



Gabonese Strategic Investment Fund

ISTANBUL PPP WEEK - 2015

Country Presentation

SUMMARY

- **Gabon - Macroeconomics**
- **About Us & our Mission**
- **Investment Needs and Opportunities**
- **Overview: PPP institutional and Legal Framework of PPP**
- **Current PPP Projects**
- **Future Infrastructure Projects**

Gabon Macroeconomics

About Gabon - Macroeconomics

DRIVERS

Area (Total)	267,677 km²
Population (Total):	1.633 million 2012
Libreville Population:	± 900 thousand 2012

Key Gabon Economic Indicators:

GDP (current US\$) :	\$17.2 billion 2014
Growing economy	(2013: 6.0 %, 2014: 5.1%)
High GDP/capita	(± 11,000 \$)

- **Long-standing tradition of political stability**
- **Leading development indicators in Central Africa**
- **Dynamic government**



Data Source: World Bank Group & Standard Chartered Research

About US

About Us

6-Key dates

1990

Withdrawal of the law requiring companies setting in Gabon to give up 10% of their shareholding to the State.

2009

Elaboration of the country's Strategic Plan for an Emerging Gabon (PSGE)

2012

Formation of the **Gabonese Strategic Investment Fund (FGIS)**.

● **2015**

Establishment of the **Fonds des Générations Futures (FGF)** to ensure a solid saving base for the futur generations.

The fund is endowed with **10%** of annual oil revenues and **50%** of annual excess in budget

1998

2012

Appointment of the **management team of the FGIS**

Our mission

- **Contribute to Gabon's economic development** through an active management of the State's investment portfolio, including disposal or consolidation of existing State investments, or stable equity investments in companies with strategic importance;
- **Guarantee Gabon's financial independence and diversify its risks** through investment of part of oil revenues;
- **Promote investment by domestic and foreign companies** in strategic sectors through co-investments and risk sharing;
- **Ensure a solid saving base for the Gabonese future generations.**

