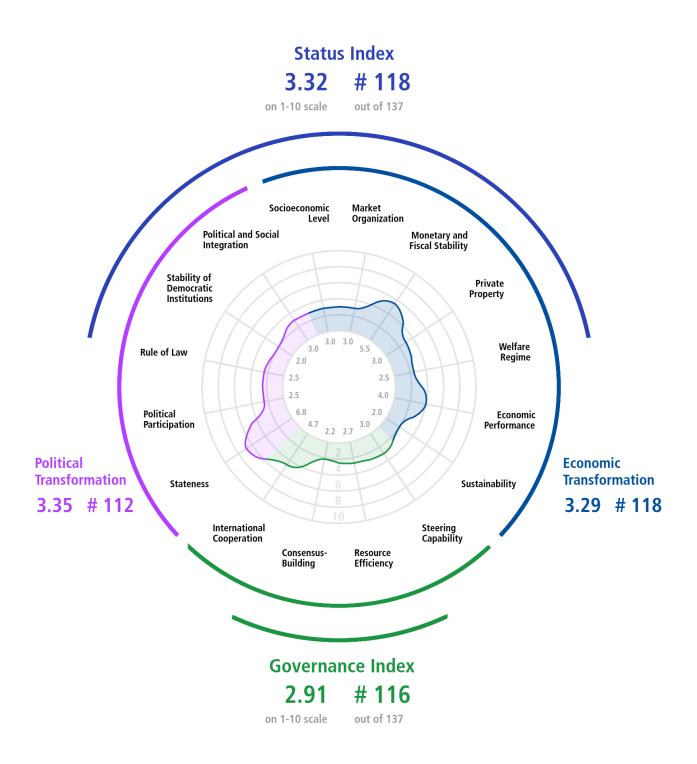
Republic of the Congo



This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <u>https://www.bti-project.org</u>.

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Key Indicators

Population	Μ	6.0	HDI	0.571	GDP p.c., PPP \$	3791
Pop. growth ¹	% p.a.	2.3	HDI rank of 189	153	Gini Index	48.9
Life expectancy	years	63.5	UN Education Index	0.548	Poverty ³ %	59.1
Urban populatior	%	68.7	Gender inequality ²	0.564	Aid per capita \$	33.2

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Much like in previous review periods, political, social, and economic developments in the Republic of the Congo (Congo-Brazzaville) have centered on the extended political dominance of President Denis Sassou Nguesso. This has enabled rampant high-level corruption, repression of opposition and dissent, continued dependence on oil, and a general lack of progress toward socioeconomic development. Extreme poverty has risen by over 50% despite growth in the oil and non-oil sectors, which has translated into continued subsistence, limited social mobility, and significant inequality. Corruption among the president's inner circle remains a significant concern, while the government has sought to suppress activists, journalists, NGOs, and opposition figures as it remains centered on the maintenance of Sassou Nguesso's regime.

These behaviors have been emboldened by the re-election of Sassou Nguesso in 2021 and subsequent 2022 legislative victories for his ruling Congolese Party of Labor (PCT). This has largely been enabled by constitutional changes in 2015, which eliminated age and term limit restrictions on the president. Key opposition parties and figures boycotted the 2021 election, and 2016 presidential candidates Jean-Marie Michel Mokoko and Andre Okombi Salissa remain in prison from 2018 and 2019 respectively. The president's key opponent in the 2021 election, Guy Brice Parfait Kolelas, died of COVID-19 a day after the election. Although domestic tensions have generally cooled in the current review period, instances including the Pool Region conflict (2016 – 2018) and more recent crackdowns on opposition figures, journalists, and NGO figures demonstrate the regime's continued efforts to employ force, imprisonment, torture, and other means to suppress dissent and retain control.

Oil revenues have recovered despite slower production, and the Republic of the Congo's overall debt burden has declined. However, the country remains in debt distress, and extreme poverty has increased. As a result, the Republic of the Congo continues to fail to meet its citizens' basic needs, not to mention develop an effective market economy or multiparty democracy. Severe flooding and related crises have inflicted significant damage on many parts of the country, including mass

displacement, destruction of property, water contamination, and soil degradation. Infrastructure outside major urban areas is generally inadequate, which means a significant portion of the population lacks access to clean water or sanitation. Progress in health, education, and overall human development has also been sluggish, impeding domestic markets and the transparency and functioning of government activities.

The Republic of the Congo remains a country centered on centralized authoritarian rule, enabled by fraudulent elections and an overall dominance of political and economic systems by the president and his inner circle. In response to COVID-19, the government implemented curfews, lockdowns, and restrictions on large gatherings, which were subsequently used to justify limitations on movement and communication during the 2021 presidential election.

While economic circumstances have stabilized since the previous review period, social circumstances have arguably worsened. The overall political situation in the country, however, has largely remained unchanged. The government has not demonstrated a clear ability to set or pursue key long-term objectives and has largely failed to provide basic needs and liberties to its populace.

History and Characteristics of Transformation

The Republic of the Congo's political and economic transformation process began in the early 1990s. Domestic and external pressures combined to force the self-proclaimed Marxist-Leninist government of Denis Sassou Nguesso, in power since 1979, to take steps to introduce major political and economic change. His regime officially renounced its Marxist-Leninist ideology and, amidst widespread unrest, introduced a multiparty democratic system in 1991, abolishing the single-party rule of the Congolese Party of Labor (Parti Congolais du Travail, PCT). High oil revenues and autocratic rule had, by this point, brought a modicum of stability to the country, which had faced decades of instability, military coups, and political assassinations since gaining independence from France in 1960. Ethnoregional rivalries and disparities, alongside competition for control over the country's oil, its main export, all contributed to periods of instability and crisis.

Under these circumstances, the transformation of the Republic of the Congo became extremely conflict-ridden and would result in significant damage and hardship for the population. Sassou Nguesso and the PCT lost power in the 1992/93 elections, defeated by a coalition headed by Pascal Lissouba and his Union Panafricaine pour la Démocratie Sociale (UPADS). Despite the shift toward democracy, the Republic of the Congo remained unstable and economically dependent. This opened the door for Sassou Nguesso to regain power in the civil war that accompanied the 1997 elections, in which both sides received support from France. However, French support appeared to favor Sassou Nguesso, who also enjoyed backing from Angola, which helped pave his way to victory.

Thereafter, ethnoregional militias waged war against the authoritarian regime, with Pool (the region around Brazzaville) becoming the most prominent theater of violence. Ultimately, the regime's military might compelled the militias to accept peace. Using a new multiparty constitution as the basis, the president and his PCT-led coalition manufactured their victory in the 2002 elections. In 2003 and 2007, the regime successfully imposed peace agreements on the Pool militia, which was led by Pasteur Ntoumi, a Pentecostal military commander.

Operating within a political system prone to corruption, Sassou Nguesso has managed to secure victories in every election since 2007, most recently in 2021. Employing a carrot-and-stick approach involving access to oil revenues and military force, the regime has managed to integrate moderate opposition figures and erstwhile political enemies into its system. The deaths of several prominent leaders, including MCDDI leader Bernard Kolélas in 2009, strengthened the regime and aided in integrating the MCDDI and other historical opponents. At the end of 2013, a brief but bloody gun battle occurred in Brazzaville when government forces attempted to arrest Sassou Nguesso's former close ally, Colonel Marcel Ntsourou, who had denounced the Sassou Nguesso regime for widespread corruption. Ntsourou was key to Sassou Nguesso's 1997 return to power and was subsequently held responsible – despite a complete lack of evidence – for a March 2012 arms depot explosion that resulted in at least 300 casualties. As the president's second, and constitutionally last, term approached its end, it became clear that he would pursue a constitutional revision. Several allies defected to the opposition in protest.

In 2015, the president enacted drastic measures to maintain power, which were approved by a referendum that was marred by widespread fraud. The changes included the elimination of presidential term limits and age limits, as well as a provision to protect the president from domestic prosecution for crimes committed while in office. Despite mass protests and government repression during the 2015 referendum and subsequent elections in 2016 and 2017, Sassou Nguesso claimed to have won 60% of the vote in the presidential elections held in March 2016. Sassou Nguesso faced competition from five other candidates, some of whom were later arrested. In March 2021, Denis Sassou Nguesso once again sought re-election and secured a victory with 88% of the vote, as opposition parties boycotted the election. However, his main rival, Guy Brice Parfait Kolélas, died from COVID-19 the day after the election. In addition to maintaining executive rule, Sassou Nguesso's ruling PCT party obtained significant legislative majorities in 2017 and 2022, ensuring minimal changes or oversight to Sassou Nguesso's grip on power, despite widespread popular opposition to the regime's dubious victories.

In April 2016, the government launched a military campaign ostensibly against the disbanded Ninja militia, led by Pasteur Ntoumi. This campaign specifically targeted the ethnic Lari community and aimed to discourage future political opposition. A state of emergency was declared, leading to the shutdown of internet and SMS communications. NGOs were mostly denied access, making it impossible to accurately determine the casualty count, which is estimated to be in the thousands. However, the displacement of 138,000 individuals and extensive destruction of homes and villages served as undeniable evidence of a severe humanitarian crisis. The region has yet to fully recover from these devastating events. Opposition figures, activists, and critical journalists continue to face reprisals in the form of arrest, torture, and censorship.

