Disclaimer

This document has been prepared by BNP PARIBAS for informational purposes only. Although the information in this document has been obtained from sources which BNP PARIBAS believes to be reliable, we do not represent or warrant its accuracy, and such information may be incomplete or condensed. This document does not constitute a prospectus or solicitation.

All estimates and opinions included in this document constitute our judgement as of the date of the document and may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

This document is confidential and is being submitted to selected recipients only. It may not be reproduced (in whole or in part) to any other person without the prior written permission of BNP PARIBAS.

© 2017 BNP PARIBAS. All rights reserved.
Introduction to GABON

With GDP per capita of USD 7900 in 2017, Gabon is among the wealthiest countries in sub-Saharan Africa as a result of large hydrocarbon reserves. The political situation is also remarkably stable, and should remain so even if tensions linked to the 2016 presidential election have not fully disappeared.

Like other oil-producing countries in the region, Gabon has been hit hard by the fall in global energy prices since mid-2014. Fiscal and external liquidity buffers have eroded rapidly, public debt as a percentage of GDP has almost tripled since 2012, and economic growth has also slowed markedly due to a cut in public spending and accumulation of government’s arrears to domestic suppliers. In 2017, real GDP growth reached only 0.8%, down from 2.1% in 2016 and an annual average rate of 5.7% in 2010-2014.

The outlook is still subject to significant risks; however, sound policies under the tutelage of the IMF and the rebound in oil prices should help to restore the country’s macroeconomic stability. Continued strong performance in some sectors (forestry, agribusiness, manganese) are also encouraging for the future even if these emerging growth pillars are not yet strong enough to power the wider economy in the short term. Greater reforms are necessary to improve the growth potential.

Gabon is a member of CEMAC (Economic Community of Central Africa States), with the French treasury guaranteeing the full convertibility of the CFA Franc against the euro at a fixed rate. The decline in oil exports has put the region’s external accounts under strong pressure and so increased exchange rate risk; however, the acute phase of the crisis seems to be over and the peg remains technically viable. In addition, a devaluation of the CFA Franc would bring more costs than benefits, reducing the appetite for such a decision.

Summary

BNP Paribas presence

BNP Paribas holds 46.67% of BICIG, one of the top 3 retail banks in sub-Saharan Africa. BNP Paribas is the second largest international bank in terms of country coverage in Sub-Saharan Africa, with more than 140 branches in 7 countries (Burkina Faso, Ivory Coast, Gabon, Guinea, Mali, Senegal and South Africa). This network includes 415,000 clients who are supported by more than 2,300 employees. In addition, dedicated cash management and trade finance teams in each country support the domestic and international needs of foreign subsidiaries in each country, regionally and internationally.

Working with BNP Paribas

BNP Paribas is a key player in the Gabon market with comprehensive cash management capabilities and a business centre located in Libreville. The bank has direct access to both SYGMA (high value) and SYSTAC (low value) clearing systems, and is a leader in mobile services (BICIG Mobile). BNP Paribas offers specialist trade finance solutions and services through 10 trade centres across Africa, with the support of product and technical experts located in the bank’s global trade solutions competence centre, to optimise, secure and finance customers’ international trade transactions worldwide. BNP Paribas’ trade centres offer the full range of traditional trade finance products (documentary operations, international guarantees and trade financing) as well as structured trade and customised supply chain management solutions. These are facilitated through state-of-the-art web-based platforms.

Currency
Currency

- Central African Franc (XAF).

Exchange Rates

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange rate: XAF per USD</td>
<td>494.04</td>
<td>494.42</td>
<td>591.45</td>
<td>593.01</td>
<td>582.01</td>
</tr>
</tbody>
</table>


Central Bank


Bank supervision

- The Central African Economic and Monetary Community's Banking Commission (COBAC) supervises all member states' banks.

Bank accounts

Resident / non-resident status

- A company is considered resident in Gabon if it is incorporated in Gabon.

Bank accounts for resident entities

<table>
<thead>
<tr>
<th></th>
<th>Within Gabon</th>
<th>Outside Gabon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Currency</td>
<td>• Permitted, not convertible</td>
<td>• Only permitted within CEMAC</td>
</tr>
<tr>
<td>Foreign Currency</td>
<td>• Permitted with restrictions, fully convertible</td>
<td>• Only permitted within CEMAC</td>
</tr>
</tbody>
</table>
### Bank accounts for non-resident entities

<table>
<thead>
<tr>
<th></th>
<th>Within Gabon</th>
<th>Outside Gabon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Currency</td>
<td>• Permitted, not convertible</td>
<td>• Only permitted within CEMAC</td>
</tr>
<tr>
<td>Foreign Currency</td>
<td>• Not permitted</td>
<td>• Not applicable</td>
</tr>
</tbody>
</table>

### Lifting fees

- Percentage-based lifting fees are applied on payments between resident and non-resident bank accounts.

