



Doing Business in Chad:

2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business in Chad

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Market Overview

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- Chad's population is 11.174 million, based on the 2009 census. More than 80 percent of the population lives on subsistence agriculture. In 2012, Chad had a per capita income of USD 2000 at purchasing power parity (PPP).
- Overall economic indicators have been positive in recent years, with real GDP in 2012 growing at around 7 percent based on high world oil prices and a strong agricultural harvest.
- Recent economic growth has largely been driven by the oil sector. Since 2003, a consortium of U.S. and Malaysian oil companies has been exporting oil from Doba in southern Chad via a 1,000 KM pipeline through neighboring Cameroon. Oil production from Doba peaked at 126,200 barrels per day in 2010 and is expected to decline in coming years. New companies, notably Chinese state-owned enterprises and private Canadian firms, are now preparing to start exporting from other oil basins in Chad.
- Historically, France has supplied the largest share of Chad's imports. Other trading partners include Nigeria, Cameroon, and China. Since 2000, the Doba Basin oil project has increased U.S. exports to Chad, which stood at approximately USD 35 million in 2012. Principal imports from the U.S. include oil industry equipment, machinery, wheat flour, construction equipment, construction materials and computer equipment.

Market Challenges

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- Corruption is prevalent in both business and government in Chad. Transparency International ranked Chad as 165 out of 174 countries in its 2012 Corruption Perceptions Index.
- Chad's investment climate remains highly challenging: In 2012, the World Bank rated Chad as the second most difficult country (184 out of 185) in the world to do business in its annual Doing Business report. Investing in Chad requires patience, cultural sensitivity and knowledge of the country and its people. It is

essential to make important business and government contacts in person and "to get to know the territory."

- Business languages are French and Chadian Arabic. Few people speak English, so it is often worthwhile to engage an agent or an interpreter.
- Limited skilled labor is available, and experts must often be brought in for complex projects.
- Infrastructure is poor but improving, as are telecommunication connections. Electricity is limited and sporadic even in the capital, though new power stations are currently under construction to rectify this problem.
- Chad's capital market, and the availability of sophisticated financial products, is limited or non-existent. Less than ten percent of personal and small business banking is done through the banking system.

Market Opportunities

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- Chad's formal economy, while small, is open and market-based. Chad is a member of the WTO.
- Chad's ongoing development presents opportunities for large and medium-scale projects in oil exploration, road and building construction, agricultural and agribusiness, telecommunications, and electric power generation and distribution.
- The Government of Chad adopted an Investment Charter in 2008 which includes investment incentives for foreign companies interested in establishing operations in Chad, including tax free status for certain projects up to five years.
- The Government of Chad created a National Investment and Exporting Agency in 2010 which has simplified the process of international and national business establishment considerably.

Market Entry Strategy

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- Companies considering investing in Chad should conduct thorough research on the country to become familiar with the business environment, as well as the legal and regulatory framework.
- Prospective investors may contact the National Agency for Investment and Exports (ANIE) and the Chadian Ministry of Commerce for more information and guidance.

- U.S. companies interested in doing business in Chad should consider hiring an agent, attorney or distributor to develop and foster local partnerships.

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COUNTRY FACT SHEET: CHAD

PROFILE

Population in 2012 (Millions): 11
 Capital: N'Djamena
 Government: Republic

ECONOMY

	2010	2011	2012
Nominal GDP (Current Billions \$U.S.)	8.6	10.5	10.8
Nominal GDP Per Capita (Current \$US)	837	1,006	1,006
Real GDP Growth Rate (% change)	13.0	0.53	5.0
Real GDP Growth Rate Per Capita (% change)	10.2	-1.9	2.5
Consumer Prices (% change)	-2.1	1.9	7.7
Unemployment (% of labor force)			
Economic Mix in 2012: 17.7% All Industries; 14.4% Manufactures; 53% Services; 29.3% Agriculture			

FOREIGN MERCHANDISE TRADE (\$US Millions)

