COUNTRY REPORT

Cameroon

CAR

Chad

1st quarter 1998

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The Economist Intelligence Unit

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Summary

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Cameroon

Outlook for 1998-99: Following the conclusion of an often tense electoral cycle, the opportunity now exists for President Biya to cement the kind of political stability and sustainable economic growth for so long absent in Cameroon. While obstacles remain to be overcome, the EIU's forecast for GDP growth has been raised to 5% for 1998, on the assumption that the government maintains its commitment to political reconciliation and economic reform.

Review: President Biya succeeded in courting one opposition leader, although relations with the SDF remained wary. A new government pointed to a continuing commitment to reform, with the departure of several conservatives. Despite overtures towards the opposition, the authorities kept a close watch on the independent media. Relations with neighbouring countries also deteriorated. The IMF programme remained on course, with further signs of new economic activity. Export crops and the oil sector all recorded gains.

Central African Republic

Outlook for 1998-99: Tensions within the ruling party are likely to grow more acute in the run-up to legislative elections later this year. Support inside and abroad for the multinational peacekeeping force in Bangui will ensure the continuation of the mission's stabilisation role, following the violence of 1996-97. New hopes have been raised of a restoration of relations with multilateral donors.

Review: The UN expressed its confidence in the MISAB operation in Bangui, despite the reservations of some in the CAR. Despite progress, instability remained a threat in some rural areas. The president made some moves towards reconciliation with his opponents, but failed to stem growing tensions within his own party. New efforts were made to boost revenue and other adopt measures favoured by the World Bank and IMF. Agriculture recorded strong growth, while the diamond sector has benefited from the return of political instability.

Chad

Outlook for 1998-99: Political stability and national security will again be threatened if the government fails to accommodate its remaining opponents. A new government should bolster the president's position and enhance the prospects for reform. Developments in the oil sector are encouraging, but threaten to reopen regional and ethnic tensions.

Review: Dozens were killed in clashes between government forces and FARF rebels in late 1997. After replacing his cabinet and leaning on the independent media, President Déby issued a conciliatory New Year's address. The 1998 budget expects donors to help narrow an expected 10% deficit. UN indicators showed Chad to remain among the world's poorest countries. Oil companies launched an information campaign on developments in the sector, while an environmental assessment study has been passed to the World Bank, which is considering funding a part of the project.

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Cameroon

Political structure

Official name	République du Cameroun
Form of state	Unitary republic
Legal system	Based on English common law and the Napoleonic Code
National legislature	National Assembly; 180 members, elected by universal suffrage, sit twice yearly and serve a five-year term
National elections	May 1997 (legislative) and October 1997 (presidential); next elections due by May 2002 (legislative) and October 2004 (presidential)
Head of state	President, elected by universal suffrage, may serve a maximum of two five-year terms
National government	Consists of the prime minister and his Council of Ministers. Includes representatives of the ruling RDPC, the UPC, the MDR and the UNDP. Last reshuffled December 9th 1997
Main political parties	A law authorising multiparty politics was published in December 1990. There are more than 100 registered parties. The Rassemblement démocratique du peuple camerounais (RDPC) holds 109 seats in parliament; the Social Democratic Front (SDF) 43 seats; the Union nationale pour la démocratie et le progrès (UNDP) 13 seats; the Union démocratique du Cameroun five seats. Other parties include the Union des populations camerounaises (UPC) and the Mouvement pour la défense de la république (MDR)

	President	Paul Biya
	Prime minister	Peter Mafany Musonge
Ministers of state	Culture	Ferdinand Léopold Oyono
	Defence	Amadou Ali
	External relations	Augustin Kontchou Koumegni
	Industrial & commercial development	Bello Bouba Maigari (UNDP)
	Economy & finance	Edouard Akame Mfoumou
	National education	Charles Etoundi
Key ministers	Higher education	Jean Marie Atangana Mebara
	Environment & forestry	Sylvestre Naah Ondoua
	Livestock, fisheries & animal husbandry	Hamadjoda Adjoudji
	Mines, water resources & energy	Yves Mbele
	Posts & telecommunications	Mounchipou Seidou
	Public works	Jerome Etah
	Transport	Joseph Tsanga Abanda
BEAC governor	Jean-Félix Mamalepot	

Economic structure

Latest available figures

Economic indicators	1993	1994	1995	1996	1997[a]
GDP at market prices[b] (CFAfr bn)	3,425	4,150	4,555	5,017	5,367
Real GDP growth[b] (%)	–2.6	3.3	5.0[c]	5.1[c]	5.0[c]
Consumer price inflation[b] (av; %)	33.8	13.4	6.4[c]	4.3[c]	2.5
Population (m)	12.6	13.1	13.4	13.8	14.2
Exports fob[b] ($ m)	1,433	1,664[c]	1,761[c]	1,978	1,820
Imports fob[b] ($ m)	1,017	1,074[c]	1,201[c]	1,347	1,376
Current-account balance[b] ($ m)	–327	–62	–219[c]	–109	–200
Reserves excl gold ($ m)	2	2	4	3	2
Total external debt ($ m)	7,452	8,254	9,350	8,950	8,604
External debt-service ratio (%)	21.2	17.0	13.3	n/a	n/a
Crude oil production ('000 b/d)	132	116	95[a]	90[a]	100
Coffee production[d] ('000 tonnes)	75.9	56.7	64.9	60.0	72.0
Cocoa production[e] ('000 tonnes)	110.9	109.0	132.0	100.1	126.0
Exchange rate[b] (av; CFAfr:$)	283.2	518.6	501.8	541.1	605.0

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Origins of gross domestic product 1995[b]	% of total
Agriculture	33.5
Industry	21.1
Manufacturing	10.2
Services	45.4
GDP at factor cost	100.0

Components of gross domestic product 1995[b]	% of total
Private consumption	67.8
Government consumption	8.3
Gross domestic investment	17.9
Exports of goods & services	23.2
Imports of goods & services	–17.2
GDP at market prices	100.0

Principal exports 1995[b]	$ m
Crude oil	457
Timber	239
Cocoa	95
Coffee	93

Principal imports cif 1994[bc]	$ m
Capital goods	190
Food	89
Fuel	7

Main destinations of exports 1996[f]	% of total
Italy	17.7
France	15.8
Spain	16.5
Netherlands	6.7
Germany	5.5

Main origins of imports 1996[f]	% of total
France	36.7
Italy	7.5
Belgium-Luxembourg	7.1
US	6.5
UK	4.8

[a] EIU estimates. [b] Fiscal years starting July 1st. [c] Official estimate. [d] Crop years starting December 1st. [e] Crop years starting October 1st. [f] Drawn from partners' trade returns, subject to a wide margin of error.

Outlook for 1998-99

A promising period may lie ahead—

The period ahead could be the most promising in recent memory for Cameroon's president, Paul Biya. With any controversies arising out of his October electoral victory now solidly behind him, Mr Biya has the opportunity to establish the foundations for a relatively secure seven-year term of office. To do so, he will have to build on the tentative progress recently made in the political or economic arena, and prevent any slide back towards the inept leadership, lackadaisical commitment to reform and a flouting of democratic practice which has so often characterised public administration in Cameroon.

—with reformers at the helm

The indications since October's presidential contest have been positive. Mr Biya has assembled a new government which, although heavily stacked in favour of the ruling Rassemblement démocratique du peuple camerounais (RDPC), has a high degree of competence. Technocrats who are not only determined to see the economic reform programme succeed, but who have the political clout to push it through, have been maintained in their posts. They are joined by a new breed of younger ministers with technical expertise in their appointed areas. Older party stalwarts who were seen as obstructionist "dinosaurs" have been removed and the Union nationale pour la démocratie et le progrès (UNDP)—a member of the opposition alliance which boycotted the presidential election—has been co-opted, with its leader, Bello Bouba Maigari, and two others taking up cabinet posts.

Politicians jockey for position—

All of Cameroon's leaders—Mr Biya included—have spent the post-election period posturing to derive the most they can from an altered political landscape. They are aware of the fact that although the ruling party now effectively calls all the shots, popular discontent remains a potential factor in a region marked by political turmoil and volatility. Mr Biya's efforts to broaden the base of his government by bringing in some opposition members and launching negotiations with others—even if motivated by a divide-and-rule strategy—could make a significant contribution towards entrenching political stability, a rare commodity elsewhere in central Africa these days. Alternatively, if these efforts break down and the Social Democratic Front (SDF)—the leading opposition party—finds itself back out in the cold, Mr Biya's political problems will mount. The threat of his opponents turning to more deadly forms of protest is not an idle one—there are arms aplenty in the region, and if the government is to be believed, southern secessionist movements have already begun acquiring them.

—as the terrain changes for the opposition

After poor showings at municipal and legislative elections, the once radical opposition UNDP has chosen to settle for a deal with the ruling party. In a move which allows Mr Maigari to realise his personal ambition of influence within government, albeit at the expense of even a pretence of opposition unity, he may have calculated that his best chance of achieving power at this point lay with joining the government. The SDF, led by John Fru Ndi, can still count on the support of Adamou Ndam Njoya's Union démocratique du Cameroun (UDC), although the party is small and carries little influence.

The SDF and government are negotiating—

The SDF, while refusing offers to join the government, has everything to gain from engaging in discussions with the RDPC, not the least of which is an enhanced stature. If the rounds of negotiations which have taken place with increasing frequency since late November result, as rumoured, in an agreement on a range of electoral reforms, including the establishment of an independent electoral commission, the SDF will have achieved more in a matter of months than it has by years of self-imposed exile from the constitutional process. The government, for its part, appears to be taking the talks seriously—its team is led by the prime minister, Peter Mafany Musonge. In any event it has little to lose by talking; making promises on electoral reform today with the next presidential election seven years away will cost it little.

—and international partners are upbeat

Cameroon's multilateral and bilateral partners are pleased that Mr Biya seems finally to have chosen dialogue over confrontation with his opponents. Having successfully passed the first-quarter review of the $219m, three-year enhanced structural adjustment facility (ESAF) with the IMF, and poised to pass the mid-term review, the Cameroonian authorities are actually being praised by the Bretton Woods institutions—a first in recent years—for adhering to the Fund's terms. The World Bank and IMF are pleased that there appears to be a genuine commitment in all key sectors of government to accelerate reform, led by Mr Musonge, the finance minister, Edouard Akame Mfoumou, and now a new secretary-general at the presidency, Marafa Hamidou Yaya.

Asia's crisis could portend problems—

With renewed international confidence apparent in the ESAF, additional structural adjustment lending from bilateral partners and the October 23rd Paris Club rescheduling, the Cameroonian authorities are now well placed to meet their fiscal targets and even find some resources to invest in improving the quality of life for the hard-pressed populace. The only major question-mark hanging over the economy is the potential impact of the Asian financial crisis. If Asian economies, after massive devaluations, are in a position to offer lower prices on commodities such as rubber and palm oil, which Cameroon also produces, Cameroon could lose market share for some of its exports. On the demand side as well, if the markets in Asia for Cameroon's exports such as cotton (80% of which is exported to Asia) or timber, diminish, the impact could be substantial in the medium to long term, given the economy's dependency on exports to fuel growth.

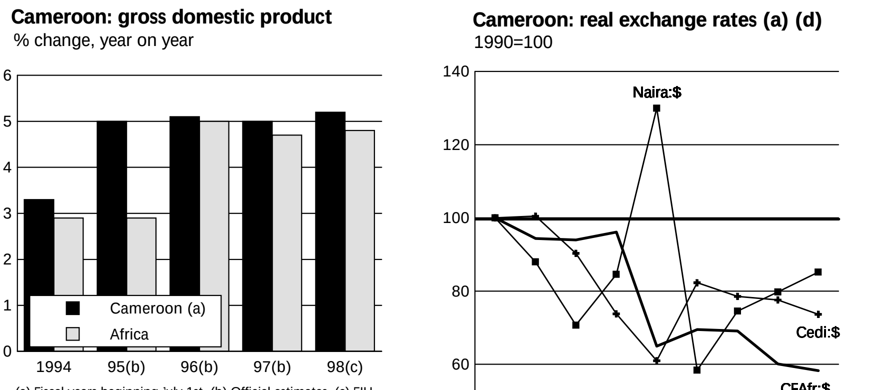
—but the near term looks stable

For the near term, however, there is a more positive economic outlook than has been the case in recent years, with inflows of international resources, good performance by Cameroon's major export crops, increased oil production, and lowered political tensions. This has caused the EIU to revise upward its projections for real GDP to 5% for 1998, up from a previous 4%, and 5.2% in 1999. The improvement is nonetheless a fragile one, which could be set back by a variety of factors, including the Asian fallout, a weakening of government resolve or a renewed bout of political instability. While the IMF continues to express cautious optimism over the government's commitment to reform, privatisation, which might also generate substantial receipts albeit at some political cost, will remain a key test.

Cameroon: forecast summary
($ m unless otherwise indicated; fiscal years beginning Jul 1st)

	1995/96[a]	1996/97[b]	1997/98[c]	1998/99[c]
Real GDP growth (%)	5.0	5.1[a]	5.0	5.2
Consumer price inflation (av; %)	6.4	4.3[a]	2.5[a]	2.0
Merchandise exports	1,761	1,978	1,820	1,850
of which:				
timber	239[d]	340	350	360
petroleum	457[d]	380	270	260
cocoa & coffee beans	188[d]	220	190	200
Merchandise imports	1,201	1,347	1,376	1,400
Current-account balance	–218	–109	–200	–215
Exchange rate (av; CFAfr:$)	501.8[d]	541.1[d]	605.0	640.0

[a] Official estimates. [b] EIU estimates. [c] EIU forecasts. [d] Actual.