### BNP Paribas insights

- Please contact your BNP Paribas relationship manager for information on bank account opening and management in Gabon.

### BNP Paribas Cash Management Capabilities

#### Liquidity Management

<table>
<thead>
<tr>
<th>Service</th>
<th>Supported by BNP Paribas</th>
<th>Not required / permitted in GABON or not supported by BNP Paribas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical cash pooling</td>
<td><img src="true" alt="Supported" /></td>
<td><img src="false" alt="Not required" /></td>
</tr>
<tr>
<td>Notional pooling</td>
<td><img src="true" alt="Supported" /></td>
<td><img src="false" alt="Not required" /></td>
</tr>
</tbody>
</table>

#### Collections

<table>
<thead>
<tr>
<th>Collection</th>
<th>Supported by BNP Paribas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash collections</td>
<td><img src="true" alt="Supported" /></td>
</tr>
<tr>
<td>Cheque collections</td>
<td><img src="true" alt="Supported" /></td>
</tr>
</tbody>
</table>
### Direct debit collections
- Supported by BNP Paribas
- Not required / permitted in GABON or not supported by BNP Paribas

### Payments
- Cash withdrawals
- Cheque payments
- Direct debit payments
- Domestic outgoing transfers
- International outgoing transfers
- Card issuing

- Supported by BNP Paribas
- Not required / permitted in GABON or not supported by BNP Paribas

### Channels
- Local e-Banking
- Global e-Banking - Connexis
- SWIFTNet / Global host to host
Payment systems

### SYGMA

<table>
<thead>
<tr>
<th>Type</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>The BEAC, commercial banks, microfinance institutions, treasury departments and financial institutions.</td>
</tr>
<tr>
<td>Transaction types processed</td>
<td>High-value (in excess of XAF 100 million) XAF-denominated credit transfers. Net obligations from SYSTAC</td>
</tr>
<tr>
<td>Operating hours</td>
<td>07:30–15:30 WAT, Monday to Friday.</td>
</tr>
<tr>
<td>Clearing cycle details</td>
<td>Interbank and customer-initiated transactions settled in real time and with immediate finality. Payment messages may be transmitted through a secure private network or via SWIFT. Final settlement takes place across participant banks' correspondent accounts at the BEAC.</td>
</tr>
<tr>
<td>System holidays</td>
<td>SYGMA is closed on all Gabonese bank holidays. Gabon's bank holidays are: 2nd half 2018: 22* August, 1 November, 25 December. 2019: 1 January, 8 March, 1, 30 May, 5 June*, 11*, 15, 17 August, 1 November, 25 December. *The date shown may vary by plus or minus one day. These dates are derived by converting from a non-Gregorian calendar (e.g., Muslim or Hindu) to the Gregorian calendar. Some of these dates cannot be determined in advance with absolute accuracy, even by the governing authorities. In the case of Muslim dates in particular, the feast days are determined by the sighting of a new/full moon.</td>
</tr>
</tbody>
</table>

### SYSTAC

<table>
<thead>
<tr>
<th>Type</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>The BEAC, commercial banks, microfinance institutions, Treasury departments and financial institutions.</td>
</tr>
</tbody>
</table>
## Transaction types processed

- Low-value (below XAF 100 million) retail payments (credit transfers, direct debits, card payments, cheques and bills of exchange).

## Operating hours

- 07:30–15:30 WAT, Monday to Friday.

## Clearing cycle details (e.g. cut-off times)

- Participant banks transmit messages via a private network.
- Final net settlement takes place across participant banks’ accounts held at the BEAC from 13:00–13:30 CET.
- Cheque payments and bills of exchange are usually processed within two days, while funds transfers and card payments are processed within one day.

## System holidays

- SYSTAC is closed on all Gabonese bank holidays. (Dates as above).

### Transaction volumes by instrument

- N/A

### Credit transfers

- Credit transfers are typically used by large companies for commercial payments.
- Credit transfers are available as both paper-based and electronic payment instruments. Electronic transfers are increasingly popular.
- High-value (in excess of XAF 100 million) and urgent XAF-denominated credit transfers are cleared and settled via SYGMA in real-time.
- Low-value (below XAF 100 million) and non-urgent XAF-denominated credit transfers are processed by SYSTAC on a next-day basis.

