

Congo

intra-Africa trade & tariff profile 2019



1. Introduction

Congo is a member state of the Economic Community of Central African States (ECCAS) and the Central African Economic and Monetary Community (CEMAC).

- ECCAS has 11 member states. Although the legal instruments of the ECCAS FTA were signed in 2004, the FTA is not yet in force; only three of the member states (Cameroon, Congo and Gabon) have adopted the ECCAS Preferential Tariff for intra-ECCAS trade
- CEMAC has six member states (Gabon, Cameroon, Central African Republic, Chad, Congo and Equatorial Guinea) which are all part of the CEMAC FTA with a common external tariff (CET) applied to trade from outside CEMAC and a zero-rated generalised preferential tariff applicable to intra-CEMAC trade.

ECCAS

No FTA in place yet:

- Angola
- Burundi
- Cameroon
- CAR
- Chad
- Congo
- DRC
- Equatorial Guinea
- Gabon
- Rwanda
- São Tomé and Príncipe

CEMAC

All are member of the Customs Union

- Gabon
- Cameroon
- Central African Republic
- Chad
- Congo
- Equatorial Guinea

2. Intra-Africa trade

For 2019, 5% of Congo's world exports & 26% of world imports were to and from the rest of Africa. Intra-Africa exports amounted to US\$306 million (165% decline compared to 2018 exports). Intra-Africa imports amounted to US\$589 million (41% less than in 2018).

The main export products were boats & light-vessels. Congo's intra-Africa exports are mainly to ECCAS and CEMAC members - Angola, Gabon and Cameroon - importing 67% of Congo's intra-Africa exports. The main intra-Africa imports include cruise ships & petroleum oils - accounting for 68% of

Congo's intra-Africa imports. 23% of intra-Africa imports are sourced from Angola, 14% from Cameroon, 13% from Namibia and 10% from Togo. Congo mainly trades with Angola, Cameroon, Gabon and Namibia - respectively accounting for 23%, 16%, 13% & 11% of Congo's intra-Africa trade.