Investment Needs & Opportunities

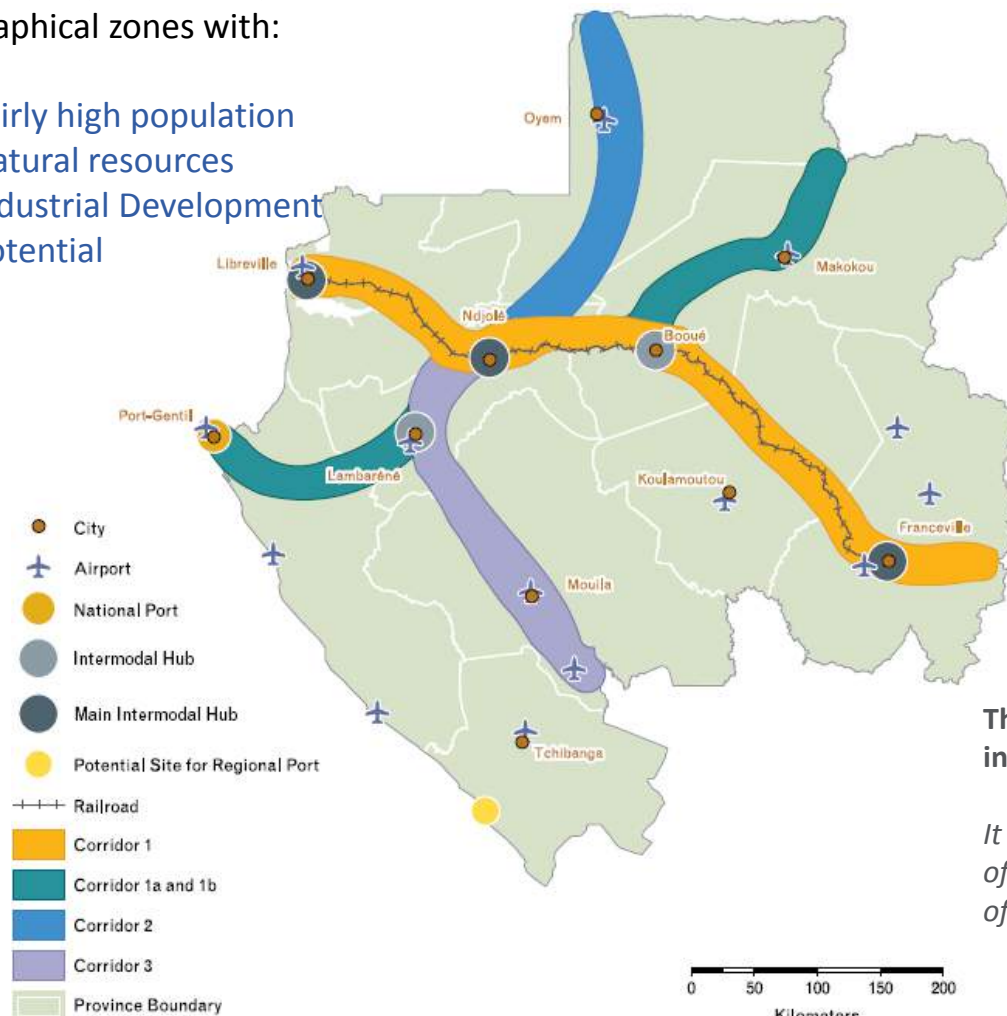
Investment Needs and Opportunities

- In 2010, The Gov. of Gabon has requested BECHTEL to develop an **Infrastructure Plan**
- The Plan prioritizes investment and development needs, while balancing Gabon's commitment to sustainable development by focusing on mid to longterm infrastructure strategies across major sectors, including:
 - *Transportation*
 - *Energy*
 - *Housing*
 - *Telecommunication*
 - *Utility Infrastructure*

Investment Needs and Opportunities

Projects have been evaluated by identifying geographical zones with:

- ✓ Fairly high population
- ✓ Natural resources
- ✓ Industrial Development potential



The analysis has defined three development corridors across Gabon's territory:

- 1) The Transgabonais Corridor also including Port Gentil and Belinga
- 2) The North Corridor
- 3) The south Corridor

The Master Plan offers industry and international investors countless opportunities in the country

It is a vital factor in the vision of the President of the Republic to help Gabon achieve its objective of becoming an emerging country

Overview: PPP Institutional And Legal Framework of PPP

Institutional and Legal Framework of PPP

In September 2015, the GOV of Gabon has taken an order to establish a PPP Bureau.

This agency is responsible for:

- Identifying projects in which private sector involvement is useful
- Marketing and promoting projects
- Contribute to structure the privatization process or PPPs
- launching calls to tender, selecting contractors and managing the execution of projects;

The Agency reports to the Ministry of Economy and is be placed under the surveillance of the Council of Ministers

Current PPP Projects

Hydro Power Projects

Partners

Emerging Capital Partners



A pan-African private equity firm that has raised over US\$2 billion for investment across the African continent, including the Francophone regions.

Investors' capital have been put to work in over 40 countries in all major regions of the continent, directly supporting over 50,000 jobs

Eranove



Eranove Group, via its subsidiary CIPREL, is an independent electricity producer.

Eranove also maintains and operates water and electricity structures via lease contracts awarded by the Côte d'Ivoire and Senegalese republics

Hydro Power Projects

Financial Highlights

- Combined project funding: USD 360 million
- Financing: 30% equity and 70% debt
- Debt financing to be secured: AfDB, BDEAC, FMO, DEG and commercial Banks

Key Project Highlights

- Strong demand: The country has an important deficit in electricity production
- Secured project cash flow: 30 year PPA
- Experience management team (Eranove: 1,100 MW under Management in Ivory Coast)

Main objectives

- Ensure stable electricity supply at competitive rates for the Interconnected Network (RIC)
- Improve rural electrification and liberalise access to electricity in Gabon