### Direct debits

- Preauthorized direct debit services are available in Gabon.
- Direct debits are cleared by SYSTAC on a T+1 basis.

### Cheques

- The cheque a popular cashless payment instrument, used by both consumers and companies.
- Cheque payments are processed within two days via SYSTAC.

### Card payments

- The use of payment cards in Gabon is increasing.
- Visa debit cards are issued by BICIG, Ecobank and Orabank. A UBA Debit MasterCard was launched in July 2017.
- BGFi Bank issues proprietary Carte Etoile and Carte Vega debit cards; Union Gabonaise de Banque issues several of its own cards; and Ecobank issues its proprietary Ecobank Regional Card (available in 36 African countries). Contactless mobile payment schemes are available.
- Card payments are cleared and settled by SYSTAC.
ATM/POS

- There are an estimated 14.3 ATMs per 100,000 adults.

Electronic wallet

- Electronic wallet schemes are available in Gabon in the form of mobile e-wallet schemes. Five banks (BGFi Bank, BICIG, Orabank, UGB and UBG) are authorised to provide mobile e-wallet schemes.
- There is one pre-paid card scheme – Carte prépayée VISA.
- There are four providers of mobile money services.
- In the months January to September 2017, there were 56,198,982 electronic money transactions (36,458,336 in 2016) with a value of XAF 796,098,765,898 (XAF 596,494,301,120). Mobile money payments make up the majority of e-money payments. Gabon had 1,117,345 registered users of e-money in September 2017.

BNP Paribas capabilities

- BNP Paribas offers a wide range of payment and collection solutions in Gabon. The bank has direct access to both SYGMA (high value) and SYSTAC (low value) clearing systems, and is a leader in mobile services (BICIG Mobile). Please contact your relationship manager for more information.

Electronic banking

Market overview

- Electronic banking services are available from some banks. These services are primarily used by larger companies.
- There is no national electronic banking standard in Gabon, so companies use banks’ proprietary services.
- Transaction and balance reporting services are available.
- Online and mobile banking services are provided by the country’s leading commercial banks.
- Transaction initiation services are typically only offered online to particular companies and require BEAC approval.

BNP Paribas capabilities

- BNP Paribas’ full range of international electronic banking solutions are available in Gabon in addition to local solutions.

Liquidity management

Domestic: notional pooling

- Domestic notional pooling is not available in Gabon.
Domestic: cash concentration

- Domestic cash concentration structures are available.

Cross-border notional pooling

- Cross-border notional pooling is not available in Gabon.

Cross-border cash concentration

- Cross-border cash concentration is not available in Gabon.

BNP Paribas insights

- Domestic and cross-border liquidity management options are limited in Gabon, but please contact your BNP Paribas relationship manager for more information.

Short term investments

Market overview

Interest payable on credit balances

- Interest-bearing accounts are permitted.

Demand deposit

- Demand deposits denominated in XAF are available.

Time deposits

- Time deposits are available in XAF with varying terms.
- Interest rates are generally set by the BEAC.

Certificates of deposit

- Domestic banks issue certificates of deposit with terms ranging from three months to four years. These are negotiable instruments.

Treasury (government) bills

- Gabon regularly issues Treasury bills in denominations of XAF 1 million and with maturities of 13, 26 or 52 weeks.

Commercial paper

- No commercial paper market exists in Gabon.

Money market funds
Money market funds are not popular short-term investment instruments.

**Repurchase agreements**

- Repurchase agreements are available in Gabon.

**Banker’s acceptances**

- Banker’s acceptances are available from the larger pan-African banks.

**BNP Paribas insights**

- Please contact your BNP Paribas relationship manager for information and support on cash investment in Gabon.

---

### BNP Paribas Trade Finance Capabilities

#### Trade payments

<table>
<thead>
<tr>
<th>Documentary credits</th>
<th>✔</th>
</tr>
</thead>
<tbody>
<tr>
<td>Documentary collections</td>
<td>✔</td>
</tr>
</tbody>
</table>

- **Supported by BNP Paribas**
- **Not required / permitted in GABON or not supported by BNP Paribas**

#### Guarantees

<table>
<thead>
<tr>
<th>Bank guarantees</th>
<th>✔</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standby letters of credit</td>
<td>✔</td>
</tr>
</tbody>
</table>

- **Supported by BNP Paribas**
- **Not required / permitted in GABON or not supported by BNP Paribas**
Supply chain management