With the political system still under the control of the Sassou Nguesso regime, the country's oildependent economy has been unable to transform from a highly state-interventionist system to a more market-oriented one due to the influence of powerful state elites and the conflicts mentioned above. Following the defeat of the Pool militia in 2003, the government reluctantly aligned its policies with IMF conditions through two mid-term loan agreements in 2004 and 2008, as it sought economic stabilization. In 2010, substantial debt relief was secured with the assistance of the IMF and World Bank, providing temporary financial relief for the country; however, debt has once again risen in recent years. The transition toward a socially and ecologically balanced market economy has been slow, resulting in a rise in extreme poverty in over 50% of the population, which poses challenges to the political and economic stability of the country.

When the 2008 loan agreement with the IMF expired in 2011, the government – emboldened by high oil revenues between 2010 and 2014, and Chinese loans – elected not to secure further formal IMF support. Beginning in mid-2014, however, the economy came under severe stress as global oil demand and prices suffered a downturn, leading to a heavy slump in exports and state revenue. With the need for economic and export diversification more evident than ever, the Republic of the Congo elected, along with other Central African Economic and Monetary Community (CEMAC) countries, to approach the IMF for support.

Though 2017/2018 saw a recovery in revenues, declining production and revenues through much of 2019 and 2020 forced the Republic of the Congo to seek further relief from the IMF as well as a restructuring of the country's significant debt to China. In the current review period, oil prices have increased, allowing for a recovery of revenues despite declining production. Non-oil sectors have experienced growth. However, the Republic of the Congo has yet to genuinely pursue diversification, which has limited the country's economic transformation. Furthermore, the corruption endemic to the country's resource sectors continues to delegitimize the Sassou Nguesso regime, with decades of ethnoregional cleavages and minimal reinvestment continuing to threaten the country's political transformation.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The government's monopoly on the use of force is largely intact throughout its territory, as formalized in the 2015 constitution, but state responses to criticism, alongside continued uncertainty in enclaves of the Pool region and border regions in the Central African Republic and Democratic Republic of the Congo, indicate continued potential for this to be challenged. Although conflict in the Pool region officially ended in 2018, observers remain concerned about the potential for the resurgence of militia forces.

President Denis Sassou Nguesso was re-elected in March 2021. The government placed substantial limitations on telecommunications and public gatherings in the build-up to the elections, often justified as forming part of COVID-19 precautions. The relative lack of violence surrounding this most recent rubber stamp on Sassou Nguesso's rule, however, was a welcome contrast to previous elections in 2016, which had resulted in government crackdowns on supposed militias in the Pool region and consequent internal displacement of local communities.

Although tensions have generally cooled in neighboring regions in the Central African Republic and Democratic Republic of the Congo, there remains a risk of spillover from regions frequently characterized by civil conflict, such as the Yumbi territory in Mai-Ndombe province of the Democratic Republic of the Congo, particularly surrounding elections. Refugees are typically integrated relatively smoothly, and anti-refugee sentiment is rarely reported.

The two main urban centers of Brazzaville and Pointe Noire are notorious for petty and violent crime, and there have been reports of such instances increasing in the current review period. Such crime is generally concentrated in specific areas or neighborhoods (e.g., Bacongo and Moungali) but observers have noted some increases in petty crime within the main cities.

Question Score

Monopoly on the use of force 7

The constitution guarantees full citizenship rights to everyone born in the Republic of the Congo in principle, but in practice there remain distinct systemic constraints and inequities limiting certain segments' ability to exercise their full citizenship rights.

As in previous review periods, members of Denis Sassou Nguesso's northern Mbochi ethnic group control the majority of the positions of power while Kongo, Teke and Sangha are marginally represented in official settings. Indigenous (Pygmy) peoples are not represented at all, although this does not necessarily represent a violation of their citizenship rights.

According to the government, indigenous (Pygmy) people represent approximately 10% of the country's population, but these peoples have been generally marginalized in society and politics. Law No. 5-2011, adopted in 2019, provided special measures for civil registration, access to basic services and education, as well as promoting increased consultation with indigenous (Pygmy) populations, which may represent encouraging progress in this regard, although progress on implementation has been slowed by the COVID-19 pandemic and lack of government will.

State legitimacy is fundamentally undermined in the Republic of the Congo by the continued concentration of high-level positions held by Sassou Nguesso loyalists, particularly from his northern Mbochi ethnic group and home Cuvette region. This marginalizes other peoples, particularly indigenous groups and peoples from the southern regions, limiting the support or legitimacy the state can derive from these groups.

The Republic of the Congo is mostly Christian, and most elites are Catholic, but the state remains constitutionally and functionally secular, and there is a prohibition in principle and practice on the interference of religious dogma with political operations.

Precise recent demographic data remains largely unavailable, but approximately 90% of the population are Christian, around two-thirds of which are Catholic. The remaining third is largely comprised of Protestant, Evangelical, and Pentecostal worshippers. Around 2% to 3% of the population are Muslim and the remaining 7% to 8% are animist. It is not uncommon for traditional religious dogmas to be combined with Christian or Muslim dogmas, particularly in rural areas.

The Republic of the Congo remains one of the states in Africa in which discrimination based on religious differences is nearly nonexistent, with most political tensions and rivalries attributable to ethnoregional clashes.



No interference of religious dogmas 10 ^{'06} 9 ^{'24} 10 As in previous review periods, the Republic of the Congo's basic administrative structures are constrained by the continued ethnoregional favoritism implemented by the Sassou Nguesso regime, the impact of high-level corruption, and weak administrative linkages with rural areas.

Government administration was heavily criticized during the present review period regarding its response to COVID-19 and specifically the frequency of drug shortages, lack of pay, and lack of PPE noted by domestic health personnel. Hospitals including the Brazzaville University and Hospital Center also encountered shortages of water and electricity among other facility and equipment issues, all attributed to central administrative weaknesses. On June 18, 2021, health workers at Edith Lucie Bongo Ondimba General Hospital in Oyo went on strike, citing a lack of payment.

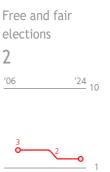
Investment in health care and other basic administrative services has largely been targeted at Sassou Nguesso's home Cuvette region in the north of the country, as well as the main cities of Brazzaville and Pointe Noire, leaving other regions, including the recovering Pool region surrounding Brazzaville, comparatively lacking in basic services. There has been severe flooding in northern regions, including Cuvette, during the current review period, with around 165,000 persons across 23 districts estimated to have been affected as of December 2022. This has revealed distinct limitations in government responses and has resulted in mass displacement as well as some loss of life.

Only about 46% of the population has access to a safely managed water source, while only 20.5% have access to at least basic sanitation services. Around 50% are without access to electricity. Further limitations in basic administrative functions have been revealed by recent flooding and the COVID-19 pandemic, and UNICEF noted that approximately 10% of households were without access to health care due to the pandemic. UNICEF has also noted rising vaccine shortages in the Republic of the Congo, particularly for measles and yellow fever.

2 | Political Participation

Denis Sassou Nguesso was re-elected president of the Republic of the Congo in March 2021, extending a reign that began in 1979 and was only interrupted for five years between 1992 and 1997. He has now been re-elected four times since regaining power in 1997: in 2002, 2009, 2016 and 2021. Each of these has been accompanied by widespread accusations of fraud, intimidation, and favoritism to stifle opposition and maintain the rule of Sassou Nguesso and the ruling PCT party. Although the constitution legally guarantees free and fair elections and universal suffrage, the regime has manufactured, through mechanisms such as the 2015 constitution that removed term and age limits for presidential candidates to allow Sassou Nguesso to retain his position, a highly centralized autocracy with all key ministerial, legislative, and judiciary positions held by those loyal to the president. According to the U.S.

Basic administration 4 $\frac{'06}{24}$ 10



State Department, international electoral observers reported instances of fraud that benefited candidate President Denis Sassou Nguesso of the ruling PCT, such as ballot-box stuffing and multiple voting by soldiers. The government also enjoyed an incumbent advantage during campaigns.

Sassou Nguesso officially received 88.5% of the vote in the March 2021 election on 72% voter turnout, with at least three regions citing 100% turnout. Some opposition parties, including UPADS led by Pascal Tsaty Mabiala and the National Council for Republics led by former militia leader Pastor Ntoumi, boycotted the election, citing the advantage of the incumbent. There were some reports of irregularities with the election itself, including inconsistencies in reporting and ballot management, voters pressured to vote for Sassou Nguesso, persons paying for votes, officials impersonated by ruling party loyalists, and limitations on independent observation. Sassou Nguesso's ruling PCT party similarly emerged victorious from the 2022 legislative elections, claiming 111 out of 151 National Assembly seats.

Civil society activists critical of electoral processes or human rights abuses have been targets of judicial harassment, including the arrest in March 2021 of Alexandre Ibacka Dzabana of the Congolese Platform of Human Rights and Democracy NGOs and Chryst Dongui of Ras le Bol following their public criticisms of the electoral process, identification of irregularities therein, and their planning of demonstrations seeking to open a national dialogue. Opposition figures are likewise frequent targets of government abuse surrounding elections, most notably the continued imprisonment of Jean-Marie Michel Mokoko and Andre Okombi Salissa.

President Denis Sassou Nguesso, despite having secured his fourth successive reelection in March 2021, has only ever gained power through force, having emerged victorious from civil conflict in 1979 and 1997. Elections are generally viewed as fraudulent attempts at establishing democratic legitimacy but, given Sassou Nguesso's long reign and personalistic ruling style, the state remains fundamentally autocratic with little to no accountability and no mechanism to remove the president from office. The 2015 constitution removed term limits and age restrictions for presidents, and there are likewise legal protections ensuring the president cannot be tried for acts committed while in office.