	2010	2011	2012
Chad Exports to World			
Chad Imports from World			
U.S. Exports to Chad	88.2	35.2	36.1
U.S. Imports from Chad	2,044	3,174	2,660
U.S. Trade Balance with Chad	-1,956	-3,139	-2,624
Position in U.S. Trade:			
Rank of Chad in U.S. Exports	150	179	175
Rank of Chad in U.S. Imports	66	58	61
Chad Share (%) of U.S. Exports	0.01	0	0
Chad Share (%) of U.S. Imports	0.11	0.14	0.12

Principal U.S. Exports to Chad in 2012:

1. Machinery, Except Electrical (25.5%)
2. Agricultural Products (22.2%)
3. Computer & Electronic Products (13.5%)
4. Chemicals (9.4%)
5. Food & Kindred Products (9.1%)

Principal U.S. Imports from Chad in 2012:

1. Oil & Gas (84.3%)
2. Petroleum & Coal Products (15.4%)

FOREIGN DIRECT INVESTMENT

	2009	2010	2011
U.S. FDI in Chad (US \$Millions)			
FDI in U.S. by Chad (US \$Millions)			

DOING BUSINESS/ECONOMIC FREEDOM RANKINGS

World Bank Doing Business in 2013 Rank: 184 of 185
 Heritage/WSJ 2013 Index of Freedom Rank: 164 of 177

Source: Created by USDOC/ITA/OTII-TPIS from many sources: FDI from USDOC, Bureau of Economic Analysis. US Trade from USDOC, Census Bureau, Foreign Trade Division. Chad Trade with World from United Nations where available. National Macroeconomic data from IMF/World Bank databases including World Economic Outlook and World Development Indicators. .WORLD and other country aggregates are summaries of available UN COMTRADE, IMF and other data, and coverage varies over time and by source, but typically represents greater than 85 percent of world trade and production. Note: Principal U.S. Exports and Imports Are 3-digit NAICS Categories

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/37992.htm>

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Using an Agent or Distributor

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Use of an agent may not be necessary for some projects, but it is usually advisable for foreign firms to retain a representative in Chad to help them penetrate the Chadian market. A local agent should be fluent in French and Chadian Arabic and possess thorough knowledge of the local economy. For products requiring maintenance, it is important for an agent to assure after-sales support and to stock a reasonable supply of spare parts. Local agents/distributors are not exclusive and carry many product lines, but they may sometimes request exclusive distribution rights. The Commercial Section of the U.S. Embassy can help U.S. exporters identify agents and distributors through the Agent Distributor Service (ADS) program. Information regarding this program is available through the Commercial Service district offices located in all 50 states and Washington, D.C. For further information, exporters may contact the Department of Commerce at 1-800-USA-TRADE (1-800-872-8723) and www.usatrade.gov or the U.S. Embassy N'Djamena Commercial Office:

U.S. Embassy N'Djamena
Commercial Section

Ave. Felix Eboué, BP 413
N'Djamena, Chad
Tel: (235) 2251-7009/ cell: (235) 6351-6762 / Fax (235) 2251-56-54
Ndjamena-Commercial@state.gov; MoustaphaMA@state.gov

Establishing an Office

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Companies seeking to establish offices in Chad must provide the following documents to the Formalities Center at the Chadian Chamber of Commerce:

- Completed application form
- Lease contract
- By-laws of the company
- A birth certificate or a copy of a valid I.D.
- Proof of a bank account
- Copies of diplomas and curriculum vitae
- Two passport-size photographs
- Two fiscal stamps valued at 3,000 CFAF.