Investments measures

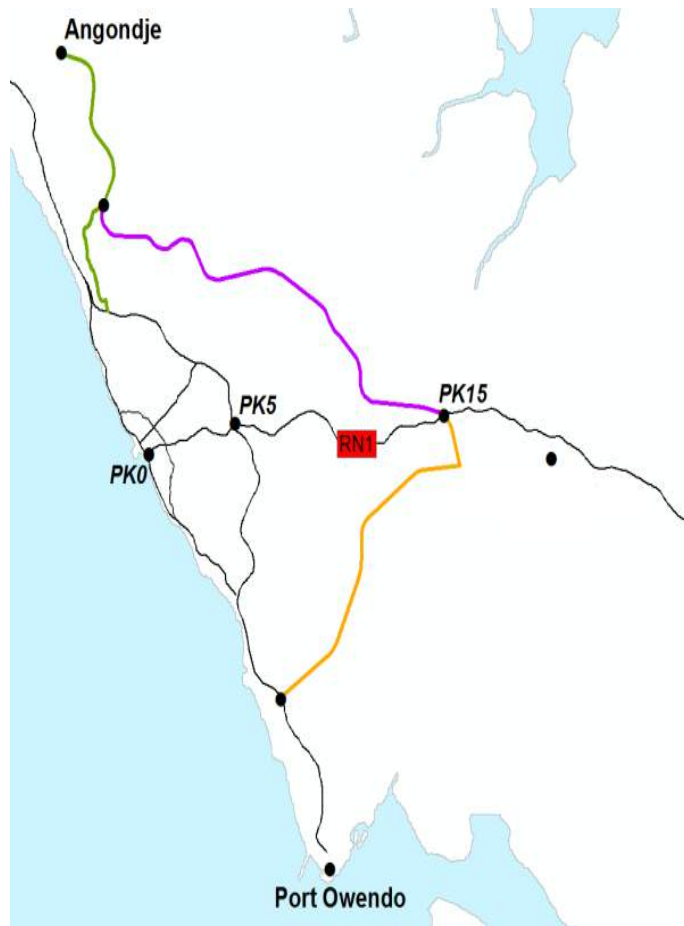
- Project IRR: 15-20%

Future Infrastructure Projects

Libreville Ringroad

Libreville Ringroad

Establish a public-private partnership for the construction of the capital's ring-road



Location
Libreville

Studies

- Feasibility study: complete
- Detailed design 1: complete
- Detailed design 2&3: ongoing

Estimated Cost

- USD 540M

Stakeholders

- Ministry of Infrastructure

Libreville Ringroad



Phase 1:

- 2X2 road of 11 kilometers
- Contract already signed with CRBC

Phase 2 and 3:

- Government expressed strong will to establish a Public-Private Partnership
- Possibility of implementing a system of weight/toll stations
- Phase 2: 2X2 road of 15 kilometers
- Phase 3: 2X2 road of 17.3 kilometers

Sector Overview

- Libreville suffers from continuous major road congestions
- A rapid demographic and urban development is expected in the norther area (circa. 100.000 people by 2025)
- Important development of the economic zone NKOK, hence the importante of a direct link with the port