<table>
<thead>
<tr>
<th>Supply chain management</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>✓</td>
</tr>
<tr>
<td>Payables</td>
<td>✓</td>
</tr>
<tr>
<td>Inventory</td>
<td></td>
</tr>
</tbody>
</table>

- Supported by BNP Paribas
- Not required / permitted in GABON or not supported by BNP Paribas

Trade channels

<table>
<thead>
<tr>
<th>Trade channels</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Connexis Trade</td>
<td></td>
</tr>
<tr>
<td>Connexis Supply Chain</td>
<td></td>
</tr>
<tr>
<td>SWIFTNet Trade for Corporates</td>
<td></td>
</tr>
<tr>
<td>Connexis Connect</td>
<td></td>
</tr>
</tbody>
</table>

- Supported by BNP Paribas
- Not required / permitted in GABON or not supported by BNP Paribas

International trade

General trade rules

- As a member of the Economic and Monetary Community of Central Africa (CEMAC), Gabon has abolished all trade tariffs with CEMAC member states.

Trade agreements

- Gabon has investment treaties with Belgium and Luxembourg, China, Egypt, France, Germany, Italy, Lebanon, Mali, Morocco, Portugal, Sao Tome and Principe, South Africa, Spain and Turkey.
## Imports / exports

<table>
<thead>
<tr>
<th>Imports</th>
<th>Machinery and equipment</th>
<th>Foodstuffs</th>
<th>Chemicals</th>
<th>Construction materials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Import sources</td>
<td>France (23.6%)</td>
<td>Belgium (19.6%)</td>
<td>China (15.2%)</td>
<td>Benin (4.7%)</td>
</tr>
<tr>
<td></td>
<td>Benin (4.7%)</td>
<td>Netherlands (4%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exports</td>
<td>Crude oil</td>
<td>Timber</td>
<td>Manganese</td>
<td>Uranium</td>
</tr>
<tr>
<td>Export markets</td>
<td>China (36.4%)</td>
<td>USA (10.0%)</td>
<td>Ireland (8.5%)</td>
<td>Netherlands (6.3%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>South Korea (5.1%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Australia (5.0%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Italy (4.6%)</td>
</tr>
</tbody>
</table>

## Import / export volumes

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports</td>
<td>- goods USD m</td>
<td>9,728</td>
<td>8,926</td>
<td>6,579</td>
<td>4,506</td>
</tr>
<tr>
<td></td>
<td>- services USD m</td>
<td></td>
<td>140</td>
<td></td>
<td>347</td>
</tr>
<tr>
<td>Imports</td>
<td>- goods USD m</td>
<td>6,287</td>
<td>2,993</td>
<td>4,031</td>
<td>2,163</td>
</tr>
<tr>
<td></td>
<td>- services USD m</td>
<td></td>
<td>3,089</td>
<td></td>
<td>1,864</td>
</tr>
<tr>
<td>Current account as % GDP</td>
<td>7.1</td>
<td>7.4</td>
<td>-2.3</td>
<td>-9.0</td>
<td>-4.8</td>
</tr>
</tbody>
</table>

Source: La Direction Générale de la Statistique and the World Trade Organisation.

### Trade finance - imports

### Documentation

- The following documentation is required in order to import goods into Gabon:
  - bill of lading
  - certificate of origin
  - commercial invoice
  - customs import declaration
  - Electronic Cargo Tracking Note (BIETC)
  - market authorisation
  - packing list
  - technical standard/health certificate.
Import licences

- Import licences are not required for imports from CEMAC member states.
- Licences may be required for imports from outside CEMAC, for trade policy purposes.

Import taxes and tariffs

- Tariffs are not set on imports from CEMAC member states.
- Common external tariffs (CET) for imports from outside CEMAC are set in one of four categories:
  - 5% for staple goods
  - 10% for raw materials and capital goods;
  - 20% for intermediate goods; and
  - 30% for consumer goods.

Financing requirements

- None

Risk mitigation

- None

Prohibited imports

- Prohibited imports are published on a negative list.
- Gabon prohibits the import of certain items in order to protect fauna and flora, for health and safety or moral reasons, and/or for national security.

Trade finance - exports

Documentation

- The following documentation is required in order to export goods from Gabon:
  - bill of lading
  - cargo registration number
  - commercial invoice
  - customs export declaration
  - market authorisation
  - packing list.

Export licences

- None
Export taxes and tariffs

- Tariffs are levied by the Customs Directorate or via licenced intermediaries.