Main destination markets

Angola, Gabon, Cameroon, Namibia & Nigeria

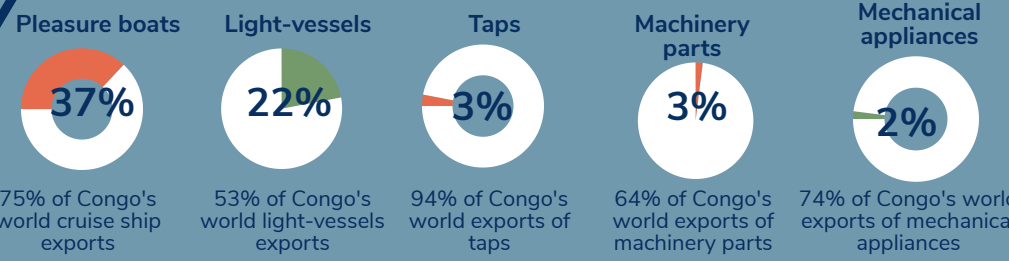


Main source markets

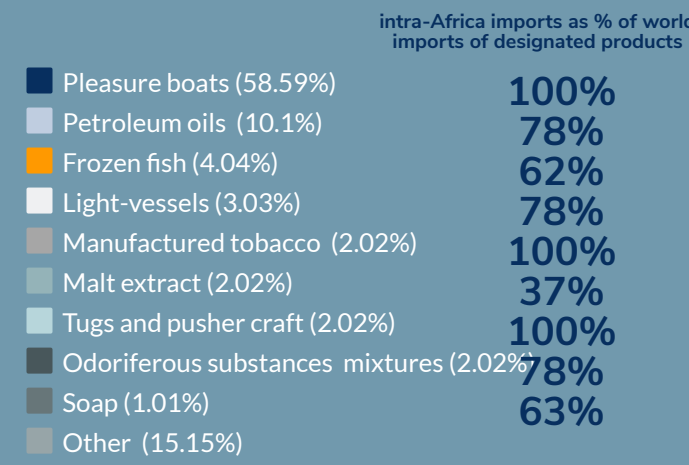


Exports

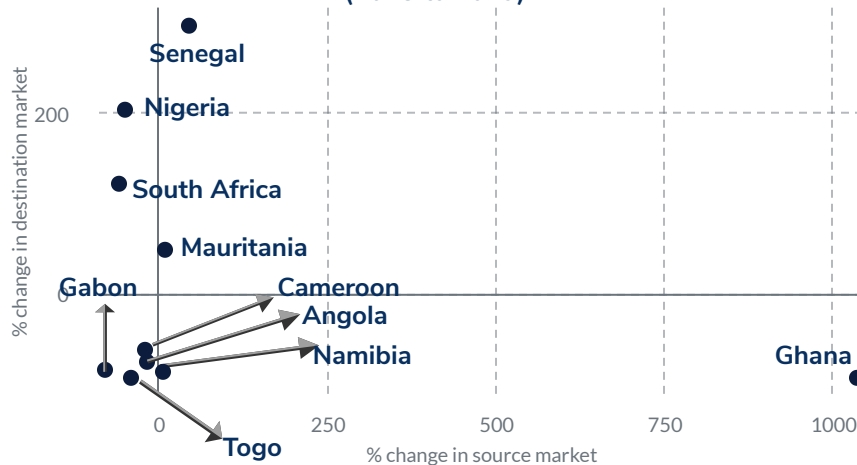
Imports



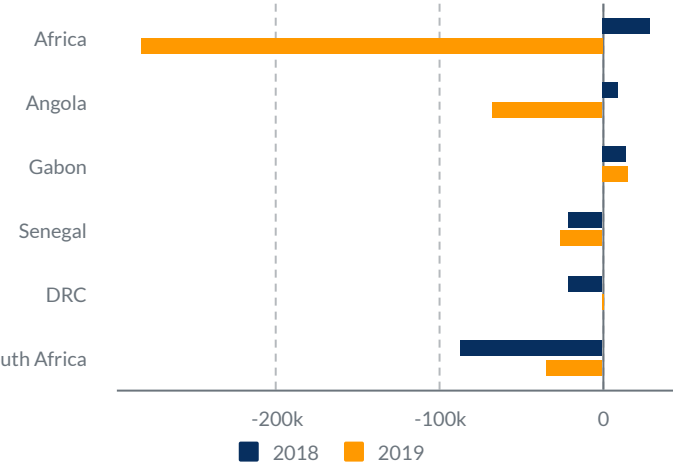
Congo's intra-Africa trade 2019



% change in exports to & imports from main African trade partners (2018 to 2019)



Trade balance with designated trade partners 2018 & 2019



3. Intra-Africa tariffs & non-tariff cost of trade
 Congo levies the intra-CEMAC generalised preferential tariff on imports from other CEMAC members (duty-free) and the CEMAC CET on imports from outside the CEMAC region. CEMAC CET is the MFN applied tariff of Congo and has 5 tariff bands - duty-free, 5%, 10%, 20% & 30%.

3% of world & 53% of intra-Africa exports are to African countries outside CEMAC. The main export products include goods vessels and light-vessels. 43% of Congo's export products to African countries outside CEMAC go to Angola, 15% to Namibia, and 9% to Nigeria.

20% of world and 78% of intra-Africa imports of Congo are sourced from African countries outside CEMAC. The main import products include goods vessels, medium oils, frozen fish, & light vessels. 30% of Congo's imports from outside CEMAC are sourced from Angola, 17% from Namibia and 13% from Togo.

MFN duties & % of national tariff lines in each category

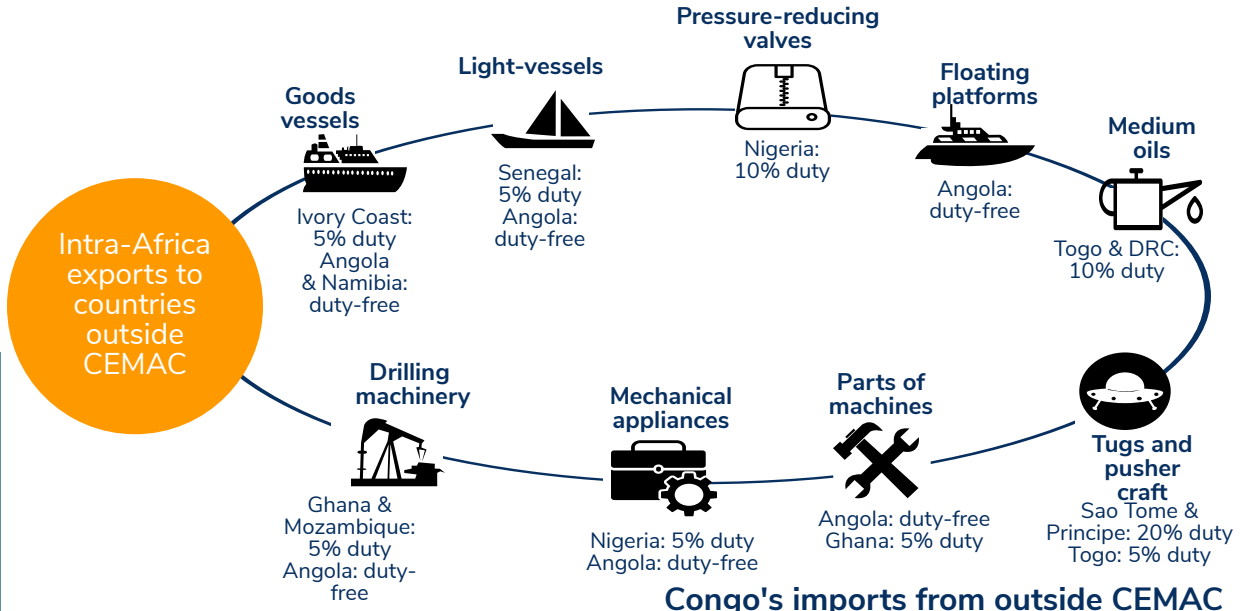
Duty-free 0.6%
 Pneumatic tyres for aircrafts, helicopters and its parts, parachutes and aircraft engines and parts; and printed materials including books, newspapers, dictionaries and colouring books