The Formalities Center will forward all documents to the Guichet Unique: a one-stop registration service located at the National Agency for Investment and Exportation (ANIE). Three days are required to process an administrative authorization. Fees for processing vary according to the size of the company. There are three main types of companies that can be established in Chad, all based on French models:

- Affiliate or Branch Office (Succursale): A foreign company may start a business in Chad in the form of a branch office either independently or with a Chadian partner.
- Limited Liability Company: (Société à Responsabilité Limité, SARL): This category corresponds to the French SARL. A minimum of two individuals is needed to create a SARL. The law states that SARL partners are not permitted to cede parts of the operation without the consent of 3/4 of the association.
- Corporation (Société Anonyme, SA): A "Société Anonyme" has the same characteristics as a "Société Anonyme Française." French corporate law stipulates that there must be at least seven shareholders. Financial responsibility is limited to each individual's financial contribution of capital.

Fees for authorization vary based on the type of company. The following are the 2012 fees in U.S. dollar amounts based on an exchange rate of FCFA 500: No change

- Corporation (Société Anonyme : SA) : \$ 220
- Limited Liability Company (Société à Responsabilité Limité : SARL): \$160
- Corporate affiliate or Branch Office (Succursale) : \$660
- Economic Cooperative (Groupement d'Intérêt Economique): \$ 170
- Individual Enterprise (Entreprise individuelle): \$ 76

Franchising

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Franchising opportunities exist, though franchise operations are still rare in Chad. Some international car rental companies and hotel chains currently operate in Chad using franchising arrangements. Food, service and other types of franchises are possibilities, but factors such as transportation costs, hygiene standards, energy costs, and a limited market should be taken into consideration.

Direct Marketing

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Recent improvements in the economy allow for an expanded range of direct marketing practices. Some major Japanese and French automobile manufacturers have showrooms in the capital. Most goods sold in Chad are imported via wholesale import/export houses. Examples include clothing (including used clothing), grains, flour, pharmaceuticals, personal care products, foodstuffs, hardware, household goods, appliances, and electronics products. Some of these products may enter Chad through informal and sometimes illegal channels. Unofficial imports include petroleum products, consumer goods, sugar, soap and cigarettes. Most retail businesses are small-scale, proprietary operations. Internet and catalog marketing are developing along with increased internet access, but remain a tiny part of the overall market.

Joint Ventures/Licensing

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Chadian law permits and encourages joint venture partnerships. One hundred percent U.S. ownership is also allowed. Some U.S. joint ventures are currently operating in the oil, construction, and hotel sectors. Joint ventures may be particularly useful when medium- and long-term maintenance services are required for capital equipment or in projects requiring significant local investment.

U.S. licensors may have difficulty finding prospective Chadian licensees with suitable manufacturing and marketing capabilities. Patenting and licensing are available but not well enforced. In 2005 the Ministry of Commerce established an Office of Intellectual Property Rights, Trademarks, and Patents. As of 2012, very few companies had registered their products. Counterfeits of well-known brands in personal care products, sports equipment, textiles, watches, etc. are available illegally on the local market, though they are not produced locally. Protection against copyright infringements therefore cannot be guaranteed, though this may change in the future as government capacity increases.

Selling to the Government

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The Chadian government periodically announces procurement tenders. These tenders are published in the local press and occasionally in the international press. Legal tenders are issued by the ministry supervising the procurement in collaboration with the Public Procurement Office, part of the Prime Minister's office. The Government Secretary General (SGG) is also sometimes responsible for receiving and deciding tenders on behalf of the requesting ministries. Multilateral development banks also finance large procurements. In addition, host country procurement is available to the various government ministries for small project expenditures. In theory, all procurement tenders are subject to free and open competition, although manipulation of the bidding process often occurs.

Distribution and Sales Channels

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Sales methods vary according to the category of merchandise, but most foreign companies distribute through agents and importers based in N'Djamena. Occasionally, partners can be found in Chad's other major cities such as Moundou, Sarh, and Abeche. Import-export companies usually also serve as agents or wholesale distributors for the products they import. Most retailing is conducted through informal businesses.