Financing requirements

- None

Risk mitigation

- The World Bank’s Multilateral Investment Agency (MIGA) provides insurance for development-related investments.

Prohibited exports

- Prohibited exports are published on a negative list.

Regulatory requirements

Reporting regulations

- All transactions between resident accounts and accounts held by non-residents must be reported to the Ministry of Finance and the BEAC within 30 days.

Reporting method

- Banks submit reports on behalf of their customers, although the resident entity is ultimately responsible for compliance.

Exchange controls

- Exchange controls are harmonised within CEMAC.
- The administration of exchange controls is the government’s responsibility. Exchange regulations are supervised by the BEAC, while COBAC ensures that licensed intermediaries comply with the regulations.
- Interbank foreign exchange transactions within CEMAC are free of restrictions.
- There is no forward exchange market in operation within CEMAC. However, licensed intermediaries may enter into forward exchange contracts up to a limit of XAF 100 million on presentation of supporting documentation (invoices, debt repayment schedules, or other foreign-currency-denominated debt instruments) and must report such activities to the BEAC.
- International funds transfers are subject to fees of up to 0.5% (not including turnover tax or any additional special tax); up to 0.25% for transfers within CEMAC.
- In Gabon, nine banks are licensed to conduct foreign exchange transactions with the public.
- Gabon has an operations account at the French Treasury, facilitating settlements with France, Monaco, other CEMAC member states, West African Economic and Monetary Union (UEMOA) member states, and the Comoros.
- Proceeds from exports to non-CEMAC countries must be repatriated within 30 days. Proceeds from invisible transactions and capital transactions with non-CEMAC counties must also be repatriated. Proceeds in foreign currency must be surrendered to the BEAC within 30 days.
- Capital flows within CEMAC are free of restrictions.
Government authorisation is necessary for the issue/sale of non-resident securities in Gabon if the amount involved exceeds XAF 10 million.

Government authorisation is also necessary for the issue/sale of residents' securities abroad, securities purchased by residents abroad, and securities purchased in Gabon by non-residents if the amount involved exceeds XAF 100 million.

Capital transactions between residents and non-residents are required to be reported to the Ministry of Finance and BEAC within 30 days.

Prior authorisation from the government and BEAC is required for commercial loans from residents to non-residents and for all personal or financial loans between residents and non-residents if the amount involved exceeds XAF 100 million.

Government authorisation is required for all inward/outward investments over XAF 100 million.

**Anti-money laundering / counter-terrorism financing**

- Gabon has enacted anti-money laundering and counter-terrorist financing legislation (Regulation No. 01-16-CEMAC fight against money laundering).
- Gabon has implemented Decree No PR 0805 promulgating the Law No 036 of 2010 on the Penal Procedure code.
- Gabon is a member of the Action Group against Money Laundering in Central Africa (GABAC), an organization in the process of becoming a FATF-style regional body.
- Gabon has established a financial intelligence unit, the National Financial Investigations Agency (ANIF).
- Account opening procedures require formal identification of the customer.
- Banks are required to identify beneficial owners.
- Relationships with shell banks are prohibited.
- All transactions over XAF 5 million (approx. USD 10,000) are reported to the ANIF.
- Resident and non-resident travellers crossing CEMAC borders must, on exit, declare any foreign currency, securities, or instruments valued at more than XAF 1 million to the customs authorities.
- Financial institutions in the broadest sense are required to report suspicious transactions to the ANIF.

* Data as at August 2018.

**Taxation**

### Resident / non-resident

- A company is considered resident if it is incorporated in Gabon.

**Tax authority**

- Gabonese Tax Administration.

**Financial instruments**

- No information on tax on financial instruments in Gabon is available. Please contact your tax advisors.

**Interest and financing costs**

- No information on tax on interest and financing costs in Gabon is available. Please contact your tax advisors.
Foreign exchange

- No information on tax on foreign exchange in Gabon is available. Please contact your tax advisors.

Advance tax ruling availability

- Rulings are not a regular practice, but may be obtained from the tax authorities including advance pricing agreements.