There have been few credible efforts at tackling corruption, which remains endemic, with the president and his inner circle frequent targets of accusations alleging the diversion of funds and other corrupt activities. Presidential special adviser Lucien Ebata was arrested by French forces in October 2021 on charges of money laundering, bribery and corruption. In the same month, an apartment belonging to the president's son Denis Christel Sassou Nguesso was seized as part of an ongoing investigation into ill-gotten gains during the latter's time as minister of international cooperation.

Effective power to govern 2 <u>'06</u> '24 10

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Due to the centralization implemented under Denis Sassou Nguesso, there remains a distinct opacity to official operations and the revenues generated by state-owned enterprises, with frequent accusations of corruption and continued debt distress indicating the disproportionate benefits generated and the impact on government revenues and expenditures. A declining debt burden, from 113% of GDP in 2020 to 102% in 2021, further diminishes any veto power that might be operationalized by external actors like the IMF. Domestic actors likewise possess little to no veto powers over the president, with in-kind agreements and other corrupt practices preventing many of the economic benefits from vast natural resource wealth from benefiting the populace and impeding any real incentivization for government policies to be based on voters' desired outcomes.

The 2015 constitution codified freedoms of assembly and speech for all citizens. In practice, these rights to expression and association are frequently ignored by the government in the face of opposition or criticism. Human rights activists Alexandre Ibacka Dzabana and Chryst Dongui were arrested in March 2021 after criticizing the processes surrounding Denis Sassou Nguesso's re-election. Journalists have faced similar reprisals, with Raymond Malonga, director of the satirical newspaper Sel-Piment, arrested and sentenced to six months in prison for defamation in 2021 after publishing an article alleging corruption by members of the president's inner circle. In June 2021, the Congolese Observatory for Human Rights was forced by the government to dismiss its executive director Tresor Nzila Kendet after the publication of a series of reports critical of the country's human rights record. Nzila was replaced by a government loyalist.

Major political parties remain organized along ethnoregional lines, leaving little room for parties based around key ideologies or policies. There is no independent oversight committee, and the Constitutional Court tasked with declaring electoral results is populated by Sassou Nguesso loyalists. Political parties must register with the government, which is frequently accused of arbitrarily delaying or rejecting applications.

Rights to association were restricted during much of the COVID-19 pandemic, which was used as justification for restricting movement and gathering of groups prior to the 2021 presidential election. Digital communications were also restricted during the election period, including censorship of the internet by the government during – and for three days after – the election.

Workers are legally able to form and join independent unions, and have the right to collectively bargain and conduct legal strikes, but in practice these rights are not respected by the government. The government frequently responds violently to strikes, including in May 2021 when civil servants were forcibly dispersed after striking for seven months over unpaid salaries. As is often the case, there has been no investigation into the incident nor have there been any indications that responsible individuals will be reprimanded.

Association / assembly rights 3 ^{'06}^{'24} 10 Freedom of expression (and information) is codified in the constitution for all citizens, political and civil organizations, and the mass media, including online media in the Republic of the Congo. However, the government routinely ignores these when it comes to criticism of the regime, government, or president's inner circle. During the March 2021 election, telecommunications were limited, and there was internet censorship and other restrictions to, and surveillance of, digital media.

Guy Brice Parfait Kolélas, a 2021 presidential candidate who won 8% of the vote in the election and died of COVID-19 the following day, complained of restrictions on his movement during the election cycle, and authorities canceled some campaign events. 2016 presidential candidate Andre Okombi Salissa remains imprisoned.

Raymond Malonga, director of the Sel-Piment newspaper, was arrested while in hospital in February 2021 on defamation charges relating to an article published on regime corruption. Self-censorship is common among journalists, and individuals expressing opinions critical of the government fear reprisals or arbitrary arrest, particularly amidst rising surveillance of private individuals through secret police, local informants, and other tools comprising an extensive surveillance apparatus.

3 | Rule of Law

The 2002 and 2015 constitutions codified formal checks and balances and a separation of powers between the presidency, legislature, and judiciary, but this separation only exists on paper. In reality, the judiciary, National Assembly and Senate, and media are all effectively controlled by Sassou Nguesso and those in his inner circle, ensuring near-complete centralization of authority and decision-making within the executive. The 2015 constitution imposes a limit of three presidential terms, which, in principle, would allow Sassou Nguesso to retain power until 2031, when he would be 88 years old.

Sassou Nguesso's reign was rubber-stamped for the fourth consecutive time in 2021, with the Constitutional Court affirming a landslide victory for the incumbent. Legislative elections go similarly, with the ruling PCT dominating proceedings; in the most recent 2022 legislative elections for the National Assembly, the ruling PCT claimed 111 out of a total of 151 seats, leaving the legislature largely in the hands of Sassou Nguesso and his loyalists.

The mass media is largely in the control of the regime, with the state-run Radiodiffusion Television Congolaise (RTC) and Sassou Nguesso-owned Depeches de Brazzaville key examples. The media thus rarely contradicts the regime, and where journalists are critical of the government, they frequently face reprisals, such as in the case of Raymond Malonga and Augias Ray Malonga, the editor and director of Sel-Piment, respectively.

Freedom of expression 3 '06 ^{′24} – 10



The Republic of the Congo implemented a series of substantial restrictions on large gatherings in response to COVID-19 and used the pandemic as an excuse to extend these restrictions to the election cycle, restricting movement and gatherings, censoring the internet, and placing other limitations on telecommunications. Journalists critical of the government's handling of the pandemic have faced reprisals, and there have been reports of security forces enforcing COVID-19 restrictions using violence. There are thus limited checks and balances or separation of powers in practice in Congo, with the regime operating with near impunity and silencing any significant opposition or criticism.

The 2015 constitution most recently codified an independent judiciary in the Republic of the Congo but the courts, especially the higher courts, generally remain subservient to regime interests. The Constitutional Court and other high-level courts have often been used by Sassou Nguesso as a political tool to target opposition leaders, most recently through the continued imprisonment of Andre Okombi Salissa. The Constitutional Court also plays a major role in the maintenance of Sassou Nguesso's rule more generally, having affirmed his electoral victories to grant a measure of legitimacy to a largely flawed and opaque process.

Lower-level courts in the Republic of the Congo demonstrate greater autonomy from central control or political considerations, particularly in rural areas. Traditional courts at times supplement the limited reach of central government institutions. The political nature of higher courts has overburdened lower-level courts and at times of lower revenue starved them of necessary funds, which is largely symptomatic of broader corruption and the administrative weaknesses outside of major urban areas.

As in previous periods, the Republic of the Congo remains among the most corrupt countries in the world, although its standing in this regard has improved slightly over the previous review period. Although the regime has publicly sought to tackle corruption, there remains a general lack of transparency, particularly surrounding natural resources revenues, and key members of the president's inner circle continue to be accused of siphoning public funds.

Corruption is endemic in the Republic of the Congo and the prosecutions that occur are often politically motivated, while the president and his supporters operate with virtual impunity. Some members of Sassou Nguesso's inner circle have been charged or investigated by foreign forces during the review period, including presidential special adviser Lucien Ebata and Minister of International Cooperation (and son of President Denis Sassou Nguesso) Denis Christel Sassou Nguesso, but such individuals remain immune from domestic prosecution.

Accountability remains virtually nonexistent, and the legislature and judiciary are virtually powerless due to their dependence on the executive and Sassou Nguesso's presence at the heart of complex domestic patronage networks. Other than low-level scapegoats or political enemies, there is little evidence of a desire held by the Independent judiciary 3 <u>'06</u>'24 10

Prosecution of office abuse 3



Congolese state to tackle its most egregious and damaging forms of corruption, even when faced with significant public pressure from CSOs or the Catholic Church. Under the 2015 constitution the president cannot be charged for crimes committed while in office.

As in previous review periods, the de facto activities of the government in the Republic of the Congo do not match its de jure obligation to respect its citizens' civil and human rights. Opposition to the regime is frequently suppressed, including student and public sector employee protests and demonstrations in response to lack of payment and other administrative shortcomings in 2020 and 2021 surrounding COVID-19 measures. Arbitrary detention of critics or political opponents of the regime is frequently reported by groups like the U.N. Working Group on Arbitrary Detention and Amnesty International, including for instance the return to prison of former 2016 presidential candidate Jean-Marie Michel Mokoko and the detention of Sel-Piment director Raymond Malonga.

Women, children, and ethnic minorities (particularly non-Bantu indigenous peoples/pygmies) are at particular risk of disproportionate treatment by government forces, including reports of abuse, rape, torture, and forced labor. Some minority groups face significant discrimination over employment, housing, and education, including violence committed by members of the majority Bantu population. The government continues to advance the interests of the northern regions over those of the southern areas, leaving the latter lacking necessary health, infrastructure, education and other key services for meeting their basic needs.

Regarding the rights of LGBTQ+ people, the U.S. State Department reports limited violence by government authorities and private citizens against LGBTQ+ persons. Authorities apparently investigated and punished these acts of violence.