(a) Fiscal years beginning July 1st. (b) Official estimates. (c) EIU forecasts. (d) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *International Financial Statistics; World Economic Outlook.*

Review

The political scene

The president makes deals—

The president, Paul Biya, has emerged from the October 12th presidential elections in a strengthened position—despite the fact that his mandate is at best a superficial and contrived one. Inaugurated for a new seven-year term of office on November 3rd, Mr Biya has successfully outmanoeuvred his opponents, exploiting divisions among them by getting one old rival to accept a cabinet position and undertaking high-level negotiations with another. He has also gained Cameroon’s qualified entry into the good books of the Bretton Woods institutions by showing an unprecedented commitment to economic reform after years of equivocation.

—after trouncing his opponents

The official results of the presidential election, giving Mr Biya a resounding 92.57% of the vote, with his closest rival, Henri Hogbe Nlend, receiving only 2.81%, were announced by the Cameroonian Supreme Court on October 23rd.

The court also said 81.35% of registered voters, or 3.4m out of 4.2m, had participated in the election. The massive scale of the victory, however, owed less to Mr Biya's popularity than to a boycott of the election by an alliance of the three main opposition parties—the Social Democratic Front (SDF), the Union nationale pour la démocratie et le progrès (UNDP) and the Union démocratique du Cameroun (UDC). Not only did they refuse to field their own candidates, but they called on their supporters to stay away from the polls in protest at the government's refusal to allow an independent electoral commission and the lack of transparency in previous votes.

The opposition alliance claims success—

Claiming that over 80% of the electorate abstained from voting, the opposition alliance characterised its boycott strategy as a "brilliant success". In a joint communiqué issued on October 19th, the leaders of the three parties—John Fru Ndi (SDF), Bello Bouba Maigari (UNDP) and Adamou Ndam Njoya (UDC)—dismissed the vote as an "electoral masquerade", a "negation of the will of the Cameroonian people" and a "serious insult to democracy". They also threatened to unleash a campaign of civil disobedience. Presenting the government's side of the story in a radio and television address to the nation on October 23rd, Mr Biya said the people had "opted for stability and peace" by making him their "quasi-unanimous choice".

—while observers criticise the vote

Reports by the independent press, international media and human rights organisations, however, indicated otherwise. Two independent local newspapers, *Mutations* and *Le Messager*, chronicled massive voter abstentions in opposition strongholds of Douala, Foumban, Garoua, Bamenda and Dschang. The Cameroonian League for People's Rights, which posted 307 electoral observers in nine of the country's ten provinces, said the elections had not honoured the principles of impartiality, equality and transparency that would allow them to be given "the slightest bit of credit".

The inauguration is boycotted—

Mr Biya's swearing-in ceremony in Yaoundé took place before 116 deputies of his own party, the Rassemblement démocratique du peuple camerounais (RDPC), and one other deputy, but without the attendance of the 63 deputies from opposition parties. The SDF, UNDP and CDU declared the event a "day of mourning for democracy in Cameroon". The date of the ceremony was only announced the night before and security was extremely tight, apparently reflecting fears that the opposition would make good on threats to organise nationwide protests. A diplomat travelling from Yaoundé to Bamenda, the SDF's stronghold, counted at least 17 roadblocks along the route, manned by heavily armed security forces.

—while Mr Biya appeals for unity

In his inaugural address, Mr Biya pledged to put in place the new institutions provided for in the constitution, including a Senate and a Constitutional Court, without specifying a timetable, and characterised the democratic process as "irreversible", albeit "young and fragile". He spent an unexpectedly large portion of his speech focusing on economic and social issues, saying that circumstances had never been as favourable for an economic recovery. Promising to put in place a stockmarket to attract new national and foreign investment, and to encourage tourism, he pledged to launch a fight against corruption, absenteeism, indiscipline and abuse of power. Mr Biya ended by calling on all Cameroonians, whether in the majority or opposition, to join efforts toward economic development, social progress and national unity. While delivered in suitably magnanimous presidential tones, the real test of Mr Biya's intentions will lie in implementation of policy.

The EU calls for talks—

The EU, in a statement on the presidential election issued on November 5th, expressed hopes that open talks could now begin between all the political forces in Cameroon on conditions for future elections. In the month it took to form a new government, Mr Biya, however, opted for a continuation of his favoured divide-and-rule strategy, attempting to woo individual leaders into a new government with the bait of cabinet posts.

—while the SDF and UDC refuse government offers

Stating that Mr Biya was trying "desperately" to include them in a unity government, Mr Fru Ndi warned that any member of the SDF who joined the administration would be expelled immediately. He said that while his party and its allies were prepared to have talks with Mr Biya, they were not interested in joining his government. The UDC's leader, Mr Njoya, denounced the RDPC's tactic of luring his deputies without the knowledge of the party hierarchy, stating that a serious dialogue needed to be undertaken with all quarters on the formation of a national unity government. The UNDP leader, Mr Maigari, on the other hand, was more equivocal. The party central committee did not rule out participation in the new government, saying it was waiting for a gesture from the president before declaring its final stand.

The SDF starts talks—

On November 30th the SDF embarked on the first of a series of discussions with the government. Talks were held at a Yaoundé hotel with the SDF delegation including Mr Fru Ndi's special adviser, Nyo Wakathe, the president of the SDF's parliamentary group, Joseph Mbah Ndam, and the SDF secretary-general, Tazoacha Asonganyi. The prime minister, Peter Mafany Musonge, and the secretary-general of the RDPC central committee, Charles Ndoumba, represented the government. The SDF maintained that it would only enter the government if contentious issues, such as the revision of the constitution and the creation of an independent electoral commission, were resolved. Further meetings, it stated, would take a closer look at such issues.

—while a common document is expected

A second session was held in mid-December. Officials of both parties said they had exchanged reform proposals and chosen a subcommittee to study and harmonise their views. Meetings were held twice weekly throughout the month of January, apparently with good progress made towards an agreement on electoral reform. Talks eventually collapsed, however, with the government's refusal to consider the independent electoral commission long demanded by the opposition and bilateral donors and a new electoral code the main stumbling block.

A new government is formed—

Meanwhile, after a month of behind-the-scenes manoeuvring, on December 7th, Mr Biya announced a new 50-person government, composed of 45 members of his own party, three members of the UNDP and two others. The biggest catch for the government was Mr Maigari, who was appointed minister of state for industrial and commercial development. There had long been rumours that Mr Maigari would find common cause with the government if the proper incentives were offered. Observers speculated that the UNDP leader may have chosen to join the government at this time in recognition of his party's dwindling popularity, confirmed by increasingly poor showings at the polls.

—removing some old-timers—

Twenty-six new ministers or junior ministers were named, prompting the independent *Mutations* to describe the reshuffle as "out with the dinosaurs". Among the most notable dismissals was the deputy prime minister, Gilbert Andze Tsoungui, a former minister of territorial administration, who had held cabinet posts continuously since 1972. Charged with administering the elections, Mr Tsoungui was associated with some of the questionable electoral practices of recent years. Augustin Kodock, the minister of state for agriculture since 1992, and long seen as one of the most vociferous anti-reformists, also was shown the door. The former communications minister, Augustin Kontchou Koumegni, was shifted to minister of state for foreign affairs, and the former secretary-general at the presidency, Amadou Ali, was appointed defence minister.

—with technocrats keeping their posts

Significantly, Mr Musonge, a respected and competent technocrat, was retained in his post, as was the minister of the economy and finance, Edouard Akame Mfoumou. Both are well-regarded in international circles and are considered key to the implementation of the structural adjustment programme. The new secretary-general at the presidency, Marafa Hamidou Yaya, is also regarded by the Bretton Woods institutions as a prominent and strong advocate of reform. Mr Nlend, a mathematician who stood again Mr Biya in October's presidential election, was named minister of scientific and technical research.

The UNDP and RDPC issue a platform

On December 11th the UNDP and the RDPC published a joint platform pledging to consolidate democracy, ensure respect for human rights and improve the electoral system. Mr Njoya and Mr Fru Ndi, for their part, issued a joint communiqué in Bamenda on December 20th in which they called the new cabinet "essentially an RDPC government with a sprinkling of misled elements which until recently claimed to be in the opposition". The communiqué also stated that in the ongoing talks between the RDPC and SDF, the government's proposals were lacking in sincerity and objectivity. The government, the parties maintained, remained committed to weakening the opposition and clinging to power in a one-party style. They affirmed that the important issues for the future of the country should not be discussed in a forum based on exclusion, segregation and arbitrariness and called for a proper framework for dialogue. They also appealed to those elements of the UNDP who have remained "faithful to the cause" to join them in the struggle.

The press crackdown continues—

While giving the appearance of trying to open up the political system, however, the government continued to strong-arm the independent press. Security forces seized copies of *Mutations* on November 24th, after an article detailing the torture and death in detention of a young man in Yaoundé. The director of *La Détente*, Samuel Eleme, was arrested in mid-December for propagation of false news and defamation. Another journalist, Harrys Robert Mintya Meka, was detained by police in mid-January after his paper, *Le Devoir*, published an article stating that a parliamentarian, Emmanuel Ava Ava, owed it money. Also in mid-January, an independent journal, *Aurore Plus*, was suspended for six months in conjunction with the sentencing of its editor, Michel Michaut Moussala, to the same term in prison and a fine of CFAfr10m ($1,640). A complaint was lodged against the paper by the director of the National Ports Department, Jean Tchoussa Moussa Mbatkam, who is also an RDPC deputy, after it accused him of fomenting a coup d'état.

—as Mr Njawe is jailed for two years—

A leading democracy campaigner, Pius Njawe, the director-general of *Le Messager*, was jailed for two years in January and fined CFAfr500,000 on charges of spreading false information. Mr Njawe was imprisoned in Douala on December 24th in connection with a story his paper published alleging that Mr Biya had suffered heart problems during Cameroon's soccer cup final on December 21st. A statement from the presidency denied the report, saying the head of state was in "perfect health". Five members of a committee campaigning for Mr Njawe's release who went to visit him in prison on New Year's Eve were also picked up for interrogation.

—and the government is criticised—

A Paris-based organisation, Reporters sans frontières, expressed shock at Mr Njawe's sentence, noting that his newspaper had published a denial of the original report casting doubt on Mr Biya's health. The World Association of Journalists called the sentencing "a day of sorrow" for press freedom in Cameroon. The SDF secretary-general, Tazoacha Asonganyi, called the imprisonment of Mr Njawe "embarrassing", especially at a time when the government claimed to be interested in opening up the political system.

—while a transfer is sought for prisoners

Meanwhile, a lawyer for 59 separatists being held in Yaoundé on suspicion of staging attacks that left three dead in March 1997, filed a motion seeking their transfer to their own English-speaking region. Assailants had reportedly attacked civilian and military targets in Northwest Province, killing three policemen. In response the security forces carried out a massive crackdown, killing seven alleged attackers and arresting more than 200, 62 of whom were transferred to Yaoundé. Three of the 62 have since died in prison and the others have been awaiting trial for close to a year.

The Bakassi dispute is bubbling—

Situated in the heart of the troubled central African region, Cameroon has not been able to remain aloof from tensions with its neighbours. The Cameroonian weekly, *Aurore Plus*, reported in early December that new fighting had broken out between Nigerian and Cameroonian forces over the disputed Bakassi peninsula. Although the report was not confirmed, it was alleged that Nigerian forces had launched a surprise attack on Cameroonian positions. The International Court of Justice in The Hague is to begin hearings on the dispute in March, opening with Nigerian objections over the court's competence to judge the issue and the alleged invalidity of the Cameroonian application to the court. Delegates of the International Committee of the Red Cross (ICRC) on November 19th resumed visits to 121 Nigerian prisoners of war and civilian detainees being held by the Cameroonian authorities following fighting in Bakassi between February and April 1996. The ICRC had begun regular visits in May 1996, but the Cameroonian government stopped them in August 1997. Despite repeated efforts, the Nigerian authorities have refused any information regarding unaccounted-for Cameroonian military personnel.

—and there are troubles with neighbours

Relations with Equatorial Guinea have not been smooth either since Cameroon closed its border with the country in July 1997 alleging that armed bands emanating from Congo (Brazzaville) were infiltrating via this neighbouring state. In late November six officers of presidential security from Equatorial Guinea were arrested on arrival at Douala airport on charges of espionage against Cameroon. According to *Le Messager*, the Equato-Guinean officers claimed they were sent to Cameroon to prepare a private visit for President Teodoro Obiang Nguema Mbasogo. Also in late November, three members of the rebel Forces armées pour une république fédérale (FARF) of Chad were arrested in Yaoundé after having fled an attack by government forces on October 30th in Moundou, southern Chad—the future oil zone which will be connected to Cameroon via a pipeline. The Conseil démocratique révolutionnaire of Achiekh Ibn Oumar appealed to the Cameroonian government to allow the men to go to another country of their choice rather than being extradited back to Chad.

The economy

Cameroon passes the quarterly ESAF review—

The Cameroon government in November passed the first quarterly evaluation of its adherence to the conditions of the $219m, three-year enhanced structural adjustment facility (ESAF) granted by the IMF on August 20th. As the mid-term evaluation in early February approached, Bretton Woods officials were expressing cautious optimism over the government's apparent determination to keep the programme on track. That Cameroon has respected its commitments for more than six months under the ESAF, plus a comparable period under the preceding non-disbursing staff-monitored programme, is unprecedented. Four previous stand-by agreements with the Fund broke down over non-compliance with agreed terms.

—and concludes IMF consultations

The IMF executive board also concluded its 1997 Article IV consultation with Cameroon on January 7th, dealing with routine annual discussions on economic developments held with IMF member states. The Fund's findings, which were predominantly favourable, were made public, reportedly with the urging of the Cameroonian authorities. Tracing Cameroon's recent history, the Fund stated that, after eight years of decline, economic activity began picking up in 1994/95 after the devaluation of the CFA franc and remained "buoyant" in 1996/97 and the first months of 1997/98, with real GDP growth estimated to have stabilised at 5%, and inflation falling to 2.8% in November 1997 from 9.9% in June. Growth has been fuelled by an improvement in the tradeable goods sectors. Total investment in relation to GDP increased by about 1% to 16.5% and public and private savings also rose by 2% to about 15.5% of GDP.