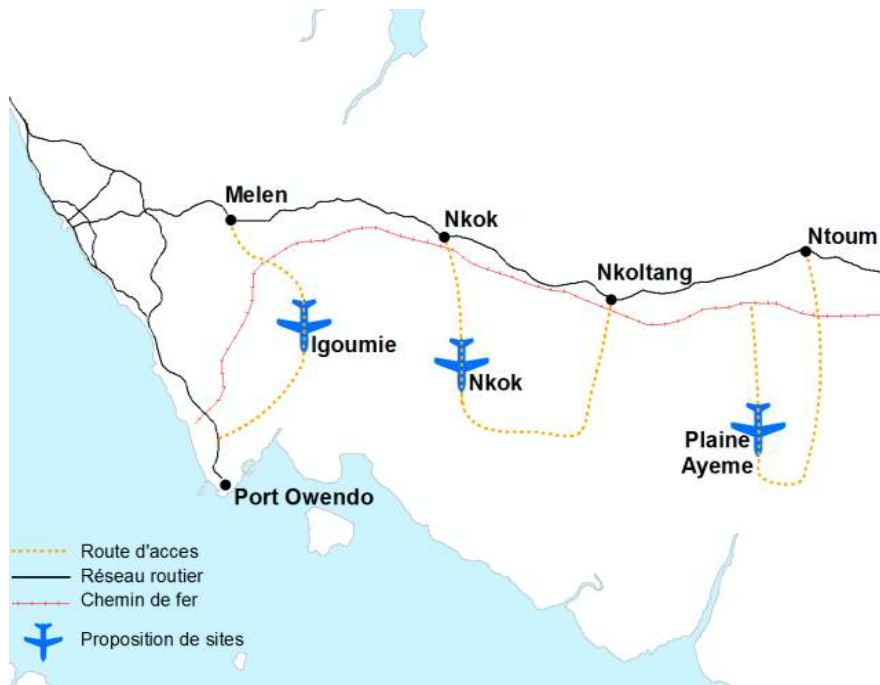
Specific Objectives

- Unclog the center of the Capital
- Provide a direct link between:
 - National road 1 and the residential area of Agondjé
 - National Road 1 and the port area of Owendo
 - The Economic Zone of NKOK and the Port in Owendo

New Libreville Airport

New Libreville Airport

Build a new airport that will be able to accommodate 3 million passengers per year by 2035



Location

Libreville, peripheral zone

Studies

- Master Plan: on-going
- Feasibility Study: complete

Estimated Cost

- USD 700M

Stakeholders

- Ministry of Infrastructure
- Ministry of Transport

New Libreville Airport



Characteristics

- Construction of the airport platform based on double tracks
- Total area of the platform between 2.400 and 3.000 acres
- Construction and equipment of passengers and freight terminals
- Total expected capacity of 3 million passengers per year

Sector Overview

- Strategic geographic location of Libreville for Africa
- 2025 horizon: targeted air traffic of 1.5 million passengers/year and 30.000 annual aircraft movements
- Horizon 2035 of 3 million passengers per year

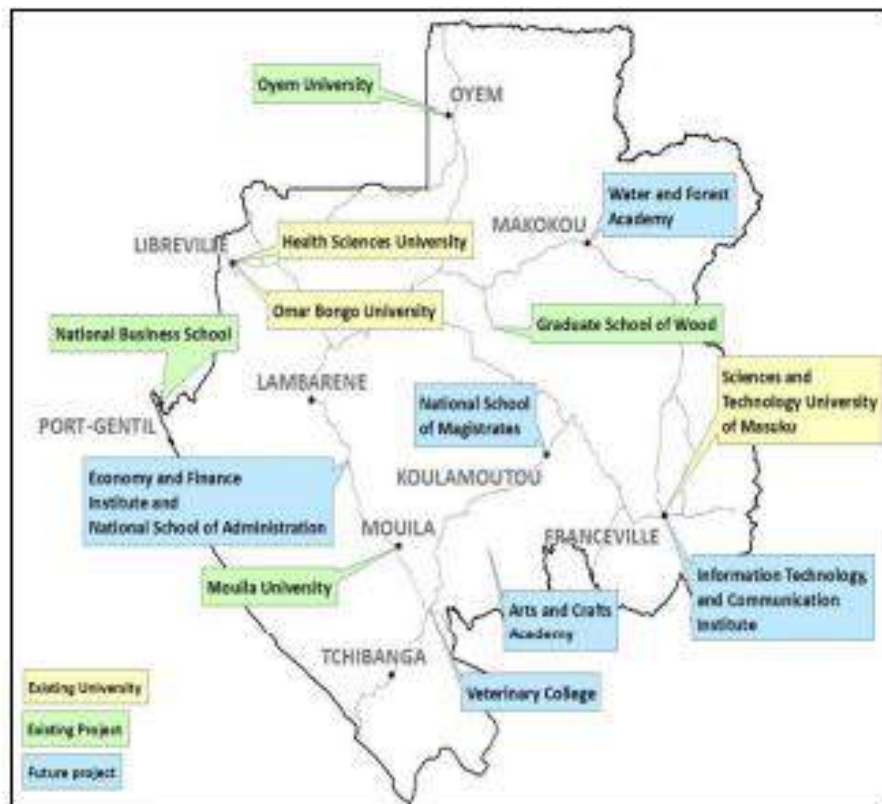
Specific Objectives

- Responding effectively to the growing demand for passenger and freight transport
- Connect the airport to the railway
- Allow Libreville to become an African hub and an international relay point between Europe/North Africa and Southern Africa
- Contribute to the influence of the Capital in the subregion