4 | Stability of Democratic Institutions

Like in previous review periods, while the Republic of the Congo is constitutionally democratic with, in principle, separation of powers and checks on executive authority (including elections for both the head of state and the legislature), the regime of Denis Sassou Nguesso remains essentially authoritarian with power centralized with the president. The most recent 2021 presidential and 2022 legislative elections merely served to rubber stamp Sassou Nguesso and the ruling PCT's continued reign, and key opposition figures abstained from contesting the presidency after acknowledging the insurmountable electoral advantages wielded by the incumbent. The subsequent landslide victory was undoubtedly fraudulent in nature, with several irregularities and instances of bribery and intimidation noted by observers. Denis Sassou Nguesso has, prior to and throughout the present review period, continued to extend his grasp on power while silencing any opposition.



Performance of democratic

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institutions

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Key actors' commitment to democratic institutions in the Republic of the Congo is nearly nonexistent. President Denis Sassou Nguesso has ruled for all but five years since 1979; is immune from domestic prosecution; controls the legislature, judiciary, and key state-owned enterprises; and has shown a zeal for suppressing dissent through force. Outside of prosecution by individual foreign countries, Sassou Nguesso and his inner circle operate with virtual impunity, exercising strict control over the country's political, economic, and social institutions. There remain few avenues for civil society or citizens to challenge the regime or shape its actions. The government took advantage of the COVID-19 pandemic to limit gatherings and restrict movement, powers that were then employed during the election cycle.

Opposition parties and civil society actors may be more committed to the democratic institutions, in name only, but practically they do not command any influence.

5 | Political and Social Integration

The Republic of the Congo formally transitioned to a multiparty democracy in 1990. This included the formation of over 100 parties, but the organization of political parties is highly regionalized and based on ethnic loyalties. Since the return to power of Denis Sassou Nguesso and the subsequent dominance of his ruling PCT, new political parties must register with the government to operate. In 2021, only 55 of the 200 existing parties were granted official recognition. Historically, opposition has been offered by UPADS, but this party as well as the National Council of Republicans boycotted the 2021 presidential election. The ruling PCT won 111 of the 151 available seats in the National Assembly in the July 2022 legislative elections, with the next largest party being UPADS with 7 seats. Volatility is relatively limited given the dominance of the PCT, and ideological polarization is rather absent as party programs and ideologies are reported to be rather irrelevant. Given the nature of the regime, at least in the PCT (but arguably also in the other parties), clientelism is a strong feature of the political party system.







As in previous review periods, civil society organizations, interest groups, and NGOs are legally protected and function to a certain extent in the Republic of the Congo. However, their actions and impact, and by extension their cooperation, are hindered by substantial government interference and persecution. The Congolese Observatory of Human Rights (OCDH) serves as perhaps the most valuable group working to challenge the state and push for greater transparency and protection of citizens' human rights, but such groups have often been targets of government reprisal if they are deemed overly critical. OCDH was forced in June 2021 to dismiss its executive director Tresor Nzila Kendet following a series of reports criticizing the country's human rights record. Nzila was replaced by a government loyalist. In March 2021, another prominent human rights activist, Alexandre Ibacka Dzabana, was arrested by police in what is viewed as an arbitrary crackdown on civil society dissent.

Trade unions legally operate and organize in the Republic of the Congo, but union activities are frequently responded to with government force or arrest, and, although some narrow concerns are addressed, the government frequently undermines any progress toward genuine representation or remuneration. Due to the lack of representation in government, women, minority groups, and non-northerners are most at risk. The Catholic Church has at times operated as an important critic of government corruption, but this has rarely resulted in tangible progress. Some efforts have been made, such as in 2019, to improve the societal standing of indigenous (Pygmy) populations, but to date these have been limited in their impact.

There remains no available data on citizens' views on or approval of democratic institutions. Official turnout in the 2021 presidential election was approximately 70%, but unofficial figures are usually closer to 15%, indicating the relative illegitimacy of existing electoral processes and outcomes. This does not mean, however, that there is no desire for genuine democracy in Congo. Frequent protests surrounding elections indicate the citizenry wants genuine political choice and multiparty democracy, whereas low turnout is suggestive of an overall lack of trust in current institutions.

The Republic of the Congo's legacy of state repression and ethnoregional conflict has conditioned, at the national level, substantial societal divisions that impact the political and economic spheres. The Congolese state under Denis Sassou Nguesso actively prioritizes the interests and advancement of peoples from the northern regions, especially Cuvette, at the expense of the more populous southern regions of the country, leaving these peoples and minority groups in the country largely unrepresented and localized. There is social capital to be derived from such forms of local self-organization, however, and these groupings often make up for a relative lack of social capital on the national stage. During the COVID-19 pandemic and recent elections, the government placed significant restrictions on individuals' ability to move around or gather, undermining both large-scale trust and local forms of social capital to some extent.



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II. Economic Transformation

6 | Level of Socioeconomic Development

The economy of the Republic of the Congo continues to be characterized by a dependence on oil for both government revenues and as leverage for additional financing, leaving other sectors of the economy comparatively underdeveloped. However, non-oil sectors are estimated to have grown by 3.5% between 2022 and 2026, compared to 1% growth for the oil sector during the same period. The total unemployment rate is estimated at 23% of the labor force, while 34% of those employed work in agriculture, 21% in industry, and around 45% in services. Already high unemployment rates were exacerbated by the COVID-19 pandemic.

GDP growth was estimated at around 2% in 2022 after having contracted by about 1% in 2021 and is expected to grow by around 4% on average in 2023 and 2024. A decline in oil production was a key factor in the 2021 figures and accompanied an overall economic decline associated with the COVID-19 pandemic, which prompted an increase in unemployment over the previous review periods. The Republic of the Congo remains in debt distress, but higher oil prices, debt restructuring with external creditors, and improved overall debt management have seen a reduction in public debt from 113% of GDP in 2020 to 102% at the end of 2021.

According to the UNDP's Human Development Index (HDI), the Republic of the Congo recorded an HDI score of 0.571, indicating a "medium" level of human development. The country ranked 153 out of 189 countries in the HDI. Even in times of economic surplus or high oil revenues, the Republic of the Congo has demonstrated little ability to alter its HDI score over the years, as the benefits from key sectors rarely impact the day-to-day lives of citizens. Extreme poverty is estimated to have increased from 50.2% of the population in 2020 to 52% in 2021, in the face of declining revenues and oil production, and food prices have increased by about 3.4%, exacerbating food insecurity.

Although data is sparse, inequality remains a significant issue in the Republic of the Congo, with a Gini coefficient of 48.9 and an overall loss in HDI due to inequality of 24.3%. The country's IHDI was 0.432, with inequality in life expectancy at 21%, inequality in education at 20.9%, and inequality in income at 31%. The Republic of the Congo scored 0.564 on the Gender Inequality Index. The income share of the top 10% is 37.9% of total income, compared to 4.2% for the bottom 20%. As in previous reports, the Republic of the Congo remains a country characterized by a lack of economic diversification, industrialization, or redistribution, leaving much of the population dependent on subsistence sectors and more than half of the population in

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extreme poverty. Meanwhile, the country's elites, including President Denis Sassou Nguesso, enjoy the benefits of wealth derived from ill-gotten gains related to the country's key economic sectors.

Economic indicators		2019	2020	2021	2022
GDP	\$ M	12750.3	10483.2	13366.2	14615.5
GDP growth	%	-0.1	-6.2	-2.2	1.5
Inflation (CPI)	%	2.2	1.8	1.7	3.0
Unemployment	%	20.6	22.5	22.2	21.8
Foreign direct investment	% of GDP	-11.2	-18.9	4.0	3.6
Export growth	%	7.4	-11.1	-12.2	-0.9
Import growth	%	3.2	-36.3	2.5	4.8
Current account balance	\$ M	1632.4	1440.6	-	-
Public debt	% of GDP	77.6	102.5	97.8	92.5
External debt	\$ M	5353.4	5305.8	6965.7	-
Total debt service	\$ M	547.2	721.3	463.0	-
Net lending/borrowing	% of GDP	-	-		-
Tax revenue	% of GDP	7.8	9.1	-	-
Government consumption	% of GDP	13.3	19.1	19.1	15.4
Public education spending	% of GDP	3.6	4.6	3.7	3.0
Public health spending	% of GDP	1.1	1.9	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	2.3	2.9	2.5	1.8

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

The Republic of the Congo, despite assurances to the IMF and other creditors, has generally failed to follow through on diversifying its economy or tackling corruption. China is Congo's key external creditor and recently restructured its agreement with the country but does not demand structural assurances given its focus on accessing natural resources. The economy remains dominated by state-owned enterprises, particularly the state oil company SNPC, which wields significant influence over key sectors.

The Republic of the Congo scored 48.5 in the Heritage Foundation's 2022 Index of Economic Freedom, ranking 155 out of 177 scored countries and 37 out of 47 sub-Saharan African states. Therefore, the country is considered to be below global and regional averages in economic freedom, despite its improved score and rankings from the previous review period. The Republic of the Congo performs especially poorly in property rights, judicial effectiveness, government integrity, business freedom, labor freedom, investment freedom, and financial freedom.

As in previous reporting periods, the Republic of the Congo remains highly dependent on informal and subsistence employment, which accounts for over 80% of total employment. Weak infrastructure, including limited and unequal access to the internet and electricity, along with poor education systems, continues to hinder the country's socioeconomic development.

There is no available information on antitrust or monopoly legislation in the Republic of the Congo, but there is clear evidence of corruption and monopolistic behavior, most notably by the state-owned oil company SNPC. Freedom House scores the Republic of the Congo 0 out of 4 on both transparency and safeguards against corruption, and the country remains a highly corrupt country characterized by monopolistic SOEs and a concentration of revenue from key sectors in the hands of a limited set of actors in the president's inner circle.