Progress is made in key areas—

After a "mixed performance" under the staff-monitored programme in the first half of fiscal year 1996/97 (July-June), the Fund said Cameroon undertook remedial actions to bring it back on track, in particular by transferring to the budget the windfall revenue of the state oil company, Société nationale des hydrocarbures (SNH), from the first half of the year, on the basis of which it granted the ESAF. In other areas, according to the IMF, progress has also been made.

- Stability of public finances: the primary budget surplus is projected to have increased by about 1.5 percentage points to 5.8% of GDP in 1996/97 as a result of higher than projected oil prices and the transfer of windfall oil revenue to the Treasury. Non-oil revenue, however, was below target owing to continued weakness in revenue-raising capacity. With an improved budgetary outcome in 1996/97 the government was able to make substantial external debt-service payments, reducing arrears on non-reschedulable debt totalling $450m, or 5% of GDP.

- Implementing structural reforms: progress was made in 1996/97 in reforming the civil service, public enterprise sector, and financial sector and in reducing domestic payments arrears. The long-delayed rehabilitation of the domestic banking system was completed and a strengthening in money demand and improvement in net foreign assets of the banking system have resulted from a gradual return of confidence in the banking system.

- External sector: total non-oil exports are estimated to have grown by almost 12% in volume in 1996/97, led by timber, coffee, cotton, rubber and manufactured goods. Oil exports have also increased by about 10% in volume; in value oil exports increased by 36% thanks to favourable international prices. Import volume also increased, by 19%. The external current-account deficit narrowed by about 1% of GDP to 1.2% in 1996/97. There was also an inflow of non-oil private capital of about 1% of GDP.

—but the commitment to reform must be strengthened

IMF directors noted in the Article IV consultation that they were encouraged by Cameroon's good economic performance during the first quarter of the ESAF, but that this was just the beginning of an adjustment process after a "poor" track record and against a backdrop of recent favourable oil-price developments. Policy implementation needs to be strengthened to demonstrate a lasting commitment to stabilisation and structural reform, the IMF said.

Weaknesses remain—

Remaining weaknesses the Fund identified included revenue-generating capacity and expenditure management. It urged the government to reinstate forestry tax reform so as to attain revenue targets, to improve tax administration, combat fraud and prepare adequately for the introduction of a value-added tax. It also stressed the need to enhance efficiency, effectiveness and accountability in government budgetary operations and to adhere to spending priorities in the social sector and infrastructure. Privatisation and the liberalisation of the energy and transport sectors should be accelerated to consolidate gains in external competitiveness and allow the country to achieve its growth potential, according to the IMF.

—while debt rescheduling is hailed

The IMF welcomed the Paris Club rescheduling on October 23rd and called on the government to clear all remaining external payments arrears on non-reschedulable debt and to remain current on all debt-service payments falling due. It also urged progress in completing bilateral agreements with Paris Club creditors and with non-Paris Club official and commercial creditors. Cameroon won a rescheduling, involving a 50% net present value reduction of arrears, excluding late interest as of September 1997, and maturities falling due between October 1997 and August 2000 on debt not previously rescheduled. Worth close to $2bn from 1997 to 2000, according to bankers, the rescheduling has cut debt-service payments previously around about 70% of export receipts by about half.

More is needed

Although Cameroon requested but did not receive a full Naples terms reduction of maturities and arrears to 67%, they can expect a 67% reduction in the stock of debt in the year 2000 provided they remain current on arrears. In June 1997 total external debt was estimated at CFAfr4.1trn (roughly $7bn), of which CFAfr723bn is owed to the multilaterals and CFAfr2.5bn to bilaterals. Italy rescheduled $23m in official debt owed by Cameroon for a period of 22 years in mid-October, just prior to the meeting of the Paris Club.

Structural adjustment lending is on the increase—

France announced on December 16th a FFr400m ($68.6m) loan in support of Cameroon's structural adjustment programme. This follows a first tranche of FFr200m released on September 26th to help Cameroon's debt repayments. In December the African Development Bank (ADB) agreed to provide a $17.74m loan in support of Cameroon's second structural adjustment programme, which will help finance goods and services deemed necessary to implement macroeconomic structural, sectoral and social reforms. The duration of the loan is 18 months.

—and the World Bank makes new efforts to promote growth—

After having concentrated on fiscal stabilisation in its structural adjustment lending to Cameroon, the World Bank now intends to orientate its assistance towards reducing the major constraints on development in the hope of expanding opportunities for mainly export-led growth beyond the current 5%. The first part of a programme the Bank is preparing for approval by the executive board sometime during this fiscal year (ending June 30th 1998) entails reducing the high cost and inefficiency of the transport system by privatising the port of Douala and setting up a special fund paid by users which would assure maintenance of Cameroon's roads, currently in disrepair.

—by privatisations and efficiency improvements

The second part is substantially to improve the efficiency of the services provided in the support of the private sector—water supply, electricity and communications—by privatisation, subjecting them to a transparent, efficiency-oriented regulatory framework. Third is to privatise the major sources of export growth—the large state-owned plantations which produce palm oil, rubber, pineapples—and to promote coffee and cocoa research and inputs. The aim, say bankers, is to get the export-led growth going on a modern basis. An example often pointed to is the privatisation of the Hevecam rubber company, which has allowed an expansion in output and employment by 25% in one year, as well as a doubling in the size of the plantation. The Bank programme is also said to include adequate resources for health and education at the primary level.

Privatisation is behind schedule—

The extensive privatisation programme agreed by the government with the World Bank and IMF is currently behind schedule and is meeting with resistance from some quarters. The targets of end-1997 for the railways, cotton and assurance companies to be sold were all missed. In late November the government published a list of 12 companies to be sold off by 2000. The list includes three public utilities—Intelcam (telecommunications), Sonel (electricity) and Snec (water); two financial institutions, the National Reassurance Fund and Socar (insurance and reinsurance company); three companies in the transport sector, Regifercam (railroad), Camship (maritime transport) and Cameroon Airlines; and four agribusiness giants, Camsuco (sugar), Sodécoton (cotton), Socapalm (oil palm) and the Cameroon Development Corporation (CDC). But if Camair is any example, there are difficult times ahead. Pilots went on strike in mid-January over a pre-privatisation revival plan and other grievances. The airline's managing director, Samuel Minko, who took over in 1997 with a brief to prepare the company for privatisation in 1999 was sacked as part of the agreement for settling the strike.

—while offers are sought

Offers were being sought by an April 10th deadline for 90% of Socapalm, with 27% reserved for Cameroonian nationals and 3% for Socapalm staff. Socapalm was founded in 1968 and produces some 52,000 tonnes of palm oil a year from five plantations and associated village plantations. It has four oil factories, a processing plant and over 2,000 workers and its after-tax profits in the year to June 1997 were CFAfr2.4bn. The tender for the privatisation of Sodécoton, another major agro-industry, was to have been submitted by December 31st, but it was being held up by a legal dispute over the ownership of a 48% stake in the company held by a Cameroonian group, Société mobilière d'investissement du Cameroun (SNIC), which is headed by powerful members of the ruling party. The sale of the stake to SNIC had been opposed by the finance ministry, but a written ruling delivered in a Douala court on January 15th went against the ministry's effort to reverse the transfer. Ownership of the remaining shares is to be determined by further court hearings. The World Bank, siding with the finance ministry, has said the shares should revert to their original owners. Questions were raised as to how the shares were transferred from various state bodies outside the normal procedures laid out by the privatisation committee.

The CDC is on the block—

Meanwhile, privatisation of the 50-year-old CDC, still headed by the prime minister, Peter Mafany Musonge, has raised concerns in anglophone regions. The CDC is Cameroon's largest employer after the state, with 13,000 employees. It operates in four of the country's ten provinces, producing bananas, rubber, tea and oil palm. Camsuco, 98% owned by the state, is another candidate for disposal. It owns 16,000 ha of land, of which 12,000 ha are used to cultivate sugarcane, plus a sugar refinery capable of processing 50,000 tonnes of sugar per year. Tenders for Camsuco and Regifercam were issued in 1996 and 12 bids were submitted for Regifercam, with three consortia leading: a French group comprising Saga and Bollore, the South African Comazar-Geodis- Transurb and CAMAC of Canada.

—and new banks open

The Commercial Bank of Cameroon (CBC), the ninth of its kind in the country, opened in Douala in mid-November, with an initial capital of \$5m and with Credit Commercial de France as a partner. Founded by Victor Fotso, said to be one of the richest businessmen in Cameroon, the CBC is majority-owned by local interests. After a restructuring of the banking sector begun in 1989 and several bank failures after the devaluation of the CFA franc in January 1994, the opening of new banks is seen as a sign of renewed confidence in the economy. Earlier in November, the government authorised the operation of the US bank Citibank in Cameroon.

Agriculture and forestry

Export crops are doing well

Cameroon's major export crops continue to show signs of improvement. Estimated cotton production in 1996/97 was 90,000 tonnes, expected to decline to 85,000 tonnes in 1997/98. Estimated cocoa production for 1996/97 was 126,000 tonnes according to the International Cocoa Organisation. According to F O Licht's *International Coffee Report*, Cameroon's coffee production reached more than 1m (60-kg) bags in 1996/97 and is forecast to rise to 1.2m bags in 1997/98. However, the crop remains bedevilled by quality problems despite government efforts. Internal and external marketing was liberalised in 1991 as part of donor-sponsored reforms, but the growing number of unregulated exporters and buyers has put pressure on farmers to harvest crops earlier and cut fermenting and drying times.

A locust plague ravages the north

The new agriculture minister, Zacharie Perevet, appealed in late December for $5.7m in emergency assistance to treat plants and provide food aid to combat a plague of locusts devastating northern Cameroon, as well as neighbouring Chad and Nigeria. Cameroon's agriculture ministry reported some 100,000 ha of cultivated land were believed infested and another 350,000 under threat, affecting 550,000 people. The EU had already provided assistance, along with the World Food Programme and the UN Food and Agriculture Organisation (FAO).

Energy and industry

Oil prices are liberalised—

On December 31st the government announced the immediate liberalisation of prices of petroleum products, saying they would henceforth be based on world prices. This was expected to result in an initial drop in the cost of petrol from CFAfr380 ($0.63) to CFAfr376 a litre and diesel from CFAfr295 to CFAfr290.

—as marginal fields are developed

CMS Nomeco Oil and Gas, one of the 30 largest independent US oil and gas companies in production and reserves, announced in mid-December that its subsidiary, CMS Nomeco Cameroon, as operator, along with Globex Cameroon LLC and the state oil company, Société nationale des hydrocarbures (SNH), had signed a production-sharing agreement to explore for oil and gas onshore in blocks 1 to 6 of the Douala Basin. This agreement followed a deal with Perenco and Mobil to develop blocks 1, 2, and 3 in the Kribi-Campo basin and another with Canada's Turnberry Resources for an exploration licence on the OLHP-3 block which will enable it to develop the Matanda gas and condensate field discovered by Gulf Oil in the 1970s. At the same time, the Korea Petroleum Development Company announced that it will participate in the exploration of oilfields including the PH-63 district in Cameroon. The South Korean company will begin exploration work on the first well in 1998. In January SNH was to launch bidding for seismic exploration of the Logone-Birni basin in north Cameroon, near the border with Chad. Proximity with the projected Chad-Cameroon pipeline will make oil exports from north Cameroon feasible, Cameroonian officials said.

Pipeline construction is to begin—

Chad and Cameroon announced in mid-January that construction of the 1,500-km oil pipeline from southern Chad to the Cameroonian port of Kribi—sub-Saharan Africa's longest—will begin in April. Meanwhile, environmental assessments and other analyses are under way by the Chadian and Cameroonian governments and the three oil companies—Exxon (40%), Royal Dutch Shell (40%) and Elf Aquitaine (20%)—in order to secure World Bank financing for the project. The Bank is expected to reach a decision by mid-year on approval of $115m for equity stakes in the project requested by the governments of Chad and Cameroon. The $3bn pipeline could be sub-Saharan Africa's biggest privately financed project ever, with the US Export Import Bank and France's Coface expected to have considerable involvement. Cameroon is expected to earn approximately 41 cents per barrel of oil transported on the pipeline from Chad.

—as concerns mount over the environmental and AIDS impact

Concerns over the project's environmental impact have already been expressed by lobby groups. Among the specific issues World Bank officials will be looking at are forest removal and resettlement of 50-160 families. The pipeline is the first large-scale infrastructure project supported by the Bank to incorporate sexually transmitted disease (STD) and HIV/AIDS prevention efforts for truckers and construction workers. From 1998 to 2001—the peak construction period—the project will draw an estimated 2,000 workers and 400-600 truckers, most of whom will be single, unaccompanied males. Some areas along the pipeline have already registered high levels of HIV infection. A package of measures has been identified to avoid exacerbating the epidemic, by monitoring the STD and HIV status of the workforce, marketing of condoms, and information, education and communication activities, among others. The Bank is also preparing two technical assistance projects to help the Chadian and Cameroonian governments monitor and assess the health impact of the project.

Foreign trade and payments

The IDB gives a loan—

The Islamic Development Bank (IDB) provided a CFAfr5bn ($8.62m) loan in mid-October to finance a water-supply project in the Mokolo-Mora region in the extreme north of the country. The project which carries a 2.5% interest rate, repayable in 35 years with a ten-year grace period, will supply drinking water to close to 500,000 inhabitants of the Sahel region where some 500 died of cholera in 1996. Switzerland has lent Cameroon CFAfr3.2bn to help repair the Songloulou hydroelectric dam, which provides about half the country's electricity.

—as does the ADF

Another loan worth $19.2m and a technical assistance grant of $0.95m were approved by the board of the African Development Fund (ADF) to finance poverty alleviation project. The scheme aims at improving the revenue of vulnerable groups, especially women, and upgrading their standard of living, in the project base area of Marous in the extreme northern region of Cameroon by improving the productivity of existing micro-enterprises and creating new income-generating activities. The project will be implemented over a five-year period.