National Universities Master Plan

Establishment of a Master Plan and construction of new universities throughout Gabon

Establishment of a Public Private Partnership for the construction of new universities throughout Gabon



Location

Throughout the country

Studies

- Master Plan to be completed

Estimated Cost

- USD 470M

Stakeholders

- Ministry of Superior Education

Establishment of a Master Plan and construction of new universities throughout Gabon



Characteristics

- **Establishment of the Master Plan**
 - For each of the following universities: Oyem, Mouila, Port-Gentil and the Music Academy
 - Establish the needs in terms of education and infrastructure for the whole country
- **Design and Construction of new university centers**
 - General education
 - Technical education
 - Arts and Music

Sector Overview

- Critical overcapacity in existing universities
- Pressing need for the modernization of existing infrastructure
- The equipment and infrastructure deficit is the main root cause for the most student strikes

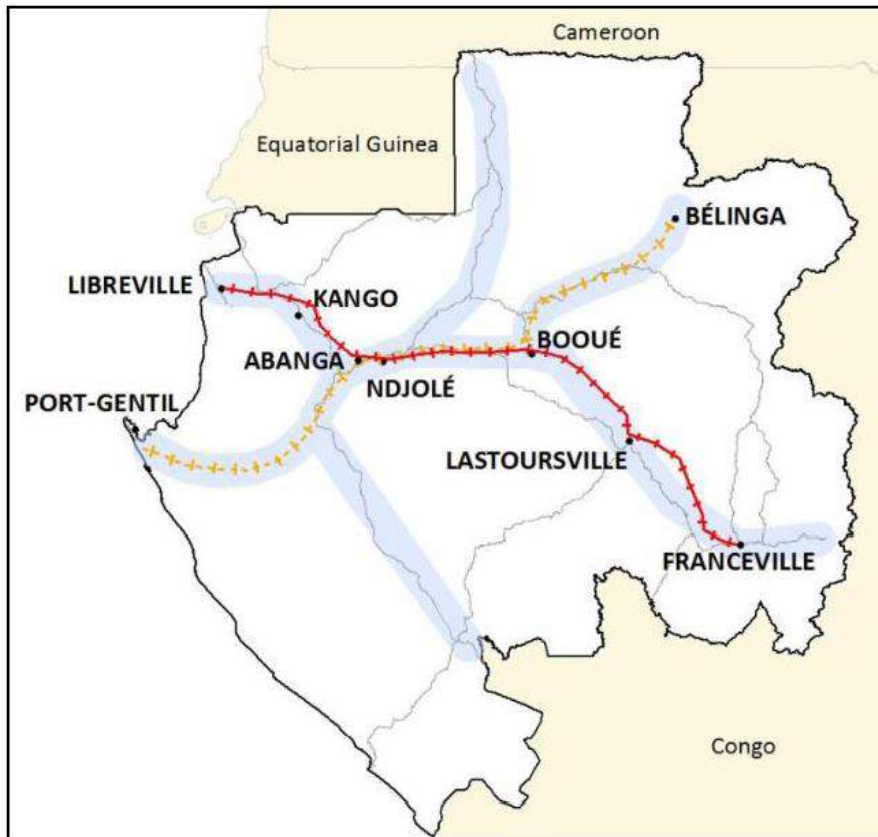
Specific Objectives

- Relocating academic centers across Gabon for a more even distribution
- Create new economic centers
- Reduce migratory flows from rural areas to city centers
- Improve the academic success rate thanks to a better learning environment
- Diversify teaching subjects

Construction and Rehabilitation of the Railroad

RailRoad

Rehabilitation the existing railway network, and build a new line for the exploitation of the iron ore mines in Belinga



Location

Axis Libreville – Franceville
Axis Port Gentil - Belinga

Studies

- Feasibility Study: complete
- Preliminary and detailed designs: to be completed