The Republic of the Congo is not a member of the International Competition Network.

The Republic of the Congo remains dependent on foreign trade, but this dependence has declined since previous reporting periods. Total trade equaled 96% of GDP in 2021, but there remain tariff and nontariff barriers to full liberalization in Congo. The trade-weighted average tariff rate is 11.8%. Inward foreign direct investment (FDI) was 27.6% of GDP in 2021, and the government's openness to foreign investment was below average. Many observers consider the investment framework to be inadequate. Current data on the simple average most favored nation (MFN) applied tariff is not available; however, it stood at 11.4% in 2016.







The financial systems in the Republic of the Congo are underdeveloped and dominated by banks, as are key infrastructural systems, which prevents significant foreign investment or trade outside key extractive sectors. Promised moves toward diversification and liberalization have been slow to materialize, despite the Republic of the Congo being a member of the WTO since 1997, and a lack of systemic progress and transparency surrounding key industries likewise prevents significant increases in investment or trade.

Generally, the banking system and capital market are rather poorly differentiated; regulatory and supervisory requirements do not conform to the standards as defined in the Basel Accords. As in previous review periods, banking penetration in the Republic of the Congo remains limited, and the total number of active commercial banks in the country stands at around 10. Members of the Sassou Nguesso family own the country's largest bank, BGFI Congo, while others are predominantly owned by foreign interests, particularly from France and Morocco. The country does not have a stock exchange, and its monetary policy is determined by the central bank of the Central African States (BEAC), which is part of CEMAC. Jean-Dominique Okemba, the head of BGFIBank, who is known to be involved in corruption in the Democratic Republic of the Congo.

Banking penetration is estimated to be between 5% and 7%. The bank capital-toassets ratio was 10.1% in 2020, and 17.5% of bank loans were nonperforming. The country's financial system, as a whole, remains underdeveloped and is dominated by a small number of commercial banks. The level of financial intermediation is low, and progress has been limited due to endemic corruption and a lack of transparency. There are also restrictions on growth and innovation in microfinance and electronic banking.

8 | Monetary and fiscal stability

The Republic of the Congo is a member of CEMAC and the CFA franc zone, which places monetary policy control largely in the hands of foreign actors. This arrangement provides a certain stability to the state's financial system and exchange rates. Nevertheless, inflation fluctuates regularly, ranging from 7.5% in 2009 to 0.45% in 2017. In 2021, inflation (CPI) was 1.7% and headline inflation was 2.0%. Food prices rose by 3.4% due to pressure from the COVID-19 pandemic and the Russian invasion of Ukraine.

Although still in debt distress, the Republic of the Congo has been party to recent debt restructuring agreements and has benefited from higher oil prices. The Russian invasion of Ukraine and ongoing impacts from the pandemic represent inflationary pressures on the economy, but a lower debt burden and higher oil prices are likely to boost Congo's economic recovery in the short term.





There are no legal restrictions on foreign exchange, including the conversion, transfer, or repatriation of funds, and large transfers (e.g., over \$10,000) must be recorded as per CEMAC regulations. Foreign exchange is widely available, and the CFA franc is fully convertible at a fixed exchange rate (\notin 1 to CFA 655.957). However, limitations in terms of physical banks and ATMs continue to hinder banking access.

Despite high oil prices and projected GDP growth averaging 4% in 2023 and 2024, the Republic of the Congo encountered a budget deficit of -1.7% in 2020 (which turned into a surplus of 1.4% in 2021) and remains in debt distress. In 2020, its total external debt amounted to \$5.253 billion according to the World Bank, while the IMF estimated its public debt to be 103.6% of GDP in 2021. Total debt service in 2020 reached \$739.2 million, the highest it has been since at least 2010. The country is a net borrower, with a deficit of -2.4% of its GDP. As per the latest available data from 2019, its total reserves stood at \$988.3 million, up from \$423.6 million in 2018. The Republic of the Congo continues to face persistent fiscal uncertainties, mainly driven by its ongoing debt distress, financial mismanagement, and reliance on volatile oil markets. There is no evidence of a sustainable debt management approach.

9 | Private Property

There is a codified process for the acquisition and retention of private property, but this is often not followed, and the government faces frequent accusations of mishandling real property transactions. As a member of CEMAC, the Republic of the Congo is automatically a member of the African Intellectual Property Organization (AIPO), and as a WTO member, the country is likewise formally required to protect IP.

Property and resources in key sectors remain under the control of Denis Sassou Nguesso and his state apparatus, and state-owned enterprises (SOEs) are frequently accused of corruption and money laundering, and generally lack transparency or oversight in their handling of vital resources. Contract terms are likewise not transparent, and the judiciary and other enforcement mechanisms are subject to corrupt political influence. In summary, property rights in the Republic of the Congo are protected only insofar as they do not challenge the regime's ability to control the marketplace and key sectors therein through SOEs and other mechanisms.

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Private enterprise in the Republic of the Congo is limited due to the dominance of state-owned enterprises (SOEs), particularly in the extractive sector, as well as a lack of diversification and transparency in essential processes. Public investment is primarily directed toward key extractive, banking, and tourism sectors, with little advancement in privatization or reducing corruption in order to foster a more conducive environment for investors.

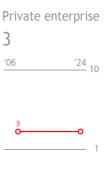
Taxes on income, profit, and capital gains accounted for 37.3% of all taxes in 2020 (most recent data). Corporate tax rates stand at 30%, down from 35% in the period 2013 to 2020.

10 | Welfare Regime

Although socioeconomic conditions have generally improved in the Republic of the Congo over the past decade, and the recent decline in debt burden and rise in oil prices may lead to increased public expenditure, social expenditures in the Republic of the Congo have been relatively stagnant for several years. Public expenditure on health represented 0.8% of GDP in 2019 (the most recent data), and life expectancy at birth was 64.8 in 2020. The Republic of the Congo's human capital index score was 0.42, and the country has generally made little recent progress in health or education. Infant mortality remains high at 33 deaths per 1,000 live births, and approximately 10% of households reported not having access to health care due to the COVID-19 pandemic. According to UNICEF, 8.2% of children under 5 suffer from malnutrition, including 2.6% who suffer from Severe Acute Malnutrition (SAM).

Extreme poverty has increased to 52%, and 67% of the population lives below the poverty line. 60% lack access to electricity, and there are limited overall social safety nets in place to improve citizens' socioeconomic standing. An estimated 27.7% of youth in the country are not in education, employment, or training. Only 30% of primary school children have attained the required proficiency in math. The figure is 40% for the French language. In summary, social safety nets and key programs are limited in the Republic of the Congo and are generally centered on select workers in key sectors. Climatic threats, including severe flooding, rising food prices, and the growth of poverty in recent years, all indicate a lack of genuine social protections for the most vulnerable.

There is no real equality of opportunity in the Republic of the Congo in employment, education, or public office. Women hold just 17 out of 151 National Assembly seats and 13 out of 72 seats in the Senate. Women make up 49.4% of the labor force but continue to face discrimination in employment and education. Female literacy, according to the most recent data (2018), was 74.6%, compared to 86.1% for males. In the Gender Parity Index (GPI), the country scored 1.0 in primary education, 0.9 in secondary, and 0.7 in tertiary, indicating a growing disadvantage for girls as they progress through the educational stages.









Refugees and foreign workers often face discrimination and harassment, as well as legal restrictions on certain jobs. Minority ethnic groups, especially indigenous (Pygmy) peoples and southerners, experience severe employment discrimination, with a preference shown to northerners. In some cases, these groups are even forced into labor by the majority Bantu. Congolese politics is heavily influenced by ethnic favoritism, which perpetuates domestic divisions. Consequently, Sassou Nguesso's ethnoregional allies in the northern region have been prioritized, leading to increased marginalization of southern and minority ethnic groups.

11 | Economic Performance

While oil production has continued to slow and the Republic of the Congo remains in debt distress, the rise of oil prices in the present review period has helped stabilize the economy and lower the overall debt burden. GDP per capita growth was -5.9% in 2021, up slightly from -8.6% in 2020. The Republic of the Congo's GDP was \$12.524 billion, and GDP per capita stood at \$3,617 (PPP) in 2021.

In 2021, inflation was at 1.7%, and unemployment stood at 23%. Public debt in 2021 stood at 103.6% of GDP, down from 114% in 2020, amid restructuring and higher oil prices. The country is a net borrower, with a deficit of -2.4% of GDP. Tax revenues amounted to only 8.9% of GDP, and gross capital formation in 2019 equated to 24.1% of GDP. FDI net inflows in 2020 amounted to -18.9% of GDP.

The Republic of the Congo's current account balance was estimated at 13.7% of GDP in 2020, up from 12.8% in 2019. Oil production growth has been slow, at -8.5% in 2020 and -2.9% in 2021, which is, in part, due to the pandemic but also part of a larger pattern as the Republic of the Congo becomes increasingly mindful of its diminishing reserves. Non-oil growth is expected to gradually pick up, and it was estimated to have improved from -8% in 2020 to 0.9% in 2021.

Overall, the economic outlook for the Republic of the Congo is mixed but overall negative. Extreme poverty has increased in the current review period to 52%, and 67% of the population live in poverty, despite projected GDP growth of 4% for 2023 and 2024 and a decreasing debt burden. This reflects an overall unwillingness on the part of the government to develop in the necessary ways to promote efficient and effective resource distribution. As oil production slows, the growth of non-oil sectors will be crucial, and the lack of genuine diversification has thus far hindered the country's progress in reducing its debt burden or developing its economy.