Central African Republic

Political structure

Official name	République centrafricaine
Form of state	Unitary republic
Legal system	Based on 1995 constitution
National legislature	National Assembly, 85 members elected by universal suffrage serve a five-year term
National elections	August-September 1993 (presidential and legislative); next elections due by August-September 1998 (legislative) and 1999 (presidential)
Head of state	President, elected by universal suffrage to serve a six-year term
National government	The prime minister (nominated by the president) and his nominated Council of Ministers; the coalition government is dominated by the MLPC. Last cabinet reshuffle: February 18th 1997
Main political parties	The presidential majority includes: Mouvement pour la libération du peuple centrafricain (MLPC); Parti libéral démocrate (PLD); Convention nationale (CN); Mouvement d'évolution sociale de l'Afrique noire (MESAN); Mouvement démocratique pour la renaissance et l'evolution de la République Centrafricaine (MDRERC); and the Rassemblement démocratique centrafricain (RDC). The seven member parties of the opposition alliance Conseil démocratique de l'opposition centrafricaine (Codepo) include: Alliance pour la démocratie et le progrès (ADP); Front patriotique pour le progrès (FPP); Mouvement pour la démocratie et le développement (MDD, formerly Mouvance David Dacko)

	President	Ange-Félix Patassé (MLPC)
	Prime minister	Michel Gbezera-Bria
	Minister of state for foreign affairs	Jean Mette Yapende (MLPC)
Key ministers	Defence, army reform & veterans	Pascal Kado (MLPC)
	Economic reform, planning & co-operation	Christophe Bremaïdou (CN)
	Education	Albert Mberio (MLPC)
	Environment, water, forestry, fisheries & hunting	Joseph Gnomba (MDRERC)
	Family & social affairs	Eliane Mokodopo (MESAN)
	Finance & budget	Anicet Georges Dologuélé (MLPC)
	Health & population	Fernande Djengbot (ind centrist)
	Human rights & democratic culture	Laurent Gomina Pampali (RDC)
	Justice	Marcel Metefara (MLPC)
	Mining & energy	Joseph Agbo (MLPC)
	Post & telecommunications	Michel Bindho (RDC)
	Public works & infrastructure	Jackson Mazette (MLPC)
	Security & regional administration	General François N'Djadder Bedaya (MLPC)

BEAC governor	Jean-Félix Mamalepot

Economic structure

Latest available figures

Economic indicators	1993	1994	1995	1996	1997
GDP at market prices (CFAfr bn)	349	475	551	545	571
Real GDP growth (%)	–2.6	7.3	2.9	–2.0	4.6
Consumer price inflation (%)	–2.9	24.6	19.2	3.4	0.1
Population (m)	3.16	3.30	3.40	3.40	3.47
Exports fob ($ m)	33	146	181	159	190
Imports fob ($ m)	158	131	176	158	170
Current-account balance ($ m)	–13	–33	–16	–37	–12
Reserves excl gold ($ m)	112	210	234	232	187
Total external debt ($ m)	873	824	944	1,000	1,050
External debt-service ratio (%)	5.0	13.0	6.8	n/a	n/a
Diamond production ('000 carats)	495	529	484	490	540
Seed cotton production[a] ('000 tonnes)	15.9	27.5	32.0	42.0	n/a
Timber production ('000 cu metres)	311	299	326	n/a	n/a
Exchange rate (av; CFAfr:$)	283.2	555.2	499.2	511.6	584.1

February 6th 1998 CFAfr601.1:$1

Origins of gross domestic product 1995	% of total
Agriculture	46.5
Industry	13.3
Services	40.2
GDP at factor cost	100.0

Components of gross domestic product 1995	% of total
Private consumption	80.4
Government consumption	12.0
Gross domestic investment	14.6
Exports of goods & services	20.4
Imports of goods & services	–27.4
GDP at market prices	100.0

Principal exports 1996	$ m
Diamonds	74
Coffee	66
Timber	33
Cotton	25

Principal imports 1995[b]	$ m
Miscellaneous	129
Capital goods	31
Fuel & energy	16

Main destinations of exports 1996[c]	% of total
Belgium-Luxembourg	40.6
Côte d'Ivoire	5.3
Taiwan	2.8
Italy	2.5

Main origins of imports 1996[c]	% of total
France	31.0
Côte d'Ivoire	16.1
Cameroon	8.6
Japan	3.4

[a] Crop years starting December 1st. [b] Official estimates. [c] Drawn from partners' trade returns, subject to a wide margin of error.

Outlook for 1998-99

Rumbling discontent may fracture the MLPC

The dismissal in late 1997 of the agriculture minister, Charles Massi, and a new splintering within President Ange-Félix Patassé's ruling Mouvement pour la liberation du peuple centrafricain (MLPC) reflect growing tensions within the party. Given the president's unpopularity among so many in the political elite, the run-up to legislative elections later this year could subject the movement to further fractious strains. Indeed, the faultlines already exist: confidence in the president has been undermined by his factional style and the mismanagement of parastatal companies where his allies hold top posts. Mr Patassé has even alienated many fellow northerners who once supported him—a trend evident in October when the National Assembly refused to back his hard anti-French line. Mr Massi may be the target of particular resentment because he was part of a clique of close allies who returned to the CAR only in 1993, when Mr Patassé became president and who rapidly obtained high-ranking posts. This did not go down well with MLPC activists who had stayed in the country and kept the party going during the years of authoritarian rule under General André Kolingba.

France will deploy its influence

President Patassé has announced plans for municipal polls this year—as well as the scheduled legislative elections. The former could offer opposition parties a chance to build a springboard for further growth, capitalising on the president's current unpopularity. There is a fair chance that radical opposition parties will perform well, particularly in the capital, Bangui. The interior ministry has also proposed other tiers of local government—regions, departments (*préfectures*), districts (*sous-préfectures)*—but it is unclear how such measures can practically be introduced, especially in a country with only 3m people. There is a risk that some opposition parties will opt to boycott either the local or the legislative polls; but this would be a high risk strategy, as many moderate groups probably will join in. Furthermore, any parties which boycott the ballot are likely to find themselves short of international sympathy. The French co-operation minister, Charles Josselin, stresses human rights but has made clear his belief that opposition parties are better off having at least some voice, through seats in parliament, rather than staying outside the process altogether. In any case, the MLPC—even if it stays united—is unlikely to win an overall parliamentary majority.

General Touré draws lessons from the MISAB experience

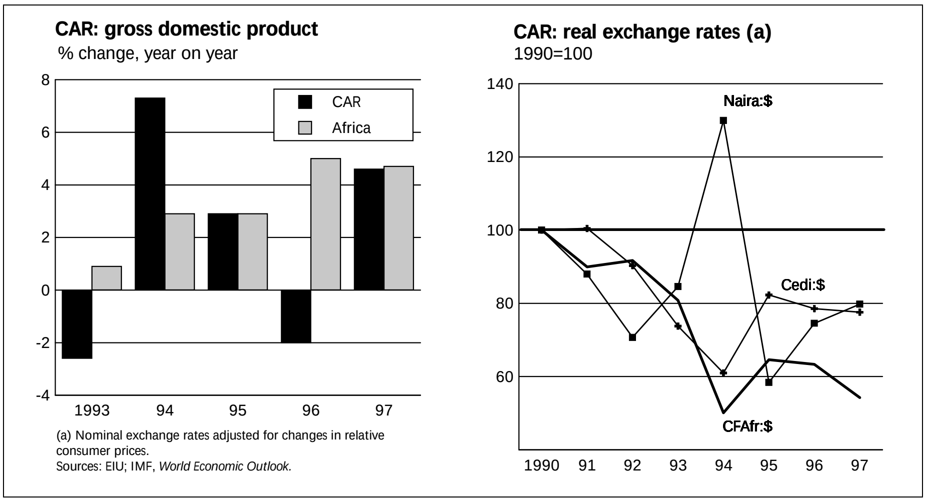
The role of Mission interafricaine de surveillance des accords de Bangui (MISAB) featured strongly at an international seminar held in Dakar, Senegal in late October to discuss the establishment of more permanent peacekeeping arrangements for Africa. Mali's General Amadou Toumani Touré, who chairs the committee charged with overseeing the implementation of the Bangui peace accords, cited MISAB as a positive role model for future operations of this kind. But he also made a number of detailed practical points: the fact that the troops all shared a common official language and training background—French—made it easier for them to work together; they also benefited from being given a relatively clear set of responsibilities. Mr Touré argued that MISAB had managed to maintain a fairly neutral stance (a view disputed by some Central Africans, see below), but he also drew some practical lessons from the Bangui experience: MISAB had lacked a formal constitution or mandate, its soldiers were new to the terrain; they had been equipped with weapons from a varied range of sources and their wages had been too low. Future such missions should be preceded by more detailed preparation and reconnaissance, he cautioned; MISAB had been fortunate in that its logistical support was provided by the French army, which happened to have detailed knowledge of Bangui. French and US officials at the Dakar seminar stressed that much of their governments' support for the planned peacekeeping arrangements (known as the "Recamp" programme) would focus on the practicalities of organisation and communication. France, the US and UK would be the main contributors to Recamp's FFr180m ($30m) budget for 1998; but these governments have stressed their keenness to abandon past rivalries and work together in developing a viable scheme; they want to get other donors involved too.

An ESAF is in sight at last

The rebuilding of relations between the CAR and the IMF and World Bank has been a slow process, impeded both by the unstable security situation over the past two years and the failure of President Patassé to throw his full political support behind economic reformists in government. Unlike most other Franc Zone countries, the CAR has thus failed to obtain an IMF enhanced structural adjustment facility (ESAF), which would be crucial to securing international aid from other donors. There is, however, now a real prospect of the country securing an ESAF this year. Once news came through in early 1998 that the government had made progress in meeting fiscal targets set by the IMF in October 1997, the Fund and the Bank prepared a joint mission for February 1998. A number of technical and political requirements need to be satisfied, however, if the long-awaited adjustment package is to be agreed: the Bretton Woods institutions need to acquire a much more detailed picture of the economy and national finances than they have had over the past two years (when relations were often disrupted). The Fund then has to agree a set of policy measures for the ESAF, which will probably be modelled around an updated version of the programme already prepared back in 1996 by the Ngoupande government (which was derailed by the third army mutiny just before a deal could be struck). The Fund and Bank need to be persuaded that MISAB, or a successor version of the peace force, will be in place to ensure continued stability. Finally, they have to be sure that the political will is there, particularly on the part of President Patassé; the prime minister and the finance minister will not be able to carry through effective reforms and revenue collection without the solid backing from the top that has hitherto been lacking. France, the World Bank, the African Development Bank (ADB) and the EU have all indicated their readiness to step in with new aid, and arrangements to ensure arrears on old credits are cleared—provided the Fund can agree terms for an ESAF. Speed, however, is of the essence. Arrears are relatively small now; but they are mounting and if ESAF terms are not agreed fairly soon, it will become much more difficult to mobilise the funds needed to clear them and bridge the government's future financing gap.

France's military pull-out will be a harsh blow for commerce

Local businesses are not looking forward to life without the French troops, due to depart this year as part of defence cuts ordered by France's socialist government. Some estimates suggest the loss of custom could be CFAfr25bn ($43m) a year. Government revenue in 1997 was only CFAfr35bn The army used a fair amount of locally supplied food, equipment and labour; moreover, the soldiers—largely single and on short term postings—spent heavily on souvenirs and leisure pursuits. Jewellers, craftsmen and curio sellers will be hard hit, as will suppliers of food, fuel and construction materials; many Bangui restaurants and night-clubs fear they will have to shut altogether.



(a) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *World Economic Outlook.*

Review

The political scene

A UN team comes to assess the performance of MISAB—

Major-General Franklin van Kappen, a special adviser to the UN secretary-general, Kofi Annan, arrived in Bangui on October 26th 1997 at the head of a UN delegation sent to assess the performance of the African peacekeeping force in the CAR. The force, known as Mission interafricaine de surveillance des accords de Bangui (MISAB), was originally organised by a number of franco-phone African governments, with the support of Paris; the peace accords it has enforced were signed on January 25th, 1997. In August 1997 it received the formal endorsement of the UN Security Council (4th quarter 1997, page 23). MISAB has 750 soldiers, from Chad, Gabon, Burkina Faso, Mali, Senegal and Togo; the French military provides logistical support. General van Kappen's visit to Bangui was preceded only days earlier by that of China's ambassador to the UN, Qin Huasun, shortly before China assumed the presidency of the Security Council. The CAR prime minister, Michel Gbezera-Bria, made clear the government's wish to see MISAB's mandate extended; he told Qin Huasun that the role of the force has been pivotal in ensuring the observance of the peace accords—ending the conflict between government and army mutineers—and in collecting weapons. The prime minister's views came as no surprise: without the presence of MISAB, and its willingness to use aggressive tactics against mutineers who failed to abide by truce terms, Bangui might well have subsided into the sort of civil war that has now wrecked Brazzaville, capital of neighbouring Congo.

The CAR's cash-strapped Treasury received an unexpected bonus from the visit of Beijing's envoy to discuss MISAB: Taiwan, with whom Bangui has maintained diplomatic relations since 1992, began to fear that the Central Africans might be lured into recognising mainland China and immediately offered a CFAfr2.575bn ($4.5m) package of extra budget aid; it also said it would release the first two tranches of a CFAfr575m credit for housing for those on low incomes.

—and delivers a positive verdict—

Security Council members were clearly encouraged by the findings of the UN assessment team. On November 6th they voted unanimously to prolong MISAB's formal UN mandate for a further three months. Moreover, the Council's resolution No. 1136 implicitly rejected suggestions that MISAB had favoured the government or that it had used excessive force against persistent mutineers who had attacked its members. The resolution said the Council "authorises member states participating in MISAB and those who provide logistical support to ensure the safety and freedom of movement of their personnel"; it went on to state its satisfaction at the "neutrality and impartiality" with which MISAB had carried out its job, and commented that the force "has contributed towards stabilising the situation in the Central African Republic, particularly in supervising the collection of weapons". The Council also called on UN member states to contribute to the voluntary fund from which MISAB is financed.

