The World Bank as well as the Development Bank of Central Africa States (BDEAC) have initiated projects in the Republic of the Congo.

Web Resources

Export-Import Bank of the United States: http://www.exim.gov

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

Overseas Private Investment Corporation (OPIC): http://www.opic.gov

Fonds Africain de Garantie et de la Coopération Economique (FAGACE) : <u>http://www.le-fagace.org</u>

Trade and Development Agency: http://www.tda.gov/

SBA's Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm

U.S. Agency for International Development: http://www.usaid.gov

The Bank of the Central African States (BEAC): https://www.beac.int/

The Development Bank of Central African States (BDEAC): http://www.bdeac.org/

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Chapter 8: Business Travel

- Business Customs
- Travel Advisory
- Visa Requirements
- Telecommunications
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- Health
- Local Time, Business Hours and Holidays
- Temporary Entry of Materials and Personal Belongings
- Web Resources

Business Customs

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The Republic of the Congo inherited the French legal system after independence in 1960. Business law is mostly based on French law. The Organisation pour l'Harmonisation du Droit des Affaires en Afrique (OHADA) is an initiative that has established a common Business law for most French-speaking countries in Africa, including the RoC.

Travel Advisory

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Several incidents of petty street crime against Americans have occurred in the past. Criminal elements do not typically single out Americans, but may view them as targets of opportunity depending on their dress, actions, behavior, and level of perceived vigilance. Reports of violent crime in Brazzaville are not common among expatriates.

Pointe Noire has the same concerns as Brazzaville with one exception: the beaches, where petty crime is often committed. Secure your valuables when visiting the beaches. The Embassy recommends staying on main beaches and avoiding all beaches completely at night; as this is a popular time for crime. The Embassy has designated a portion of the beaches in Pointe Noire as off-limits as a result of violent crime incidents.

U.S. citizens who are victims of crime should contact the Embassy duty officer at +242 05 526 3533.

More information on traveling to the Republic of the Congo may be obtained through the Consular Information Sheet at http://travel.state.gov/content/passports/english/country/congo-brazzaville.html

Visa Requirements

Per latest State Department travel information at the time of this writing, a passport, visa, and evidence of yellow fever vaccination are required for entry. Airport visas are not available, and visitors to the Republic of the Congo will need to obtain their visas in advance of travel. A letter of invitation and/or written proof of a hotel reservation are required in order to apply for a visa; it is advisable to also have this documentation available for presentation to immigration officials upon arrival in the RoC.

Additional information on entry requirements may be obtained from the Embassy of the Republic of the Congo, 1720 16th Street, NW, Washington DC 20009, telephone (202) 726-5500, web site: http://www.ambacongo-us.org/ or from the Permanent Mission of the Republic of the Congo to the United Nations, 14 E. 65th St., New York, NY, 10021, telephone (212) 744-7840. Overseas inquiries should be made at the nearest Congolese embassy or consulate.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: http://travel.state.gov/visa/

American Embassy Brazzaville: http://brazzaville.usembassy.gov/visa_services.html

Telecommunications

Telecommunications are generally adequate and reliable. Cellular service is available in the major cities and the interior of the country. Local connection to the Internet is expensive and somewhat unreliable at the moment, although the situation is improving with the recent completion of a fiber optic link to the West Africa Cable System. There is no landline service available in the RoC.

Transportation

International airlines serving the Republic of the Congo are Air France, Air Cote d'Ivoire, Equatorial Congo Air (ECair), Ethiopian Airlines, InterAir, Royal Air Maroc, RwandAir, South African Airways, and Kenyan Airways. There are no direct flights to the United States. Direct flights to Paris are available four times per week from Brazzaville (capital city) and Pointe-Noire (economic city). There are direct flights to some capitals in Central and West Africa, as well as to Addis Ababa, Casablanca, Dubai, and Johannesburg.

Brazzaville's Maya-Maya International Airport, is ten minutes from the city center. The RoC has a poor road network, but airports can be found in major cities – e.g., Pointe-Noire, Dolisie, Ouesso etc. Various airlines provide domestic flights including Trans Air Congo and Equatorial Congo Air (ECair).

Rail service is available between Pointe-Noire and Brazzaville only.

Taxis are available in Brazzaville, Pointe-Noire, and Dolisie. Car rental is available but expensive. The major hotels offer bus service to and from the airports for international flights.

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Language	Return to top

French is the Republic of the Congo's official language. English is not widely spoken.

Health

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Medical facilities are limited. A list of doctors may be obtained through the Embassy's consular section or at http://travel.state.gov/travel/tips/health/health_4971.html .

Malaria is endemic in the Republic of the Congo. Malaria suppressants are strongly recommended and should be begun prior to arrival.

Travelers should drink only bottled water or bottled drinks. Hygiene at restaurants varies, but at more expensive restaurants is generally good.

Local Time, Business Hours, and Holidays	Return to top
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Local time is GMT+1

Note: The working days for civil servants and employees of private companies typically begin at 7:30 am and conclude at around 3:30 pm (civil servants may finish a little earlier, private employees a little later), with a thirty minute lunch break.

Congolese Holidays in 2014 are:

New Year's Day January 1 Easter Monday April 21 Mav 1 Labor Dav May 29 Ascension June 9 Whit Monday June 10 Reconciliation Dav August 15 Independence Day November 1 All Saints Day November 28 Congolese Republic Day December 25 Christmas Day

The American Embassy also observes U.S. federal holidays.

Temporary Entry of Materials and Personal Belongings Return to top

No special accommodations are made for temporary entry of materials and personal belongings. Items brought as carry-on or checked luggage will typically not be scrutinized, but all other incoming shipments will likely be taxed.

Web Resources

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State Department Visa Website: http://travel.state.gov/visa/index.html United States Visas.gov: http://www.unitedstatesvisas.gov/ American Embassy Brazzaville: http://brazzaville.usembassy.gov/

Chapter 9: Contacts, Market Research and Trade Events

- Contacts
- Market Research
- Trade Events

Contacts

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Ministries

Most ministries do not maintain a web presence or have a general reception phone number. All ministries are located in the capital city of Brazzaville. Ministries most relevant to doing business in the RoC include the following:

-Ministry of Industrial Development and Promotion of the Private Sector

- -Ministry of Transportation
- -Ministry of Finance: http://www.mefb-cg.org/actus/actualites.html
- -Ministry of Energy and Water
- -Ministry of Hydrocarbons
- -Ministry of Small and Medium Enterprises
- -Ministry of Commerce
- -Ministry of Large Public Works (Grands Travaux): http://www.grandstravaux.org/
- -Ministry of Agriculture
- -Ministry of Tourism
- -Ministry of Special Economic Zones
- -Ministry of Telecommunications
- -Ministry of Mining
- -Ministry of Forest Economy and Sustainable Development

Associations

UNICONGO (Private business support organization with members in Brazzaville and Pointe-Noire. Most U.S. companies with a presence in the RoC are members. Website is in French) http://www.unicongo.org

The Republic of the Congo Chamber of Commerce (Government-run entity responsible for promotion of business in the RoC) http://www.cciambrazza.com

American Embassy Brazzaville

Ambassador – Stephanie S. Sullivan Deputy Chief of Mission – E. Strother Murray Economic/Commercial Officer – Kristine Knapp Economic/Commercial Specialist – Andy Bemba Political/Economic Section General Inquiries: BrazzavillePolEcon@state.gov

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Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <u>http://www.export.gov/mrktresearch/index.asp</u> and click on Country and Industry Market Reports.

Please note that these reports are available only to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

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