12 | Sustainability

More than half of the Republic of the Congo's land is covered in forests, and the total forested area has only declined by approximately 1.7% between 1990 and 2015, despite the importance of the timber industry behind oil. Carbon dioxide emissions stood at 1.3 metric tons per capita in 2019, slightly higher than in previous years. As in previous review periods, renewable energies, particularly hydropower, meet approximately 60% of electricity consumption in Congo, with the remaining 40% supplied by fossil fuels. Given the state-run nature of the country's utilities, these figures can be viewed as a direct result of government policy.

Flooding, climate change, soil degradation, and pollution continue to pose significant challenges. During the current review period, severe flooding in several regions of the country prompted widespread displacement and property damage, as well as generating broader impacts such as soil erosion and groundwater contamination. The lack of transparency and regulation in extractive industries poses further risks to the country's environmental health and ecosystems.

The Republic of the Congo's 2021 Red List Index score was 0.966, indicating that almost none of its species are at risk of extinction. According to the most recent (2015) U.N. data, 119 species were threatened by extinction, which is an increase from 10 species in 2013. The country has demonstrated a willingness to sign onto key agreements, such as the 2015 Paris Agreement and the 2018 Brazzaville Declaration, and has worked with external partners including the UN, WWF, and neighboring Democratic Republic of the Congo to protect its vital forests and the world's largest tropical peatlands. However, these efforts have yielded mixed results.

The Republic of the Congo ranked 99 out of 180 countries in the 2022 Environmental Performance Index, scoring 40.1, which is an increase over the previous review period. The country's performance in the EPI was particularly hindered by poor performance in marine protected areas (ranked 119 out of 180), grassland loss (130), NOx growth rate (129), and overall health (161), including poor performance throughout indicators for air quality (167), sanitation and drinking water (152), and waste management (115). The country does perform well in climate policy ratings (ranked 68 out of 180), indicating a possible cause for optimism about the future.

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As in previous review periods, the provision of funding for institutions for education and R&D in the Republic of the Congo remains limited, although public expenditure on education has increased since the previous review period. Public expenditure on education was 4.4% of GDP in 2020, up from 3.6% in 2019 and 3.0% in 2018.

The Republic of the Congo scored 0.548 in the U.N. Education Index in 2021, a slight increase over previous years. Gross primary school enrollment was 94% in 2018 (most recent data), while gross secondary enrollment was 66% in the same year, and gross tertiary enrollment was 13% in 2017 (most recent data). Congo's primary completion rate was 67% and its lower secondary completion rate was 63.3% in 2018. There were 130,688 children not in primary school in 2018, according to UNESCO.

Adult literacy in the Republic of the Congo stood at 81% in 2021, with adult male literacy at 86% and adult female literacy at 75%. There remain significant barriers to education for women, those in rural areas, indigenous populations, and the elderly. Although literacy has improved since the previous review period, the Republic of the Congo remains a country whose service output in areas such as education will vary significantly depending on the economic conditions of the country. Given recent growth, a declining debt burden, and increased oil prices, it is perhaps not surprising that literacy has shown marginal improvement in recent years.

As in previous reports, there is no available data on R&D expenditures by the government and as such these can be assumed to be minimal. The government has shown little interest in diversifying or in any way changing how its economy operates, so it is unlikely that there have been any major steps in this regard other than for key extractive industries. Infrastructure improvements can at times act as a proxy for R&D efforts, but with the most recent figures indicating only 9% of the population have access to the internet, the impact from these areas is also likely to be minimal. Despite limited improvements in literacy and education metrics, the Republic of the Congo under Denis Sassou Nguesso has shown little genuine effort to improve the education and training of its populace.

Governance

I. Level of Difficulty

Due to the Republic of the Congo's dependence on oil, the present review period has seen something of an economic recovery amidst rising oil prices, despite declining domestic production. This has resulted in economic growth and a lowering of the country's overall debt burden, but the Republic of the Congo remains in debt distress as it has frequently relied upon external creditors like the IMF and China in times of economic crisis. Short-term prospects are somewhat more encouraging than previous review periods, but distinct structural constraints remain in place and will limit medium-term prospects.

As in the previous review period, the Republic of the Congo has been in good standing with the Extractive Industries Transparency Initiative (EITI) since 2019 and is considered to have made meaningful progress toward improving transparency in its extractive industries. Rumors persist, however, that the EITI's local director is a well-known regime loyalist, who himself is said to be part of illegal practices. Endemic corruption and the dominance of the market by the state-run SNPC and external patrons continue to limit the extent to which the country is able to improve in this regard or diversify its economy.

Despite contracting in 2020, non-oil sectors experienced positive growth in 2021 and 2022 and are predicted to grow on average by approximately 3.5% between 2023 and 2026. Nevertheless, the non-oil primary deficit in 2021 was estimated to have widened to 17% of non-oil GDP, largely due to increased public spending on social assistance, health care, education, and infrastructure. A lack of measures aimed at thorough privatization and diversification have thus far hindered the Republic of the Congo's ability to generate sustained benefits from economic recovery.

Severe flooding and other climatic pressures, in addition to the COVID-19 pandemic and economic uncertainty, present distinct structural constraints in Congo, particularly in the form of internal displacement and a growing share of the population living in extreme poverty. Outside of its dependence on oil, the Republic of the Congo remains heavily dependent on external loans and assistance and on trade for key basic commodities not produced domestically, particularly food. These limit the overall sustainability and self-sufficiency of the Republic of the Congo as well as its ability to actively pursue socioeconomic development. Structural constraints $6^{\frac{06}{24}}$ 10

Traditions of civil society are quite weak, and, relatedly, social trust is relatively low. The operation of civil society in the Republic of the Congo continues to be limited by endemic corruption and the repressive nature of the regime under Denis Sassou Nguesso. There are numerous CSOs operating in the country, many under an umbrella organization (PCPA Congo), but domestic groups continue to face intimidation, repression, arbitrary imprisonment, arrest and torture.

During the current review period, several influential representatives of domestic civil society organizations (CSOs) have faced arbitrary arrest or other forms of judicial harassment. Alexandre Ibacka Dzabana, the coordinator of the Congolese Platform of Human Rights and Democracy NGOs, and Chryst Dongui, the vice president of Ras le Bol, were both apprehended in March 2021 after voicing criticism of the government's human rights track record. In June 2021, the government compelled the Congolese Observatory for Human Rights (OCDH), the most active human rights non-government organization (NGO) in Congo, to dismiss its executive director Tresor Nzila Kendet, following the organization's publication of reports scrutinizing the government's human rights record.

Freedom House thus classifies the Republic of the Congo to be "not free," giving it only 17 out of 100 points, which is even lower than the score of 20 in the previous year. The repression and corruption operationalized by the regime have generally undermined the impact of a relatively active civil society, with the underlying motivation of the regime to maintain current distributions of power and resources. The government limited gatherings, censored the internet, and restricted telecommunications during the latest election cycles, a strategy that has frequently been used to suppress any major opposition or criticism of the regime.

Protests and strikes are often dispersed using force, and journalists frequently face arbitrary harassment or detention. Local or village-based CSOs are generally limited in their impact, while national CSOs are subject to government harassment and abuse. The concerns of minority, indigenous (Pygmy), and southern groups are largely ignored in official policy, with ethnoregional cleavages still dominating Congolese politics and the priorities of the state.

The Republic of the Congo has a long history of ethnoregional cleavages and domestic conflict, most recently the Pool region conflict (2016 - 2018) that displaced over 100,000 people. Although these divisions still exist, in the present period tensions have cooled as President Denis Sassou Nguesso and his regime have solidified their reign and consistently repressed or co-opted opposition figures. Key opposition figures from the 2016 presidential election Marie Michel Mokoko and Andre Okombi Salissa were sentenced in 2018 and 2019 respectively, for threatening state security and remain imprisoned, making clear the extent to which the regime will go to silence opposition.

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Activists, journalists, and political opponents have all levied accusations of torture against the government, and there have been reports of deaths of such figures while in custody. Although the Republic of the Congo is not currently in the midst of conflict, there are credible reports of violence perpetrated by the regime against segments of the population. This has included a heavy presence of police, gendarmerie, and other government forces at election polling locations. Leading opposition parties UPADS and the National Council of Republicans both boycotted the 2021 presidential elections, allowing Sassou Nguesso and the ruling PCT to retain their stranglehold on the country and its resources.

There remains the risk of conflict spillover from neighboring the Central African Republic or Democratic Republic of the Congo, but this risk is not high in the present review period. Under such circumstances, refugees are generally not met with hostilities, although in the past anti-Muslim rhetoric has been reported. The primary cleavages within the country remain centered on domestic cleavages surrounding ethnoregional conflicts and favoritism, breeding animosity toward the regime that has in the recent past resulted in civil conflict within specific enclaves, most notably the Pool region surrounding the capital city of Brazzaville.

II. Governance Performance

14 | Steering Capability

The political leadership maintains a position of supremacy in the Republic of the Congo's most important economic sectors and utilities, as well as its political systems, which allows the regime to freely formulate and implement key priorities while suppressing opposition. However, priorities are set primarily at a formal level and are often more rhetorical than substantive.