—while others are more equivocal

The UN's sanguine view of MISAB is not shared by all in the CAR, particularly southerners who feel the force has adopted a much harsher attitude towards the mutineers—who are mainly from the Yakoma and other southern groups—than it has towards those forces loyal to the president, Ange-Félix Patassé, a northerner. It is the role of the Chadians which has aroused most suspicion among Banguissois; Mr Patassé's home area is close to the Chad border and there have been repeated reports that he has recruited partisan militia fighters from among veterans of southern Chad's separatist rebellion. The presence of these fighters in the pro-government camp certainly raises questions about the advisability of having Chadian army units in MISAB. Rigorous critics might argue that in operations of this kind it is best to have no soldiers from neighbouring states which might have a strategic interest; on the other hand, it is often the neighbouring states, anxious to avoid the wider spread of a conflict, who have the most interest in contributing to a peace force.

Arms collection continues—

Meanwhile, MISAB was continuing the painstaking task of collecting the vast number of weapons that has accumulated in Bangui over the past year or two. It pressed on with this work in spite of the death on October 14th of MISAB's 51-year-old Gabonese commander, General Augustin Mombo Moukagani, who was taken suddenly ill and died within hours. The final phase of the disarmament programme was launched on November 10th; it was scheduled to cover the whole country and take at least six months. Anyone caught with weapons would be immediately detained and sent for trial. Disarmament had begun in September with a public information programme, and a three week period for the voluntary handover of weapons: this brought the surrender of 85% of heavy weapons—which are, in any case, not easy to conceal; many weapons were handed in by former mutineers now returning to the army.

—but many guns remain in circulation

However, only 56% of the light arms that had gone astray during the mutinies were surrendered voluntarily. While ex-rebels had abandoned ideas of further heavy conflict with government or MISAB forces, they still feared for their personal safety; many felt there was a real risk of reprisals by forces loyal to Mr Patassé. The president maintains a private militia at the Karako base in Bangui, reinforced with about 1000 “codo” (commando) mercenaries, many of them veterans of southern Chad’s autonomist conflict (and drawn from the president’s Sara ethnic grouping). To speed up the pace of weapons collection, citizens were invited to report people they knew were holding guns. As the final phase was launched, national radio and television broadcast calls on people to remain calm, in spite of the expected heavy military presence. The process was not, however, entirely without incident: on November 30th MISAB exchanged fire with former mutineers in the Ouango district of the capital; several people were subsequently arrested. In December, Mali’s president, General Amadon Toumani Touré, visited Gabon to report on progress to the Gabonese president, Omar Bongo, who has played a key role in mobilising international political support for MISAB. Mr Patassé felt sufficiently confident about the situation in Bangui to suspend the curfew from midnight to 5.00 am for the Christmas and New Year periods. Despite progress in the disarmament process, insecurity nevertheless continues to be a concern both in the capital and other parts of the country.

Rural insecurity remains a serious problem

Prospects for stability in the CAR remain imperilled by the country’s geopolitical location: Cameroon is the only one of its five neighbours that has not experienced a civil war in the recent past. The war in southern Sudan appears set to continue indefinitely, in spite of the numerous peace initiatives that have been mounted. Even when the CAR’s now fractured armed forces were operating as a relatively coherent whole, they were not able to prevent the movement of refugees or guerrilla fighters through the more remote corners of the country. Today that is even more difficult; it remains unclear whether any remnants of Mobutuist or Rwandan Hutu forces are still sheltering in the CAR, in spite of government efforts to force them out. All this makes it particularly difficult to limit the flow of arms into rural regions; banditry and poaching remain rife in some areas, and the problem is likely to get worse after the departure of the French garrisons, who were often deployed to combat them. The bandits have managed to obtain some of the weapons stolen in the mutinies in Bangui. Six people, including the prefect (chief administrator) of Ouham Pendé region, were killed in an ambush by bandits in late December, on the Bozoum-Bocaranga road in Mr Patassé’s own home area. Two soldiers had already been killed nearby. In January eight more were killed and ten injured in a further attack near Grimari, in the centre-south, in which a coffee trader was robbed and shot dead. Attacks like this have been continuing for years, but now seem to be becoming both more frequent and more violent. Survivors of the last incident said the 50-strong band of attackers appeared to include Fulani (nomadic pastoralists), Bororos from the CAR itself, Chadians and even Cameroonians.

The UN helps former fighters back to civilian life

In mid-October the UN Development Programme (UNDP) launched a CFAfr14bn ($24m) initiative to demobilise former fighters and reintegrate them into civilian life. The agency’s Bangui representative, Pierre Etienne, made it clear that the scheme was open not only to former mutineers but also to government soldiers, gendarmes and presidential guard members. His words were an implicit public recognition that the supposedly non-partisan government forces had in fact acquired a significant number of pro-Patassé supporters over the past couple of years; the presidential guard, in particular, had in effect become a hardline, northern-dominated private militia loyal only to Mr Patassé.

The UN watches closely as peacekeepers prepare to depart

Having thrown its public weight behind the MISAB operation and seen the CAR inch back from the abyss of civil war, the UN has been particularly concerned about the risks of a fresh breakdown in order once the peace force departs. On January 6th the UN's Tunisian deputy secretary-general in charge of peacekeeping, Hedi Annabi, paid his third visit within two months. He had the task of preparing a report for Mr Annan and the Security Council. The Bangui conflict may be small by the standards of many crises in which the UN has played a role; but at a time when the track record of many other peacekeeping operations has been fairly mixed, Mr Annan badly needs a success story that will help him defeat the arguments of critics who see such ventures as a waste of money. Member states refused to approve an intervention in neighbouring Congo, where the civil war was eventually settled by brute force.

Mr Patassé calls on France to pull its troops out fast—

In late September a French delegation arrived in Bangui to prepare France's military withdrawal from the CAR, a move announced in July by the socialist government of Lionel Jospin in one of its first major foreign policy statements. At that time, there were some 1,600 French troops in the CAR, of whom 600 were based at Bouar, in the west, and the rest in Bangui, at the Béal and Mpoko camps. France had said it would aim to pull all its troops out by mid-1998. But the notoriously prickly Mr Patassé—who had frequently indulged in anti-French rhetoric and called for the troops to leave long before Paris made any decision—suddenly declared, on October 7th, that the troops must be gone by November 15th. This provoked angry private comments from some French officials who had already been annoyed by Mr Patassé's refusal to allow France to operate night flights into Brazzaville from its CAR bases, when it was evacuating foreign civilians from the civil war in Congo.

—but his tough line finds few supporters

It soon became clear that there was a divergence between Mr Patassé and the bulk of the government and political elite, who saw no reason to pick a quarrel with Paris and wanted to negotiate withdrawal terms that would suit all sides. Government officials appeared to have been discussing arrangements for the former colonial power to leave some equipment and facilities behind, together with advisers to train the CAR military to use them. Moreover, the moderate prime minister, Michel Gbezera-Bria—who does not appear to share Mr Patassé's taste for populist and factionalist politics—is well aware of the importance of French logistical and financial support for the MISAB force. Although some members of Mr Patassé's Mouvement de libération du peuple centrafricain (MLPC) were angered by French press coverage of their leader's spat with Paris, the general mood among parliamentarians was not confrontational: the National Assembly passed a motion asking the prime minister to "do everything to ensure that the discussions concerning the modalities of the withdrawal of French troops were held in conditions which suit both sides". Mr Gbezera-Bria said details of the withdrawal would be decided by a joint CAR-French technical working group.

Finally, on December 5th, the two governments signed an agreement under which the withdrawal from Bouar would be completed by December 15th and the final pull-out from Bangui by April 15th. Some equipment would be left for the CAR military; France agreed to maintain a 59-strong advisory and training mission with the CAR forces. Locally employed civilian staff would be made redundant and compensated according to terms consistent with CAR legislation. In fact, it was on December 11th that the French handed over the keys to Leclerc camp at Bouar to the chief-of-staff of the CAR armed forces, General François Bozize; the four Mirage F-1 warplanes based at Bouar had already been flow to their new base at N'Djaména, in Chad.

A government minister faces disgrace and dismissal

The agriculture minister once close to the president, Charles Massi, was summarily sacked on December 17th, and deprived of his diplomatic passport just as he was preparing to travel to France. The mines and energy minister, Joseph Agbo, assumed caretaker responsibility for his portfolio. The government alleged that Mr Massi, who had formerly held the minerals portfolio, had awarded a diamond export permit to a particular company in contravention of one of his own decrees, under which diamond traders had to obtain fixed gem export quotas from the government. Soldiers took control of Mr Massi's house at the end of December and, in January, his wife was served with a warrant for his house arrest; Mr Massi had stayed away from his homes but insisted he was still in Bangui, waiting to discover what the affair was really all about. The government's spokesman, Laurent Gomina Pampali, said Mr Massi's behaviour had damaged the authority of the government and claimed that the dismissal had nothing to do with his formation of a new political movement, the Forum démocratique pour la modernité.

Rumblings of disquiet—

In a further sign of dissatisfaction with the president, January brought the resignation from the MLPC of a member of the party executive, Denis Kossi-Bella, the chairman of the economics and finance commission of the National Assembly. He had been a founder-member of the MLPC and a voice of some influence. He laid the blame for the CAR's "catastrophic situation" at the president's door: "Because of you, a whole people is suffering; with you, this country will never achieve take-off." Meanwhile there were hints that one of the opposition leaders most deeply suspicious of Mr Patassé, Abel Goumba, might pull out of the national government again. His Front patriotique pour le progrès (FPP) only rejoined it in September after an earlier walkout.

—as Mr Patassé calls for reconciliation

The president moved to regain the initiative with a proposal—aired in his New Year's broadcast—for a national reconciliation conference. He also promised municipal elections and a renewed drive to secure an agreement with the IMF. He also renewed the mandate for MISAB to remain in place until the legislative elections scheduled for later this year, although it is unclear from where funding for the MISAB venture will come. However, the political momentum behind these moves could be lost. The prime minister has reportedly told Mr Patassé that he wants to step down. It is not proving easy to pick a successor acceptable to all the main parties in government and a president for whom ethnic and factional allegiances loom large. Mr Gbezera-Bria is a Gbaya, from Bossangoa in the north-western savannah, like the president, but not from the same ethnic background. The president is from the Kaba who, like the Soumah and Kare, are a subgroup of the larger Sara ethnic group. Names circulated as possible premiers include the foreign minister, Jean Mette Yapende, a member of Mr Patassé's MLPC party even though he is a Banda; but presidential loyalists might block his appointment because the party dissident Denis Kossi-Bella is also a Banda. Another candidate is the finance minister, Anicet Dologuélé; although a prominent member of the Gonghe (a Sara subgroup), his technocratic credentials might allay some suspicions among southerners. Also in the frame, according to the London-based newsletter *Africa Confidential*, is Enoch Derant Lakoué—leader of the social democrats and with useful personal connections to Congo's (Brazzaville) new leader, Denis Sassou-Nguesso. His past history—he served as a transitional premier in the dying months of the Kolingba era, before the first free election—might alienate opposition hardliners; but he might be able to swing some centrist groups into alliance with the MLPC as the elections loom.

The economy

The IMF rebuilds relations

Over the past few months, the finance minister has been delicately nudging his country—and his recalcitrant president—towards a new agreement with the IMF, whose seal of approval will be vital to the restoration of large-scale foreign aid. In spite of the president's obstructionist efforts, the reformist government of Jean-Paul Ngoupande had agreed terms for an enhanced structural adjustment facility (ESAF) back in 1996; an agreement was on the point of signature when Bangui lapsed back into violent instability, with the third army mutiny. The Bretton Woods institutions held back until some calm had been restored, although the Fund engaged in talks with the Gbezera-Bria government's delegation to the spring meetings between the Fund and the World Bank in the first half of 1997. The situation in Bangui remained too delicate for a secure programme to be put in place. However, in October, a Fund mission visited Bangui; it concentrated on the limited goal of restoring some credibility to state finances, setting monthly revenue targets for the last quarter of 1997 and the first quarter of 1998. Mr Dologuélé introduced a string of emergency revenue measures particularly related to customs and income, and some structural economic measures. It now appears that the revenue targets have been largely met; this has given the Bank and Fund sufficient confidence to organise a joint mission for February.

Mr Dologuélé's role has been crucial

A key factor appears to have been the ability of Mr Dologuélé—a prominent northern Sara, like the president—to win the trust of Mr Patassé and convince him that political goals are best served by the abandonment of old patronage and rent-seeking traditions. Donor analysts believe that, especially given the recent growth in agriculture and mining, the CAR revenue system is able to generate sufficient cash to meet basic government spending requirements, provided the government accepts the Fund-Bank reform agenda and thus attracts fresh aid; the government should be able to meet the cost of salaries, student grants, pensions and debt service. This would make for a less discontented electorate in Bangui; a pick-up in support in the capital, combined with the votes of rural dwellers pleased by the recovery in the cotton and coffee sectors, may well be enough to secure Mr Patassé the votes he needs for a supportive parliamentary coalition and eventual re-election to the presidency. Political sacrifices would be required: privatisation is a key priority for the World Bank, together with an immediate tightening of government control over the fuel parastatal Petroca (formerly a presidential preserve and even now in arrears on its vital revenue payments to central government). But there are signs that Mr Patassé may be prepared to make these sacrifices to secure the larger goal: he appears to have consented to the principle that parastatals and privatisation will henceforth fall under the control of the prime minister and the government, rather than the presidency.