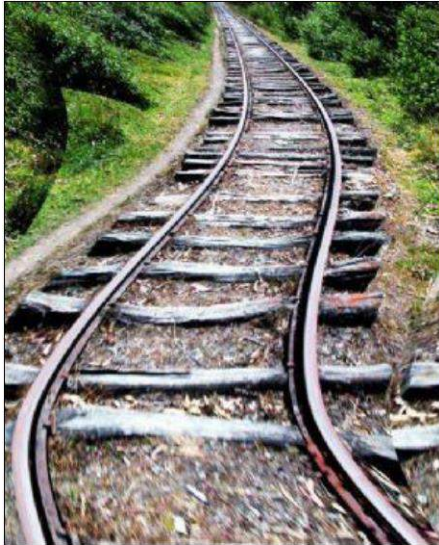
Estimated Cost

- USD 7.500 Million

Stakeholders

- Ministry of Transport
- Ministry of Infrastructure

RailRoad



Characteristics

Renovation of the current railroad

- 60Km line from Owendo to Franceville

New Line:

- Phasing based on opening of the Belinga mine
- Section Port Gentil- Aganga: 275 km, pending the commissioning of the iron ore mine
- Section Abanga – Bélinga: 360 km
- Capacity for 20.000 tons 3.000 meters long trains for mining operations

Sector Overview

- Currently, the Transgabonais carries an annual traffic of less than 5 million tons with 8 trains per day
- Quality of the service is poor with long delivery time
- The Transgabonais is managed by the public-private entity SETRAG
- Considerable mining potential at Belinga

Specific Objectives

- Reach a flow potential of 20 to 25 trains per day on the Transgabonais
- Connect the Belinga mine to the ports of Owendo and Port-gentil
- Build a railroad that can carry trains of 20.000 tons and 3km long
- Allow access to important resources for the country economy

Waste Water Treatment- LBV

Waste Water Treatment- LBV

Provide Libreville with efficient wastewater network and modern treatment plans



Location
Libreville

Studies

- Master Plan: on-going
- Feasibility Study: complete

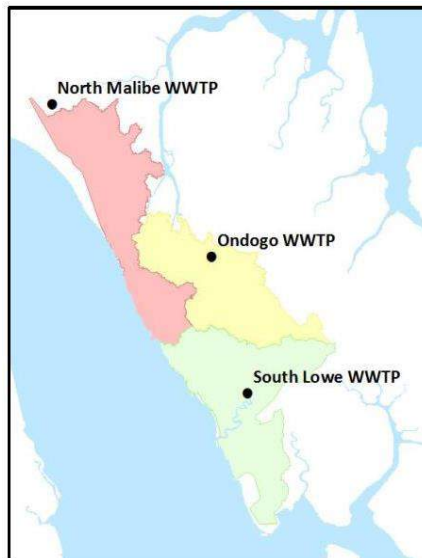
Estimated Cost

- USD 700M

Stakeholders

- Ministry of Energy and Hydraulic Resources
- Ministry of Infrastructure

Waste Water Treatment



Characteristics

- North Area: 63.000 m³/day; 419.000 people
- Northeast area: 46.000 m³/day; 346,000 people
- South area: 82.000 m³/ day; 618.000 people

Pilot project in the northern area (completed):

- 21.000 m³/day; 140.000 people
- USD 100 million for studies and construction

Sector Overview

- Only 2% of latrines are connected to the gutters
- 63% latrine use spetic tanks
- High ground water contamination
- Strong presence of water-borne diseases (malaria, cholera, typhoid fever)
- Current flow gutters is 20.000 m³/day against a need for 190.000 m³/day

Specific Objectives

- Reduce health risks related to untreated water
- Replace the widely used septic system by a more effective and environmentally friendly system
- Meeting the needs of urban growth



FONDS GABONAIS
D'INVESTISSEMENTS
STRATEGIQUES

**Thank you for
your attention**

5^e étage
Boulevard du Bord de Mer
BP: 3873 Libreville – Gabon
Tel: (+241) 01 74 22 46 | 47
www.fgis-gabon.com