For instance, the government of the Republic of the Congo rhetorically commits to a strategy of diversification and development, but to date, progress in this direction has been limited. Oil production is likely to continue to decline, but the government has not taken significant measures to strengthen non-oil sectors or privatize its interests in key extractive sectors. Although the country's debt burden has declined in recent years, the Republic of the Congo remains in debt distress due to its tendency to rely on support from external creditors during times of economic decline, often leveraging support against future oil revenues.

Endemic corruption and a lack of transparency in key industries have limited the impact of pressure on the government by domestic CSOs or international groups like the IMF or World Bank. The economy contracted significantly during the COVID-19 pandemic, and despite positive growth in the current period, the Republic of the

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Congo remains in economic recovery and at risk of crisis if global oil prices decline. The government's failure to form a coherent strategy for diversification away from a reliance on oil has left the economy in a state of overall uncertainty and volatility.

Access to key infrastructure and utilities, such as the internet, electricity, clean water, and sanitation, remains limited, especially in rural areas, which has restricted the overall depth of development experienced by the population. Most infrastructure and development projects focus on the key urban areas of Brazzaville and Pointe Noire, as well as Sassou Nguesso's home region of Cuvette in the north, leaving the remainder of the country highly vulnerable. The government frequently restricts telecommunications access and has previously damaged key infrastructure during crackdowns, such as the one in the Pool region. Severe flooding in several regions has led to widespread displacement, and government responses have been insufficient in addressing this issue.

As in previous review periods, the government rhetorically commits to diversification, socioeconomic development and ecological sustainability, but real progress in these areas has generally been limited. The government has signed specific agreements for preserving the environment, but emissions and other key metrics have remained largely unchanged over the past decade. Despite some recent economic growth, the benefits from these resources rarely reach the majority of the population.

External pressure to improve transparency and efficiency or tackle corruption has failed to result in more than rhetorical commitments or scapegoating, with the clientelist network surrounding President Denis Sassou Nguesso continuing to dominate key markets and institutions. Non-oil sectors have experienced some growth amidst declining oil production, but in the absence of concerted efforts to diversify the economy the impact from this growth on overall development is likely to be limited.

Although the Republic of the Congo's debt burden has declined, pro-cyclical fiscal and spending policies continue to undermine the government's ability to respond to crises or insulate itself from economic volatility. During the current review period, higher global oil prices have promoted economic recovery and growth in non-oil sectors, but the benefits from such periods rarely reach the general population. Despite declining levels, the Republic of the Congo remains heavily indebted, and, historically, the country has responded to economic crises with unsustainable policies of borrowing and leveraging future revenues.

A lack of progress in tackling corruption, economic diversification, or improving sustainability have limited the Republic of the Congo's progress toward socioeconomic development, and government priorities remain centered on oil and other key extractive sectors despite the growth of non-oil sectors. The availability of public services generally remains low, and human rights CSOs campaigning in the Implementation 3 $\frac{^{\prime 06}}{^{\prime 24}}$ 10



country have frequently faced abuse from the government in contrast to its rhetorical commitments. Extreme poverty has increased in the present review period, and flooding in much of the country has resulted in significant internal displacement. The Republic of the Congo, overall, has shown little ability or willingness to learn key policy lessons or improve its operations to enable the pursuit of key long-term objectives.

15 | Resource Efficiency

As in previous review periods, the Republic of the Congo is characterized by an inefficient use of domestic resources, particularly due to high levels of corruption and indebtedness, dependence on extractive industries (especially oil), and minimal reinvestment or diversification. Oil production has been declining as existing reserves approach exhaustion. Overall indebtedness has declined from previous review periods due to the recovery of global oil prices. Benefits from economic growth rarely translate to social or economic progress for the majority of citizens in the country.

Corruption, a lack of transparency, and frequent high-level turnover in public administration and the management of domestic resources continue to impede efficiency and limit development. Presidential special adviser Lucien Ebata was arrested by French forces in October 2021 on charges of money laundering, bribery and corruption. In the same month, an apartment belonging to the president's son, Denis Christel Sassou Nguesso, was seized as part of an ongoing investigation into ill-gotten gains during the latter's role as minister of international cooperation. Similar charges have been levied against the president's daughter and other members of his inner circle in recent years. The government has thus made limited progress toward more efficient use of domestic resources in the current review period, but in the short term has improved debt management. A recovery in oil revenues and the growth of non-oil sectors could promote greater efficiency if the government were to follow through on its rhetorical commitments.

The Republic of the Congo remains centered on a personalistic and highly centralized state through which clientelist networks surrounding President Denis Sassou Nguesso dominate key markets, siphon off public funds, and limit the overall effectiveness and coherence of government policies and coordination. SOEs nearly monopolistic status maintain within key industries, and ethnoregional cleavages dictate the flow of revenues and benefits, with vested interests and key urban centers the primary recipients of economic benefits in times of recovery such as the present period. A lack of transparency or privatization in key industries limits accountability or enforcement of policies, and stated commitments to diversification and privatization have thus far not been implemented sufficiently. With the overall debt burden declining, the leverage organizations such as the IMF might hold over government policies is likely to remain limited in the short term, leaving the government to continue in its overall pattern of ignoring those rhetorical commitments that might challenge its established status quo.

Efficient use of assets 3 $\frac{'06}{24}$ 10



The Republic of the Congo remains one of the most corrupt countries in the world under the reign of President Denis Sassou Nguesso. The president and his inner circle operate with near impunity domestically, but their damaging behaviors have at times been highlighted by foreign actors, most recently the arrest of presidential special adviser Lucien Ebata by French authorities in October 2021 and the seizure of an apartment belonging to the president's son Denis Christel Sassou Nguesso in the same month. The true extent of corruption and its impact on domestic resources is immeasurable but remains among the key obstacles to the Republic of the Congo's long-term development.

The country is party to both the African Peer Review Mechanism (ARPM) and Extractive Industries Transparency Initiative (EITI), which explicitly aim at fighting corruption. It remains to be seen if the recent period of economic growth will see the same government corruption and irresponsible use of resources as earlier periods of high revenue. Groups like CEMAC, the IMF, and the World Bank offer some pushback or guidance, but particularly in times of lessened debt burden, such as the current review period, the government has generally been reluctant to go beyond scapegoating or rhetorical commitments in its efforts to fight corruption. A recovery in oil prices and growth in non-oil sectors is only likely to exacerbate these patterns in the short to medium term.

16 | Consensus-Building

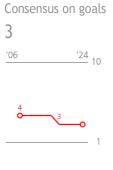
Denis Sassou Nguesso was re-elected president in 2021, and his ruling PCT party maintained an insurmountable legislative advantage in the 2022 elections, thus continuing a pattern of rule that commenced in 1979. The only interruption to this pattern occurred during a five-year transition to multiparty elections from 1992 to 1997. The 2021 and 2022 elections were widely regarded as fraudulent, as the main opposition parties boycotted them. During the election cycle, the government employed force and intimidation, which included restricting internet access and large gatherings. Additionally, two prominent opposition candidates from the 2016 presidential elections remain incarcerated. Despite a professed commitment to multiparty democracy, the government in the Republic of the Congo continues to operate primarily under single-party rule. The regime of Denis Sassou Nguesso remains highly personalized and centralized, with minimal executive oversight. Furthermore, there are no mechanisms in place to remove the president from office or to prosecute him for any crimes committed while in power, nor are there any restrictions on presidential age or terms.

In the present review period, the Republic of the Congo has experienced a partial economic recovery as increased oil prices have compensated for declining domestic production. Despite favorable economic circumstances, while the country's overall indebtedness has decreased, the country still remains in debt distress and is at perpetual risk of decline or default due to its reliance on volatile global oil markets.

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Although there has been some modest growth in non-oil sectors, a lack of economic diversification continues to hamper long-term prospects, particularly with declining oil output and no immediate indication of new reserves to offset depletion. Moreover, key industries, along with the domestic economy, are dominated by state-owned enterprises (SOEs) and foreign companies, while employment continues to be reliant on the subsistence and informal sectors. It is noteworthy that extreme poverty has increased, with more than half of the population now vulnerable at this level, despite the economic recovery in the current review period.

Given the Republic of the Congo's heavy reliance on trade and loans from external partners, entities like the IMF have previously pressured the state to adopt greater marketization of its economy. However, to date, the Republic of the Congo has made limited overall progress toward genuine economic development in this regard. Considering the current trend of economic growth and declining debt distress in the country, it is unlikely that the government will be incentivized to further diversify or promote marketization in the near future. Nevertheless, during times of economic crisis, the country has shown susceptibility to external actors imposing austerity measures or similar programs aimed at enhancing economic efficiency.

Denis Sassou Nguesso was re-elected president of the Republic of the Congo in 2021, and his ruling PCT party retained and extended its vast legislative control in 2022. The government remains highly personalized and autocratic, with power concentrated in the hands of anti-democratic actors, namely Sassou Nguesso and his inner circle. Opposition parties boycotted recent elections, and key opposition figures remain in prison. The government frequently silences dissent or criticism by activists, journalists, and NGOs, and the present review period saw the arrest of the director of a satirical newspaper and two key human rights activists. Despite an active civil society, the corrupt and highly centralized state under Sassou Nguesso continued to operate with near impunity and to rubber-stamp its reign through fraudulent or otherwise uncompetitive elections.