The government claims progress on finances—

To improve revenue collection, a special office has been set up within the finance ministry to deal with businesses with turnover above CFAfr100m ($170,000); this is subdivided into units dealing with specific taxes. But the ministry is also concerned about the competition that formal sector, taxpaying businesses suffer from the informal sector. This goes far beyond the normal street economy typical of Africa: in the disorder that has prevailed in Bangui for much of the past 18 months, many firms have taken advantage of the weakness of normal administration to shift much, or even the bulk, of their activity out of official purview. An unmonitored, parallel economy has evolved beyond the reach of the revenue collection system. The finance ministry is now trying to toughen up its policing of this scene. This informal competition imposes particular strains on those large businesses that were badly damaged in looting and fighting and are struggling to rebuild their operations. Customs revenue had been devastated by the slump in import traffic, as traders cut back on purchases—while Bangui was torn by violence, demand for imported goods was low. As traffic begins to revive, controls on import trade across the border from Cameroon have been stepped up, with a new code of conduct for importers; officials have been ordered to work closely with the Swiss inspection firm Société générale de surveillance. There are more checks on warehouses in Bangui.

—and curb spending, although salary arrears provoke anger

Mr Dologuélé has also tried to get the state salaries bill under control, making sure that the number of new recruits is balanced by an equal number of departures from public service. He has decided to limit the number of public servants with full *fonctionnaire* status to just 19,500. Health, education and the finance ministry are given favourable treatment, in terms of recruitment numbers; meanwhile, it is hoped that, with the help of a UNDP-funded retaining and social-support programme, some 1,000 soldiers can be moved back into civilian, private-sector life. But the tight rein on public-sector pay and grants, which are already in arrears, has not gone down well with students or civil servants, prompting a steady trickle of strikes and demonstrations over the issue.

Results from the farm sector are good—

Latest production figures show that the 1996/97 season was a good one for cash crop agriculture. The cotton crop, at 42,000 tonnes, was up by 32% on the previous seasons. Coffee output doubled to 12,000 tonnes and could have been even higher, had it not been for the insecurity so widespread across the CAR at present. Unfortunately, traders need to travel with large sums of cash to buy at the local level; many were understandably scared of visiting areas where violent robbery was common. Harvests of cassava, maize and groundnuts were good. Domestic urban demand for food crops fell, because arrears in public sector pay undermined consumer buying power, and much of central Bangui was a zone of sporadic conflict; however, some of the surplus food output was diverted into export trade. Meanwhile, exports of cattle exported on the hoof to regional markets now account for about 40% of demand for the livestock sector. (In 1996 some 40,000 animals went to Cameroon and Nigeria, and 6,000 to Congo—while the home market consumed 70,000.)

—but poor rain could hit coffee output this year

The ORCCPA, the government's quality control and marketing organisation for agriculture, has warned that the 1997/98 coffee crop year (October-September) could see output sink as low as 8,000 tonnes—compared with the 15,000 tonnes produced in 1996/97. The main factor appears to be poor rainfall. Average rainfall is estimated to have been only 1,400 mm last year—well below the 1,680 mm for a year of good rains. The overall national shortfall is not huge, but the harm was exacerbated by an uneven distribution of rain across coffee-farming areas. The base producer price for the current season has been set at only CFAfr170 (28 cents) per kg, although growers can receive up to CFAfr490 for the higher-quality beans. Export prices for Central African coffee, on fob Bangui terms, are being quoted at around CFAfr695.

Diamond auctions are re-established

Monthly diamond auctions resumed in Bangui in August, after being suspended for some time because of the instability in the city. There was an initial rush of business, with 2000 carats traded that month. In September the market was quieter, with volumes down by more than half, to 901.22 carats; but the value of gems was only 22% down, at CFAfr140.3m ($225,000), suggesting that quality was higher. The Treasury receives 10% of the sales revenue generated by the auctions, which were first launched just over two years ago, and it hopes that they will gradually bolster formal sector demand and prices and thus attract many of the stones that are now smuggled out of the country. There are encouraging signs on this front, with average per-carat prices rising from CFAfr70,000 to CFAfr120,000. Officially recorded diamond exports rose by a tenth in 1996, to 490,000 carats, and the 1997 total is thought to have been around the 540,000 mark.

Smuggling and tax evasion remain serious problems however. The government claims that a number of Bangui traders are routinely failing to pay the correct levies. In November the government decided to order the shutdown of four houses alleged to have failed to pay penalty charges of CFAfr1.2bn each; these were imposed over the alleged failure to pay export taxes. Managers of the four businesses—La Couronne, Sodiam, Sadior and Socadior—were summonsed to appear in court; the head of La Couronne, Pablo Dorado, was actually Spain's honorary consul, while the Sodiam boss, Vassos Anagnostellis, was Greek honorary consul.

Chad

Political structure

Official name	République du Tchad
Form of state	Unitary republic
Legal system	Based on the Napoleonic Code. The 1989 constitution was suspended in December 1990. The national conference, held from January to April 1993, approved the transition charter, which was extended until April 1996, when a new constitution was adopted by referendum
National legislature	The National Assembly, with 125 members elected by universal suffrage
National elections	June 1996 (presidential); January-February 1997 (legislative)
Head of state	President, elected by universal suffrage and sworn in on August 8th 1996
National government	The prime minister and his appointed Council of Ministers, sworn in on January 1st 1998
Main political parties	Mouvement patriotique du salut (MPS, with 65 seats in the National Assembly); Union pour le renouveau et la démocratie (URD, 29 seats); Union nationale pour la démocratie et le renouveau (UNDR, 15 seats); Union pour la démocratie et la république (UDR, four seats); Parti pour la liberté et la démocratie (PLD, three seats); Rassemblement pour la démocratie et le progrès (RDP, three seats)

	President	Idriss Déby
	Prime minister	Nassour Guelendouksia Ouaidou
Key ministers	Agriculture	Moctar Moussa
	Civil service & labour	Salibou Garba
	Communications	Haoun Kabadi
	Culture, youth & sports	Nassingar Massoungaral
	Defence & reintegration	Oumar Kadjallami
	Education	Abdelrahim Breme Hamit
	Environment & water	Mariam Mahamat Nour
	Finance, economy & territorial development	Bichara Cherif Daoussa
	Foreign affairs & co-operation	Mahamat Saleh Annadif
	Health	Younouss Kedellah
	Industrial development & trade	Djitangar Djibangar
	Interior & decentralisation	Abderrahman Sallah
	Justice	Limane Mahamat
	Mines, energy & petroleum	Saleh Kebzabo
	Planning	Ahmat Hamid
	Post & telecommunications	Mahamat Ahmat Karambal
	Public works, habitat & transport	Ahmat Lamine
	Social affairs	Agnes Alafi
	Tourism	Pascal Yoadimadji
BEAC governor	Jean-Félix Mamalepot	

Economic structure

Latest available figures

Economic indicators	1993	1994	1995[a]	1996[b]	1997[b]
GDP at market prices (CFAfr bn)	292.0	461.0	525.4	599.5	666.9
Real GDP growth (%)	–15.9	10.2	3.6	2.7	6.5
Consumer price inflation (%)	–1.4	40.4	9.3	11.9[a]	6.0
Population (m)	6.3	6.4	6.6	6.8	6.9
Exports fob ($ m)	152	138	249	229[a]	248
Imports fob ($ m)	205	212	231	255[a]	245
Current-account balance ($ m)	–41.8	–35.1	9.0	–126.3[a]	–97.0
Reserves excl gold ($ m)	39	76	150	165	123
Total external debt ($ m)	771	702	846	862	822
External debt-service ratio (%)	8.4	9.3	5.9	n/a	n/a
Seed cotton production[c] ('000 tonnes)	95	156	180	157[a]	n/a
Exchange rate (av; CFAfr:$)	283.2	555.2	499.2	511.6	584.1[d]

February 6th 1998 CFAfr601.1:$1

Origins of gross domestic product 1995	% of total
Agriculture	48.8
Industry	17.7
Manufacturing	16.5
Services	33.5
GDP at factor cost	100.0

Components of gross domestic product 1995	% of total
Private consumption	92.6
Government consumption	11.3
Gross domestic investment	10.6
Exports of goods & services	28.5
Imports of goods & services	–43.0
GDP at market prices	100.0

Principal exports 1995[a]	$ m
Cotton	109
Livestock & meat	58

Principal imports cif 1991	$ m
Manufactures	262
Non-fuel primary products	85

Main destinations of exports 1996[e]	% of total
Portugal	34.7
Germany	11.3
US	5.6
France	5.6

Main origins of imports 1996[e]	% of total
France	34.7
Cameroon	24.1
Belgium-Luxembourg	7.4
Nigeria	6.5

[a] Official estimates. [b] EIU estimates. [c] Crop years starting December 1st. [d] Actual. [e] Drawn from partners' trade returns, subject to a wide margin of error.

Outlook for 1998-99

Stability is again under threat

Indications in recent months of the establishment of a sustainable security and political environment in Chad will have been unsettled, if not totally shattered, by the Moundou incident of October 30th, in which maybe as many as 100 people were killed. Although versions of how the incident started differ, it is clear that it was caused by the breakdown of the reconciliation process with the last hardcore southern rebel group, the Forum des Alliances pour la République Fédérale (FARF); this led to the government deciding to get tough, with a blitz on FARF positions in Moundou. Although in December some FARF elements surrendered, there is likely to be a continued problem in the south as long as the charismatic FARF leader, Laokein “Frisson” Barde, remains free and unreconciled. This is in spite of the presence in the regime of a number of prominent southern politicians, such as the president of the National Assembly, Wadal Kamougue, and, more significantly, the new oil minister, Saleh Kebzabo, a former strong opponent of the Déby regime.

The oil-south equation is at the heart of the matter

Oil is at the heart of the problem, as Chad’s plans to develop its important petroleum resources in the far south are located around Doba, in Logone Orientale, perilously close to the troubled Logone Occidentale, the FARF’s main field of activity. The mainly Sara peoples of the far South have never forgotten that they held political power for the first 18 years after independence, but lost it in the subsequent civil war. In the absence of reconciliation, resentment at their marginalisation from political and economic influence will be sharpened by concern over the distribution of the spoils of the new oil wealth.

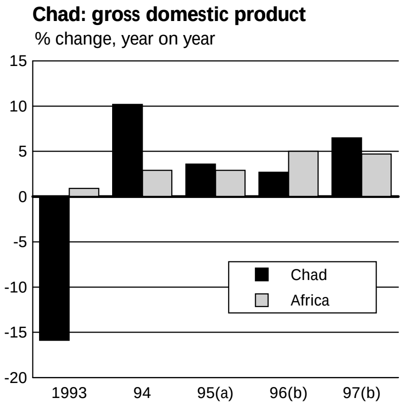
The consensus behind President Déby remains impressive—

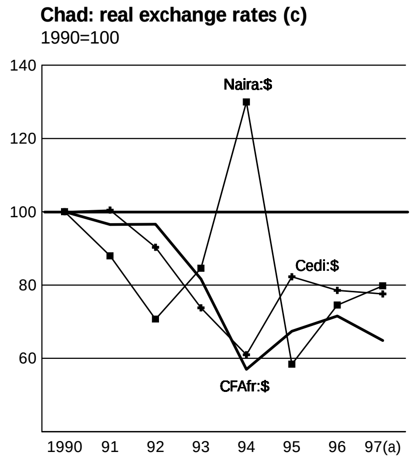
The international consensus behind the Déby regime is impressive: the oil companies involved in the consortium developing the Doba field range from the main operator Esso, to the Anglo-Dutch Shell, and the French Elf, and are all, in spite of initial caution, supportive. Franco-US rivalry in Africa has been comfortably accommodated in the interest of future development. To be advanced as far as they are with a $3bn project, for which they have to raise the bulk of the funding, has to be seen as a measure of confidence. The important Environmental Assessment Report commissioned by the consortium (see below) to help ensure crucial World Bank funding for the project, reveals the seriousness with which the Chad oil project and the associated pipeline to Cameroon is taken internationally, in spite of what one consultant calls “negative risk assessment” in both countries. It may also reasonably be expected that the environmental lobbyists in both North America and Europe will put on the pressure to prevent the World Bank board of directors from providing the critical $115m loan to Chad and Cameroon, a decision expected before next June.

—but the complex legacy of the past continues to threaten stability

The consensus extends also to Libya and Sudan, both of which have been involved in destabilising Chad in the past, but now will continue to support the president, Idriss Déby. Give or take some lapses and divergences, it should also continue to extend to the African neighbours to the south and east. The weakness still lies in the complex political equations of Chad’s own politics, and the legacy of its difficult and war-torn history. The next two years will see if these can be overcome in the interest of a project which, in spite of attendant risks, could transform the country's fortunes.

While economic gains since 1994 have been applauded by donors, only oil can generate the kind of rapid growth which could transform the continuing levels of poverty in the country. The challenge facing both reforms within government and donors now is to help build a more efficient and transparent administration, better able to cope with the new pressures it is soon likely to experience when oil revenue begins to flow.





(a) Official estimates. (b) EIU estimates. (c) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *World Economic Outlook.*

Review

The political scene

Relations between the government and the FARF deteriorate—

In the last quarter of 1997 the developing consensus which had been growing towards the formal end of the transition towards stable constitutional government suddenly broke off. The problem arose from the deterioration in relations between the authorities and the Forum des Alliances pour la République Fédérale (FARF). This reportedly centred on the claim by the FARF leader Laokein "Frisson" Barde for a compensation package of CFAfr2bn ($3.3m), representing back-pay for over 200 men, prior to the integration of FARF members into the army and the civil service. One report suggests that Mr Barde asked President Idriss Déby to use funds provided to Chad by Taiwan "to make peace", to which the president is said to have replied "not a penny". As part of the peace agreement signed in Moundou (capital of Logone Occidentale and Chad's cotton capital) in April, the movement had changed its name from the "Action Front" to the "Forum of Alliances". However, Mr Barde has remained suspicious of entrapment, and relations with the authorities deteriorated in September, especially as attempts were reportedly made to remove him from the leadership of FARF.

—as the rebels receive an official warning—

On October 22nd a government communiqué gave a severe warning to FARF in Moundou, accusing the movement of deploying "men and arms in localities of the town, torturing, raping and killing the population". The government, which had "opted for dialogue", said that it could no longer "tolerate a challenge", placing on FARF responsibility for the consequences of their actions.