5% duties 5%
 Wheat flour, pure-breed animals, chicken meat, milk and cream, medicines, cotton sewing thread, spectacles, wheelchairs and its parts and instruments and appliances for medical and surgical use

10% duties 45%
 lactose and lactose syrup; coal and petroleum oils; rubber; pneumatic tyres for motor vehicles; suitcases with an outer surface of plastic or textile; cork and articles of cork; wool, cotton, cotton waste, cotton yarn and unbleached cotton fabrics; fabric sacks and bags; and tractors, dumpers, diesel goods vehicles weighing more than 20 tons and special purpose vehicles

20% duties 12%
 beef, pork, lamb and goat; frozen fish fillets; cereal groats, meal and pellets; rolled oats; undenatured ethyl alcohol; white Portland cement; dyed and bleached cotton woven fabrics; parts of footwear; parts and accessories for motorcycles and motor vehicles and electronic calculators

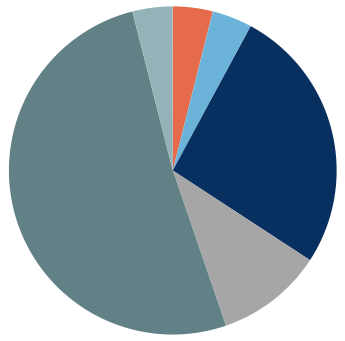
30% duties 37%
 ornamental fish and fresh fish fillets; yoghurt, whey, dairy powder, butter and cheese; honey; fresh cut flowers; nuts, coffee, tea; animal fats and oils; sugar and chocolate; tropical wood; most textiles and all items of clothing; and passenger vehicles and motorcycles



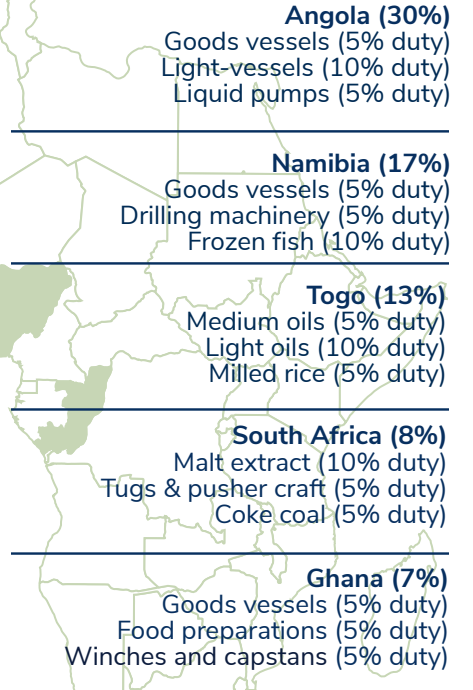
Congo's imports from outside CEMAC

All of Congo's world imports of smoking tobacco are sourced from African countries outside CEMAC; also 88% of frozen mackerel, 81% of medium oils, 77% of goods vessels, 78% of odoriferous substance mixtures, and 73% of tugs & pusher craft are sourced from outside the CEMAC region.

Categories of duties & % of 2019 imports in each category



All the top 20 import products sourced from outside CEMAC are levied import duties. The highest tariffs (20%) are applied on imports of dried fish, prepared and preserved fish, make-up products, margarine, goods vessels and paperbags. A 10% duty is levied on imports of frozen fish, light-vessels & odoriferous substance mixtures.



The non-tariff cost of bilateral trade between Congo & designated trade partners

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Unfortunately, the data for Congo is limited, especially for African countries. However, what the data shows is that there was a slight decline in non-tariff trade costs for agricultural goods trade between Congo and Cameroon and UK between 2015 & 2016. For 2017, the cost of agricultural goods trade between Congo and DRC is more than the cost of trade between Congo, and France, the UK, China and Cameroon.