Although the government has established stronger control over domestic cleavages in comparison to previous review periods, competition and conflict in the Republic of the Congo remain centered on long-standing ethnic and regional cleavages. The government continues to elevate those from President Sassou Nguesso's home region of Cuvette in the north of the country, often at the expense of the more populous south. The military is mostly comprised of ethnic Mbochi, Sassou Nguesso's ethnic group, and the government has increasingly sought to elevate northern regions through infrastructure and other investments, and the promotion of ethnic northerners into key ministerial and military positions. Ethnic Lari and Kongo in the south of the country, meanwhile, are generally excluded and remain vulnerable to government harassment or crackdowns, particularly in the Pool region surrounding Brazzaville. 

Cleavage / conflict management 2





The Republic of the Congo's party system has historically been and remains divided along similar ethnoregional lines, with Sassou Nguesso and his ruling PCT largely drawing support from northern regions and leading opposition in the form of UPADS and MCDDI representing the southern Nibolek (Niari, Bouenza, Lekoumou) and Pool regions, respectively. While violent conflict, most recently in the Pool region, has eased in recent years, this is at least in part due to the regime's efforts to arrest or otherwise suppress key opposition figures and thereby weaken parties representing alternative interests. The government generally lacks democratic legitimacy and, given the historical and persistent nature of these domestic cleavages, has tended to hold onto power as much through force as through manufactured electoral results.

There is a large and functioning civil society in the Republic of the Congo, but the government is notorious for ignoring and silencing domestic CSOs. Groups like the OCDH do important work in challenging the regime on its slow progress on democratization and human rights, but these groups continue to face arbitrary harassment or arrest of key figures. The government continues to face accusations of torturing political prisoners, activists and journalists, and there have been reports of key critics dying while in official custody. Despite attempts at accountability by domestic and international groups, the country's political leadership generally rejects consultation with civil society, particularly in areas critical of the government and key figures therein.

Unlike other countries with a history of civil conflict, including many of its neighbors, the Republic of the Congo never formed a truth and reconciliation commission following its civil war (1997 – 1999), nor did it take any similar measures following the more recent Pool region conflict (2016 - 2018). In the latter case, an official cease-fire was agreed in 2017, with disarmament in 2018, but there have been no further efforts toward integration, remuneration, or otherwise addressing the issues and injustices leading to domestic tensions. The Republic of the Congo remains vulnerable to ethnoregional conflict, particularly during election cycles, but recent elections were not accompanied by significant violence or clashes.









17 | International Cooperation

In the current review period, the Republic of the Congo has benefited from higher oil prices and a lower debt burden, diminishing its reliance on external partners. Historically, the Republic of the Congo has relied on external creditors including the IMF, World Bank, United States, France, the EU, and China, but it has generally mismanaged resources in times of economic surplus, prompting near-perpetual debt distress and precluding many economic benefits from reaching the populace. Despite higher oil prices, the Republic of the Congo remains in debt distress, and pressure from creditors has generally failed to deliver significant alterations to government policy. China has emerged as the government's most frequent creditor in recent years but seeks access to natural resources rather than the promotion of structural changes like other partners, leaving the Republic of the Congo under little pressure to seek a more efficient or effective use of domestic resources and international partnerships.

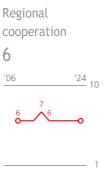
As in previous review periods, the Republic of the Congo makes rhetorical commitments to key international partners like the UN, IMF, EU, and AU and tries to present itself as a responsible partner, but has frequently failed to live up to its stated obligations. The country has increasingly nurtured relationships with other autocratic regimes, most notably China and Russia, while historical relationships with key western partners have gradually weakened in the face of endemic corruption, civil conflict, and a failure to promote multiparty competition.

Due to positive economic conditions in the present review period, mainly due to higher oil prices, key credit rating agencies have established a stable to positive outlook for the Republic of the Congo. Moody's affirmed in November 2022 a credit rating for the Republic of the Congo of B3, up from Caa1 in 2021. Standard and Poor's has likewise increased its rating of Congo, from CCC+ in 2021 to B- in January 2022. These ratings represent an increase over previous review periods and are largely the result of the economic trends described elsewhere in this report.

Denis Sassou Nguesso has long attempted to portray himself as the elder statesman of central Africa and has over the course of his reign manufactured strong relationships with each of his five neighbors (Gabon, Angola, DRC, CAR, and Cameroon). He has sought to assert himself through leadership positions in the African Union as well as regional bodies like the Communauté Economique et Monétaire de l'Afrique Centrale (CEMAC) and the Communauté Economique des États de l'Afrique Centrale (CEEAC). Angola, one of the Republic of the Congo's neighbors and a member of CEEAC, has manufactured a particularly close relationship with the country in the aftermath of the civil war (1997 – 1999), which saw Sassou Nguesso return to power. Angola and other neighbors, not unlike the Republic of the Congo, are also dependent upon oil or other extractive industries, meaning these states' interests largely align.







The African Development Bank (AfDB) and Regional Development Bank of Central African States (BDEAC) are active in the country, but are typically less important than larger international partners. The Republic of the Congo is party to international and regional agreements to protect its environment, including the Paris Agreement and various partnerships to protect the valuable Congo basin shared with DRC. The country is generally in good standing with these and other agreements to which it is party, although concerns remain surrounding the lack of regulation and transparency in key sectors. Gabon and the Republic of the Congo share a particularly long history of cooperation and coordination as territories of French Equatorial Africa and play a continued role in maintaining Francophone influence in central Africa. Gabon's former president, the late Omar Bongo, was married to Sassou Nguesso's daughter, and though there have been greater tensions with Bongo's son Ali Bongo Ondimba, there have been no noteworthy disagreements between these two long-standing rulers in the current review period.

Cameroon, DRC, and CAR have all been key theaters of conflict in the recent past resulting in some spillover into the Republic of the Congo and, more frequently, the entrance of refugees fleeing bordering enclaves. The country has been a key member of recent CEMAC and MINUSCA peacekeeping efforts in CAR, and Sassou Nguesso has at times served as a mediator between warring parties. Tensions have generally cooled in border regions, but DRC and CAR in particular remain at near constant risk of further conflict that could impact the Republic of the Congo. The country, and specifically its people, are generally effective in integrating refugees from border regions, and most recent conflicts within the Republic of the Congo have been derived from civil tensions rather than those involving neighbors or other regional partners.

Strategic Outlook

The Republic of the Congo, under Denis Sassou Nguesso, is a highly corrupt and increasingly impoverished country that relies heavily on oil revenues. It is characterized by a personalistic ruling style that centers on entrenched corruption and clientelism. While more than half of the country's population now lives in extreme poverty, Sassou Nguesso and his closest allies continue to benefit greatly from the revenues generated by the state and its state-owned enterprises (SOEs). Global oil prices have somewhat masked the declining production and have helped to alleviate the country's overall debt burden. However, the Republic of the Congo remains in near-perpetual debt distress, resulting in limited economic production and a highly impoverished citizenry. The lack of diversification away from or transparency within key extractive sectors has led to the loss of significant revenues, further preventing these benefits from reaching the population.

These patterns have been criticized by the United Nations, International Monetary Fund, World Bank, and civil society. However, such critiques have largely gone unheeded, and no significant progress has been made toward establishing a functional market economy or a truly representative government. Denis Sassou Nguesso and his inner circle, including family members, retain control over corrupt networks that encompass key resources, state-owned enterprises, and the allocation of government positions and benefits. Ethnoregional tensions ensure that the regime continues to prioritize the interests of northerners over those of the more populous south. The majority of the population, who are vulnerable to risks stemming from poverty, climate change, and inadequate services, generally find their interests overlooked on the national stage as the government primarily focuses on its own survival.

In this context, the following strategic recommendations are made:

1) To meet the economic and social needs of its populace, the government must address the fact that more than half of the population currently lives in extreme poverty. This is concerning, especially considering the growth in both oil and non-oil sectors and the overall decline in debt burden. Therefore, it is crucial for the government to prioritize the necessary transformational steps that will help secure the basic needs of its people and foster a domestic marketplace capable of improving economic opportunity and security. This effort should include, but not be limited to, targeted enhancements in water and sanitation infrastructure, health care services, education, and other key areas that are essential for overall human development.

2) Improve transparency and tackle corruption. The Republic of the Congo has recently experienced economic growth and a declining debt burden. However, endemic corruption and a lack of transparency in key industries and institutions have prevented the majority of the country from benefiting from this economic recovery. Corruption hinders the flow of oil revenues into official coffers and impedes reinvestment in the domestic economy. As long as these informal constraints persist, the country will likely struggle to develop an effective market economy and address domestic poverty and unemployment.

3) Invest in non-oil sectors and pursue diversification. It is anticipated that non-oil sectors will continue to experience growth in the short term. To ensure long-term success, the Republic of the Congo must capitalize on this trend and strengthen its non-oil industries. Given the projected decline in oil production and the pressing need for increased employment opportunities and economic progress, investing in and developing non-oil sectors should be prioritized as a crucial step for the near future.

4) Improve openness to input, dissent, and opposition. The Republic of the Congo has consistently sought to suppress dissent among domestic non-government organizations (NGOs) and popular opposition groups by employing tactics such as arrests, torture of activists and journalists, and targeting of rival politicians. These actions, coupled with the occurrence of fraudulent elections, reveal the government's unwillingness to promote multiparty competition and establish democratic legitimacy. In order to rectify this, the state must initiate measures that encourage greater competition, safeguard citizens' rights to criticize the government, and demonstrate enhanced responsiveness to both domestic and international input.