—and there is a serious clash in Moundou

On October 30th violent incidents broke out in Moundou town between government troops and elements of the FARF, in which the official death toll was officially stated to have been 40 FARF, and two government soldiers, killed. Although the government put the blame on FARF, it seems certain that it was officially decided there had to be a clampdown. A first report from Agence France-presse (AFP) suggested the numbers were lower, but subsequent claims widely circulated by Amnesty International indicated that over 80 people, including a large number of civilians, were also killed. Others, according to Amnesty, were arrested on suspicion of being FARF collaborators. Figures released later in November by opposition sources in Paris gave the death toll as 98, of which 42 were from FARF, four were from security forces, and 52 were civilians. Some said these figures corresponded with those available from official sources.

Amnesty claims executions of civilians—

The Amnesty statement had said: "In the hours and days following the first exchange of gunfire on October 30th, members of the security forces combed Moundou and extra-judicially executed or arrested and then tortured and ill-treated many unarmed civilians who they suspected of being FARF members." The organisation gave details of several people who had been arrested and had then disappeared, as well as of extrajudicial executions of individuals, including members of the family of the executive secretary of FARF, Desiré Laonoji.

—and raises the problem of impunity

Amnesty, while admitting that FARF itself had also committed human rights abuses, against the civilian population, including arbitrary killings, said that one of the major causes for concern was the "almost total impunity" enjoyed by human rights violators in Chad. This phenomenon of impunity, says Amnesty, is one of the main contributing factors to the continuing pattern of human rights violations in Chad, where, says Amnesty, investigations are not pursued and the perpetrators not held to account.

The spark that lit the flame

An account in the Paris-published monthly *Africa International* indicated that an incident over ownership of vehicles on October 27th, in which two died was the spark that lit the flame. The report also says that President Déby instructed his personal chief-of-staff, General Routouang Ngoma, to ensure that Mr Barde was present in Moundou before commencing the "operation", but by then the elusive FARF leader had disappeared, and although sought high and low has still not been apprehended.

Tension is reflected in parliament

The Moundou incidents and their aftermath were a serious setback to reconciliation, and led to continued high tension in the far south of the country, where FARF had been pursuing its rebellion. The prime minister, Nassar Ouaidou, claimed to parliament on November 4th that FARF had made heavy arms purchases several days before the attack, which had been intercepted. He also accused Mr Barde of bad faith in pressing unreasonable financial claims for his men. Opposition parties and non-governmental organisations (NGOs), however, accused the government of arrogance. Yorongar Ngarlejy, a southern deputy and a leading federalist, accused Mr Déby of being the one who ordered the "genocide" in Moundou, accusing the security forces of deliberately opening fire during discussions with FARF.

Concern is raised over a media clampdown

The independent weekly *Ndjamena-Hebdo* has also expressed concern that in the wake of the Moundou incidents there has been a serious media clampdown. The prime minister in parliament on November 4th had threatened that any journalists perceived to have undermined state security would face action in the courts. The paper observed that "dictatorial methods and muscular reflexes" had strong staying power in Chad, in spite of the transition to civilian rule.

FARF ripostes continue

Following a reported attack on November 29th by elements of FARF in a locality 40 km from Moundou, the minister of communications, Salibou Garba, deplored continuing operations against the local population, saying that they were designed to sabotage "government efforts to work for peace in the region". According to the state-controlled radio, seven were killed in the incident, including civilians. A further FARF attack on a market in Sarh was reported on December 6th.

Mr Déby offers peace, with conditions

This was followed by a relatively conciliatory statement by President Déby in a speech marking the seventh anniversary of his accession to power, which he described as "day of the liberation of democracy". The celebration of the anniversary was held this year in Ati, capital of the Batha prefecture in central Chad. After saying, "I reiterate once more my desire to make peace with FARF", he added that it served nothing to pour oil on the fire "at the risk of threatening our young democracy and encouraging extremism". However, he went on to accuse FARF for the killing of civilians, which he claimed no-one ever mentioned, saying that opposition politicians and the media were all the time seeking to blame the security forces. He then cited new agreements signed with other politico-military groups as "beautiful examples to be followed".

Some FARF elements give up the struggle

In mid-December official sources in Ndjamena said that 120 soldiers of FARF had agreed to lay down their arms after having received a disinterest award. In the same ceremony 50 members of FARF were officially integrated into the Chad army, and were sent to the instruction centre at La Loumia, 100 km south of Ndjamena. There are still estimated to be over 800 FARF fighters still at large, including Mr Barde himself.

Three FARF members are held in Cameroon

On November 26th it was revealed that three FARF fighters had been arrested in Cameroon and were being held at the police commissariat in Yaoundé. They were said to include the chief-of-staff of the FARF, Michel Nguinamba Yebarde, Mr Bardes younger brother. They remained in detention in Cameroon, amid pleas from Chadian opposition elements not to respond to requests for extradition.

New MDD activity is reported in Lake Chad area

Meanwhile, the authorities were distracted by an armed attack on another front, one which had been quiescent for almost a year—the Lake Chad region, sensitive because of its proximity to the capital. The faction, led by the veteran revolutionary Moussa Medella of the Mouvement pour le développement et la démocratie (MDD), claimed that in late December 37 government soldiers and two rebels had been killed in the clash. Government sources said that only a few had been killed or wounded on both sides, however. Another faction of the MDD had, however, been among the group which the President Déby had stated on December 1st were now reconciled with the government.

The president preaches compassion

President Déby returned to the issue of the Moundou incident in his new year message, in which, while extending his compassion to "all the victims of these events," he stressed his "determination to maintain the unity of the country". There was still some way to go and "habits to change", he said. Reconciliation could not be reduced to material advantages and the division of responsible jobs. It should be "a real will to excel ourselves, to forgive ourselves, and to prioritise first of all the interests of the country and the people".

Three ministers are removed in a major reshuffle—

The new year also saw a surprise reshuffle to a coalition government which had been put together after much patient negotiation the previous May. Although no official reason was given, it took place following the removal of three ministers on November 12th for "repeated absenteeism" These were Ali Mahamadzeme Fadcel (agricultural development); Albert Almimi (commercial and industrial development) and Monique Ngaralbaye (social action). There were 11 newcomers in the government and five more changed portfolios, making a total of 28, compared with 27 in the previous administration.

—which includes a new oil minister—

The most important switch was the elevation of the transport minister, Saleh Kebzabo, to the Ministry of Mines, Energy and Oil. The former incumbent, Pascal Yaodimadji, remains in government, but in the much lower-profile post of tourism development. Mr Kebzabo's former position has gone to Ahmed Lamine Ali, a former militant in the Front nationale du liberation du Tchad (Frolinat) alongside Hissene Habré, who had been close to Mr Habré's ambassador in Paris, Allam-Mi, and had been prominent in the democracy movement in the early 1990s; as a member of the Kanembou elite from the Lake Chad area he had been in the Rassemblement pour la démocratie et le progrès (RDP) of the former head of state, Lol Mahamat Choua.

—and several other important changes

In another important switch, Salifou Garba moves from communications to the civil service, to be replaced by a newcomer, Haroun Kabadi. There is a new secretary-general to the government, David Houdeingar, replacing Mariam Mahamat Nour, who moves to environment. The key ministries of foreign affairs (Mahamat Saleh Annadif), finance (Bichara Cherif Daoussa) and interior (Abdramane Salah) remain unchanged. While the new team is likely to prove more closely bound to the head of state than its predecessor and thus contribute towards greater stability within government, the administration's reforming, technocratic credentials have also been enhanced, which should please donors.

The presidents of Niger and CAR visit

October 10th saw an unexpected joint visit to Ndjamena from two neighbouring presidents, Ibrahim Barre Mainassara of Niger, and Ange-Félix Patassé of Central African Republic (CAR). Although the main subject for discussion was the civil war in Congo (Brazzaville), (which a few days later was brutally resolved), it was said that the three presidents also discussed the imminent withdrawal of French troops from CAR, and Chad's continued participation in the successful Mission Interafricaine de Surveillance des Accords de Bangui (MISAB).

Toubou "puppet" state charge is dismissed by Goukouni Oueddeye

With Mr Mainassara, discussions are understood to have focused on Chad's mediation between the Niger government and the Toubou rebels operating in east Niger, which are said to have been receiving help from Chadian Toubous, without the awareness of the Chad government. Later in October came an unusual charge there was a Toubou/Touareg plot to dismember Niger and create an autonomous "puppet" state in Niger and Chad, a report dismissed as "intoxication" by the Chadian Toubou leader, Goukouni Oueddeye. He asserted in a radio interview in Paris that this had been fabricated by the Ndjamena authorities to mask the difficulties they had been experiencing in the Toubou north, and to "have by their side a docile ally", ready to help it subdue the Chadian opposition in the Lake Chad area.

The economy

The National Assembly approves the budget

On December 30th the National Assembly approved a budget for 1998. The estimated income is CFAfr118bn ($196m), with expenditure estimated at CFAfr130bn, leaving a budget deficit of CFAfr12bn. The government expects to be able to meet the deficit with external aid. Austerity is to be maintained in the civil service. The budget also introduces a new tax as of January 1st 1998, the Impôt Global Liberatoire (IGL), raising revenue at source, and touching all economic sectors.

Human development in Chad is still poor

In its *Human Development Report* for 1997 the UN Development Programme (UNDP), which bases its analyses on 1994 figures, places Chad at 164 out of a list of 175, in which the bottom 19 countries are all in sub-Saharan Africa. This is based on the following statistics:

- life expectancy at birth of 47 years;
- an adult literacy rate of 47%;
- combined first-, second- and third-level gross enrolment ratio of 25% in education;
- 30% of the population with access to health services, 24% to safe water and 21% to sanitation (covering 1990-95);
- a daily calorie supply per head (1992) of 1,989 (Africa's lowest was Ethiopia with 1,610); and
- GNP per head of $180 in 1994.

Defence expenditure is down

There were also some interesting statistics designed to show military expenditure and resource use imbalance. For comparative figures of defence expenditure between 1985 and 1995, that of Chad actually fell from $51m. in 1985 to $34m. in 1995 (using 1995 prices) As a percentage of GDP it fell from 2.9% in 1985 to 2.6% in 1995, and, calculated per head, it fell from $10 in 1985 to $5 in 1995.

"Oil is a common patrimony"

The significance of the future oil development in southern Chad was underlined in President Déby's New Year address, when he said that the exploitation of Chadian oil had become a political game, and that there was a "lying campaign, suggesting that this wealth will profit one category of citizens and one regime". He stressed that "this is false", adding that "oil is a common patrimony", and the revenue which will come from it will benefit all Chadians. "I am the guarantor", he added.

Oil companies launch public information campaign

The consortium which is exploiting the oil deposits in southern Chad (Esso 40%, Shell 40%, Elf 20%) launched with the Chad government a long promised campaign of public information on November 18th. The principal speaker at the launch was the president of Esso-Chad, Dean Guttormson, who noted that the study of the environmental aspects of the whole project, including the 1500-km pipeline linking the Chad oil wells to a floating terminal offshore the Cameroon port of Kribi, had now been completed, and had been with the World Bank since October. This study included an environmental assessment report, an environmental management plan and a plan for resettlement of populations in the Doba region, where the oil wells are to be located. The consortium is to finance 97% of the approximately $3bn cost of the project, either directly or through loans at market rates. Credit Agricole Indosuez and ABN Amro have been appointed to arrange project financing. Chad is seeking to borrow $45m from the World Bank to fund an equity interest in the pipeline project, which, along with a similar $70m loan to Cameroon, represents the remaining 3% of the total cost of the project.

Environmental assessment goes to World Bank

The environmental assessment, required under World Bank rules, was carried out by the international consultants Dames and Moore. A separate study was prepared for Cameroon. The Chad government officially presented the report to the World Bank at the end of October. The report, which runs to more than 300 pages after five years of scientific study, notes that the oilfield area (located in the prefecture of Logone Orientale) had a population of approximately 28,100 in 1993, in the cantons of Bero, Kome and Miandoum. Five other cantons (Timberi, Gadjibian, Bessao, Mont de Lam and Mbassay), near to the project area, have a population of about 63,000. Rural sedentary farmers constitute the vast majority of the population, but nomadic people continue to pass through on a seasonal basis. The project area lies on a flat plain above flood levels, but low-lying roads may become impassable in the rainy season.

Oil will deliver about 1bn barrels over 30 years

Three oilfields—Kome, Bolobo and Miandoum—are to be tapped, to produce around 1bn barrels over a 30-year period. Early annual averages are estimated at about 225,000 barrels/day (b/d). There will be 300 production wells, a small number of produced water injection wells and system of flowlines and gathering pipelines, produced fluids treating facilities, a power plant and an operations control centre.

Roads, installations and an airfield will be needed

There will also be supporting infrastructure, including 500 km of laterite roads, and a short section of new road with a bridge on the Mbere river on the Chad/Cameroon border. Apart from other offices and installations, the project will require a satellite-based communications system and an airstrip in the oilfields area capable of handling large cargo aircraft. Some 170 km of the pipeline will be in Chad and 880 km in Cameroon. One of three pump stations will be located at the main operations centre in southern Chad.

Companies press the advantages for Chad

The assessment lists the following benefits of the project: financial revenue to the Chadian government from royalty and tax payments; provision of employment and training to Chad nationals during project construction and during operation; purchases of locally sourced goods and services; an increase in the overall level of economic activity; upgrades to roads and other infrastructure; and upgrades of environmental health and infrastructure for project workers, and disease surveillance.

The Chad government has said it recognises the need for “equitable distribution of benefits through the financing of devolved communities, the continuation of projects to address weaknesses in administration in revenue collection, and policy formulation, as well as measures to ameliorate the negative impact of the sharp and sudden rise in government revenue”.