Capital gains tax

- Capital gains are treated as ordinary business income and are taxed at the normal CIT rate. This notably includes capital gains made on the transfer of shares owned by persons whose assets are mainly constituted with such shares, or with shares directly or indirectly held in a company located in Gabon. However, capital gains realised on the disposal of a fixed asset in the course of trading, are excluded from income for a period of three years, if the taxpayer records the capital gain in a special account and reinvests the gains in new fixed assets for business within this period. Capital gains resulting from the free allocation of shares, founder’s shares or debentures on the merger of limited liability companies, or limited partnerships with share capital, are also excluded if the surviving or new company has its registered office in Gabon. The same exemption is available in case of split or partial transfer of assets operated by a limited liability company or limited partnership, when the companies benefiting from the transfer have their seat in Gabon and the transfer occurs at the same date for all the beneficiary companies and results in the immediate winding up of the transferring company.

Withholding tax (subject to tax treaties)

<table>
<thead>
<tr>
<th>Payments to:</th>
<th>Interest</th>
<th>Dividends</th>
<th>Royalties</th>
<th>Other income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resident entities</td>
<td>10%/ 20%</td>
<td>10%/ 20%</td>
<td>NA</td>
<td>9.5%</td>
</tr>
<tr>
<td>Non-resident entities</td>
<td>0% / 10% / 20% (5% on bonds with maturities over five years)</td>
<td>0%/ 20%/ 20%</td>
<td>20%</td>
<td>20%</td>
</tr>
</tbody>
</table>

- Withholding tax is applied on dividends and interest received by resident and non-resident companies.
- A 10% rate applies to dividends paid to corporate shareholders that are resident in Gabon or another CEMAC state where:
  - The shareholder owns at least 25% of the shares of the payer;
  - The head offices of the shareholder and the payer are located in Gabon or another CEMAC state; and
  - The shares remain registered in the name of the shareholder for at least two consecutive years.
- Interest paid by a Gabonese company to a non-resident entity is subject to a 20% WHT calculated on the gross amount paid (excluding tax on turnover) Technical service fees paid by Gabonese entities to resident entities that are subject to corporate income tax but not value-added tax (VAT) are subject to a WHT of 9.5%. Technical service fees paid by Gabonese entities to non-resident entities are subject to a WHT of 20%. If the technical service performed by the resident or non-resident entity is used in Gabon, the technical service fees also are subject to 18% VAT.
Tax treaties / tax information exchange agreements (TIEAs)

- Gabon has exchange of information relationships with 18 jurisdictions through 18 DTCs and no TIEAs.

Thin capitalisation

- Thin capitalisation rules were introduced by the Finance Act for 2018 (Law no. 021/2017 dated 26 January 2018) and apply as from 1 January 2018. These rules treat as non-deductible the amount of interest expense due to a related party that exceeds the highest of the following amounts:
  - The interest expense calculated on the average amount of related party debt for the period, limited to 1.5 times the company's equity (at the opening or closing of the financial year);
  - The amount of interest income from related parties; or
  - 25% of the company's adjusted recurring income before taxes.
- Disallowed interest can be deducted in subsequent years, subject to conditions; however, the disallowed amount is reduced by 10% each year. Interest relating to a debt guaranteed by a related party is considered related party interest.
- Interest paid to a related party located in a low-tax or a non-cooperative jurisdiction is not deductible.

Transfer pricing

- Transactions with related parties resident outside Gabon or with related or unrelated parties established in a low-tax or a non-cooperative jurisdiction that are not conducted at arm’s length are considered abnormal acts of management and are subject to adjustment (to the arm’s length price) by the tax authorities. Abnormal acts of management include payments of expenses and any other form of advantage granted without equivalent compensation. Transfer pricing documentation requirements apply, which include the preparation of a “local file” and a “master file.” The local file must be filed with the tax authorities on or before the due date of the income tax return for the reporting year (i.e. by 30 April of the year following the reporting year). The master file must be maintained by the taxpayer for inspection at the request of the tax authorities and must be prepared by the filing deadline for the income tax return of the group’s ultimate parent company; however, the tax authorities recently have indicated that they may request the master file to be provided with the local file.
- Advance pricing agreements can be concluded with the tax authority.

Stamp duty

- Stamp duty is imposed on various instruments, such as corporation charters, corporation minutes, contracts including loan agreements and the transfer of shares, transfer deeds, etc.

Cash pooling

- No information on tax on cash pooling in Gabon is available given that neither domestic nor cross-border cash pooling is possible. Please contact your tax advisors.

Financial transactions / banking services tax

- No information on financial transactions or banking services tax in Gabon is available. Please contact your tax advisors.

All tax information sourced from: Deloitte Guide to Fiscal Information in Gabon, 2018 (www.deloitte.com) and Gabonese Tax Administration.
This content can be accessed by registered users only. Please register or log in to BNP Paribas Atlas.

Register Log in

Market data updated as of 01-10-18