Resettlement and compensation are acknowledged

The assessment also says that there will need to be a consultation process with local peoples and NGOs (for which a programme has already been established) to identify significant issues in environment, water resources and public health. There will, for example be 60 to 150 households to be resettled (out of a total of more than 6,200 in the project area). There would be other households that would need to be compensated for “temporary changes in land use during construction”. These issues will be addressed in more detail in the compensation and resettlement plan. The pipeline construction will not involve any resettlement. Disruption of water supply will be mitigated by erosion control and appropriate drainage systems, and the provision of alternative supply to affected villages. The report also deals with thorny issues such as oil-spill response and waste management, as well as putting forward a health programme.

Benefits “far exceeded the costs”

Consideration of project alternatives confirmed the sites selected as being the most favourable, and a cost benefit analysis concluded that the benefits of the project “far exceeded the costs in all scenarios evaluated”, representing a positive net gain for Chad. The total estimated economic development value of the project, including compensation, was put at $1.3bn (net present value) and over the life of the project it will generate an estimated total value of $8.5bn, depending on oil prices and other factors.

Local consultations continue

Consultation and in-country fact-finding missions have been conducted in English, French and local languages since 1993. They have included government officials, NGOs and affected groups in Ndjamena and near the pipeline route and project facilities. Since 1995 there has been significant consultation with affected communities and NGOs. More than 600 questionnaires from individual local inhabitants have been collected and in excess of 10,000 persons have been consulted in more than 50 project area villages. Some 18 local NGOs have been consulted, as well as 12 international NGOs with an interest in Chad.

Quarterly indicators and trade data

Cameroon: quarterly indicators of economic activity

		1995			1996				1997		
		2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr
Mining production	Prodn/day										
Crude petroleum	’000 barrels	100	100	100	90	90	90	100	100	100	100[a]
Prices	Monthly av										
Consumer prices:	1990=100	147.1	148.4	152.7	155.5	154.9	156.4	157.1	n/a	n/a	n/a
change year on year	%	16.0	8.6	6.7	5.1	5.3	5.4	2.9	n/a	n/a	n/a
Money	End-Qtr										
M1, seasonally adj:	CFAfr bn	326.9	295.4	317.0	328.9	308.7	323.0	312.0	336.7	359.4	388.3[b]
change year on year	%	4.5	–10.9	–11.7	–2.4	–5.6	9.3	–1.6	2.4	17.6	n/a
Foreign trade[c]	Annual totals										
Exports fob	$ m	(	2,117	)	(		2,222	)	(	n/a	)
Imports cif	“	(	1,140	)	(		1,207	)	(	n/a	)
Foreign exchange	End-Qtr										
Central Bank	$ m	0.5	0.2	3.2	1.9	1.2	0.9	2.1	1.0	0.8	1.4[b]
Exchange rate											
Market rate	CFAfr:$	485.3	491.5	490.0	503.2	515.3	517.2	523.7	564.4	587.8	593.3[d]

Note. Annual figures of most of the series shown above will be found in the Country Profile.
[a] Figure for October 1997, 100. [b] End-August. [c] *DOTS* estimate. [d] End-4 Qtr, 598.8.

Sources: Oil & Gas Journal; IMF, *International Financial Statistics*; *Direction of Trade Statistics*, yearbook.

Central African Republic: quarterly indicators of economic activity

		1995			1996				1997		
		2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr
Prices	Monthly av										
Consumer prices[a]:	1990=100	138.7	137.9	140.0	142.1	142.6	147.4	145.0	n/a	n/a	n/a
change year on year	%	22.0	10.3	8.2	1.7	2.8	6.9	3.6	n/a	n/a	n/a
Money	End-Qtr										
M1, seasonally adj:	CFAfr bn	113.88	114.95	115.39	102.20	110.90	116.43	121.13	117.51	108.68	111.31[b]
change year on year	%	31.0	19.9	7.8	–14.0	–2.6	1.2	5.0	15.0	–2.0	n/a
Foreign trade[c]	Annual totals										
Exports fob	$ m	(	187	)	(		244	)	(	n/a	)
Imports cif	“	(	189	)	(		174	)	(	n/a	)
Foreign exchange	End-Qtr										
Central Bank	$ m	252.29	244.90	233.48	210.32	230.76	237.25	232.09	211.40	196.70	187.28[b]
Exchange rate											
Market rate	CFAfr:$	485.3	491.5	490.0	503.2	515.3	517.2	523.7	564.4	587.8	593.3[d]

Note. Annual figures of most of the series shown above will be found in the Country Profile.
[a] “African” households, Bangui. [b] End-August. [c] *DOTS* estimate. [d] End-4 Qtr, 598.8.

Source: IMF, *International Financial Statistics*; *Direction of Trade Statistics*, yearbook.

Chad: quarterly indicators of economic activity

		1995			1996				1997		
		2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr
Prices	Monthly av										
Consumer prices:	1990=100	139.7	146.9	149.0	148.2	161.2	169.8	166.7	163.5	172.8	176.7[a]
change year on year	%	2.0	3.0	8.3	6.6	15.4	15.6	11.9	10.3	7.2	n/a
Money	End-Qtr										
M1, seasonally adj:	CFAfr bn	52.87	71.50	88.33	103.61	105.40	102.62	117.88	112.11	100.69	98.54[b]
change year on year	%	–31.4	–6.7	42.7	100.0	99.4	43.5	33.5	8.2	–4.5	n/a
Foreign trade[c]	Annual totals										
Exports fob	$ m	(	124	)	(		124	)	(	n/a	)
Imports cif	"	(	197	)	(		216	)	(	n/a	)
Exchange holdings	End-Qtr										
Foreign exchange	$ m	61.31	101.58	142.07	189.10	180.72	175.96	163.84	121.42	67.78	122.18[b]
Exchange rate											
Market rate	CFAfr:$	485.3	491.5	490.0	503.2	515.3	517.2	523.7	564.4	587.8	593.3[d]

Note. Annual figures of most of the series shown above will be found in the Country Profile.
[a] Figure for October, 170.7. [b] End-August. [c] *DOTS* estimate. [d] End-4 Qtr, 598.8.

Sources IMF, *International Financial Statistics*; *Direction of Trade Statistics*, yearbook.

Chad: direction of trade[a]

($ m)

Exports fob	Jan-Dec 1993	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Imports cif	Jan-Dec 1993	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996
Portugal	18	18	41	43	France	61	56	64	75
Germany	13	13	25	14	Cameroon	29	37	44	52
Costa Rica	4	5	6	8	Belgium-Luxembourg	5	5	21	16
France	7	8	10	7	Nigeria	11	11	13	14
US	n/a	2	3	7	Portugal	n/a	n/a	n/a	12
Spain	1	2	5	6	UK	3	3	3	6
Total incl others	67	83	124	124	Total incl others	138	139	197	216

[a] *DOTS* estimate.

Source: IMF, *Direction of Trade Statistics*, yearbook.

Cameroon: foreign trade

Imports cif[ab]	Jan-Dec 1987 ($ m)	Jan-Mar 1988 ($ m)	Jan-Dec 1989 ($ m)	Jan-Dec 1991 ($ m)
Food	202.68	54.80	179.57	314.29
Beverages & tobacco	47.42	9.08	21.03	27.45
Crude materials	42.65	12.20	47.88	162.63
Chemicals	258.91	47.16	193.89	339.62
Paper etc & manufactures	43.96	7.75	36.27	81.50
Textile yarn, cloth & manufactures	94.16	19.87	41.03	80.42
Non-metallic mineral manufactures	70.59	11.37	49.04	69.67
Iron & steel	36.57	8.91	41.87	105.97
Metal manufactures	89.87	17.78	78.42	163.97
Machinery incl electric	362.62	70.99	233.42	469.03
Transport equipment	263.90	45.94	158.52	156.81
Total incl others	1,749.02	352.36	1,273.33	2,306.23

Exports fob	Jul-Jun 1991/92 (CFAfr bn)	Jul-Jun 1992/93 (CFAfr bn)	Jul-Jun 1993/94 (CFAfr bn)	Jul-Jun 1994/95 (CFAfr bn)
Coffee	31.5	13.1	38.0	60.5
Cocoa & products	34.1	25.9	55.8	61.5
Wood	37.5	49.9	104.7	153.5
Cotton, raw	19.8	20.2	27.0	37.9
Petroleum, crude	262.1	195.6	253.4	293.2
Total incl others	543.0	444.0	825.2	1,018.2

Exports fob[c]	Jan-Dec 1993 ($ m)	Jan-Dec 1994 ($ m)	Jan-Dec 1995 ($ m)	Jan-Dec 1996 ($ m)
Italy	200	286	330	393
Spain	288	285	277	366
France	342	383	466	352
Netherlands	129	119	163	148
Germany	98	106	102	123
Nigeria	62	75	89	102
US	101	55	48	64
Total incl others	1,612	1,823	2,117	2,222

Imports cif[c]	Jan-Dec 1993 ($ m)	Jan-Dec 1994 ($ m)	Jan-Dec 1995 ($ m)	Jan-Dec 1996 ($ m)
France	378	338	476	443
Germany	48	54	65	90
Belgium-Luxembourg	55	50	82	86
US	50	59	50	78
Italy	39	37	57	63
UK	27	38	44	58
Japan	54	38	48	35
Total incl others	951	851	1,140	1,207

[a] Source, UN. [b] Figures for 1990 are not available. [c] *DOTS* estimate.

Sources: UN, *International Trade Statistics*, yearbook; National Sources; IMF, *Direction of Trade*, yearbook.

Central African Republic: foreign trade

	$ '000	
	Jan-Dec	Jan-Dec
Imports cif	1980	1989
Meat & products	758	1,156
Dairy products	2,005	2,788
Fish & products	718	1,423
Cereals & products	5,400	8,192
Fruit, vegetables & products	820	1,105
Sugar & products	901	6,232
Beverages	4,396	1,991
Tobacco & manufactures	739	3,715
Petroleum & products	1,184	10,390
Chemicals	9,490	22,239
Rubber manufactures	1,525	2,412
Paper & manufactures	1,813	3,325
Textile fibres & manufactures, incl clothing	4,589	7,118
Miscellaneous non-metallic mineral manufactures	3,418	6,780
Iron & steel	1,187	1,852
Metal manufactures	4,764	5,939
Machinery incl electric	14,090	28,491
Transport equipment	13,153	24,385
of which:		
road vehicles	13,120	23,638
Total incl others	80,461	159,124

	CFAfr bn	
	Jan-Dec	Jan-Dec
Exports fob	1989	1990
Coffee	8.5	2.7
Wood & cork & manufactures	6.3	9.2
Cotton, raw	3.9	4.5
Diamonds	22.6	19.7
Total incl others	47.2	41.2

	$ m			
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Exports fob	1993	1994	1995	1996[a]
Belgium-Luxembourg	73	65	75	99
Côte d'Ivoire	n/a	n/a	n/a	13
Spain	n/a	1	n/a	7
Taiwan	n/a	n/a	n/a	7
Italy	n/a	n/a	n/a	6
Total incl others	110	143	187	244

	$ m			
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
Imports cif	1993	1994	1995	1996[a]
France	68	55	70	54
Côte d'Ivoire	1	n/a	1	28
Cameroon	6	8	12	15
Japan	11	10	46	6
Belgium-Luxembourg	3	2	6	5
US	2	2	5	4
Total incl others	126	132	189	174

[a] *DOTS* estimate.

Sources: National Sources, UN, *International Trade Statistics*, yearbook.

Cameroon, Central African Republic and Chad: French trade
($ '000)

	Cameroon			CAR			Chad		
	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996
French exports fob									
Cereals & preparations	22,725	33,646	38,416	5,797	7,544	8,607	5,072	5,188	8,247
Sugar & preparations	7,336	4,255	7,841	15	32	1	621	1,575	4,199
Beverages	3,748	5,841	6,204	554	590	817	239	392	306
Chemicals	66,889	85,137	82,298	12,189	10,859	8,393	9,720	6,222	10,863
Rubber manufactures	5,075	5,242	5,798	685	741	564	818	1,171	1,179
Paper etc & manufactures	7,852	13,424	13,312	1,322	1,263	1,045	1,363	1,626	1,576
Textile fibres & manufactures, incl clothing	8,845	11,585	11,476	981	1,358	1,240	486	692	627
Non-metallic mineral manufactures	6,983	9,122	9,003	163	407	246	466	471	471
Iron & steel	2,025	5,060	6,930	308	224	224	932	601	931
Non-ferrous metals	2,690	7,160	4,881	138	544	58	110	153	142
Metal manufactures	15,002	20,189	16,033	1,976	2,134	1,544	1,984	2,241	2,702
Machinery incl electric	80,406	123,718	103,352	14,928	17,000	13,212	14,919	22,378	23,856
Road vehicles	26,883	30,462	30,336	6,561	7,805	5,846	8,806	6,966	5,604
Other transport equipment	8,820	7,247	4,496	717	119	143	163	309	271
Scientific instruments etc	5,484	8,273	10,341	1,232	1,203	920	1,840	1,557	1,417
Total incl others	305,143	431,713	407,331	52,546	59,649	49,332	51,829	57,521	68,590
French imports cif									
Fruit & vegetables	106,490	114,071	99,413	10	0	0	0	52	23
Coffee, cocoa, tea & spices	45,694	62,029	74,511	5,241	13,824	3,811	0	0	0
Tobacco, unmanufactured	0	0	73	608	138	70	0	0	0
Rubber, crude	16,097	16,944	15,806	21	41	0	0	0	0
Wood & cork & manufactures	107,144	103,162	81,832	312	276	460	0	1	0
Textile fibres & waste	1,164	0	80	109	616	203	196	1,200	54
Petroleum & products	73,930	113,231	21,413	0	0	0	0	0	0
Textile yarn & manufactures	4,933	4,527	3,001	0	0	0	0	0	0
Non-ferrous metals	68,309	105,418	102,569	0	0	0	0	0	0
Total incl others	431,252	526,164	405,508	8,457	15,276	5,007	9,236	10,462	7,240

Source: UN, *External Trade Statistics, series D.*