Improved road conditions have facilitated easier distribution of goods within Chad in recent years. The country's paved road network expanded from 557 km in 2002 to 1724 km in 2012. Many durable goods such as new vehicles, machinery and household appliances are distributed through a small number of retailers in N'Djamena and in some other cities of Chad. Consumable goods are likewise most often marketed through wholesale agents and retailers in the capital who sell to informal retailers. Many Chadian retailers also procure supplies in the neighboring countries of Cameroon and Nigeria, while others import from Europe, China, India, Middle Eastern countries, and North America. Most imported goods transit via the ports of Douala (Cameroon) and Cotonou (Benin).

Capital goods and some merchandise can be exported directly to a small number of buyers. Fertilizer and insecticide are procured in large quantities and distributed by Coton Tchad, the state-owned cotton company, and other agencies of the Ministry of Agriculture. Printing supplies, packaging materials, paint ingredients, and industrial machinery are imported by a small number of industrial enterprises. Laborex and Tchad-Pharm are the major pharmaceutical products distributors to private pharmacies, while the state-owned company, Centrale Pharmaceutique d'Achat (CPA), supplies both public health centers and private pharmacies. The state also owns a pharmaceutical factory that produces medicines for domestic use. Packaging of pharmaceutical products is usually in French, while packaging of other goods can be in French, Arabic, or both.

Selling Factors/Techniques

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Chadian business culture tends to be less formal than in the United States, with more emphasis on personal contact. As opposed to the American "get down to business" approach, Chadians prefer to build mutual trust and understanding by developing a personal relationship before doing business. Every effort should be made to visit Chadian clients in person, to understand the country's traditions and its commercial environment. Even if a translator is required, learning simple pleasantries in French or Chadian Arabic can be very helpful. Because Internet connectivity is low in Chad, telephone or personal contact are generally more effective ways to maintain contact than e-mail.

Like other former French colonies, Chad maintains strong cultural and economic ties with France. Nevertheless, young Chadian entrepreneurs are increasingly looking beyond the traditional European markets. They often find the imagination and technology of U.S. marketing approaches refreshing and inspiring, and several are already working with U.S. partners. The Economic/Commercial Section at the U.S. Embassy in N'Djamena works closely with these business contacts to keep them informed of opportunities and activities in the U.S. market and how to work with U.S. partners.

Electronic Commerce

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Electronic commerce in Chad is currently minimal due to low Internet connectivity, and few Chadians have regular access to the Internet. This may change in the near future as increased public access is now possible through a recently installed high-speed fiber optic cable connecting Chad to sub-Atlantic cable networks. Opportunities may also exist for U.S. firms interested in providing Internet and telecommunication services in this developing sector of the economy. The Government is also currently working to connect major cities around the country via a domestic fiber optic network.

Trade Promotion and Advertising

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The advertising and sales promotion sectors in Chad are developing. There are several daily and weekly news publications circulating in N'Djamena and other major Chadian cities, most of which are in French. Newspaper runs are limited in quantity and distribution, and circulation figures are small due to transportation costs, low literacy rates, and poverty. The most widely read weekly papers are the N'Djamena Bi-Hebdo, L'Observateur, Le Temps, Notre Temps, La Voix, l' Union, l'Info, Aba Garde, and the sole daily paper, Le Progrès, which is published Monday through Friday. Monthly publications include Tchad & Culture, Carrefour, and Essor Magazine.

Chad has a state owned television station, TeleTchad, which broadcasts via satellite both domestically and internationally, and a government owned radio station that has limited transmission capability throughout the country. There is also one private television station and several private radio stations. Radio remains the most effective means of reaching a large audience in Chad due to high illiteracy. Although years behind their counterparts in developed countries, businesses in Chad are slowly becoming familiar with audio/visual advertising. Billboards are widely used in Chad's major cities and are a cost effective means of reaching a wide audience. The Internet is currently accessible only to a fraction of the population, although access and usage is growing rapidly.

Major news media can be contacted at the following addresses:

Radio stations

Radiodiffusion Nationale Tchadienne (RNT) 94.5 FM

B.P. 892

N'Djaména

Director: Ms.

Editor in Chief: Haroun Yakouma 66 44 43 44

Radio Faya, branch of RNT

Director: Brah 66 29 85 23

Faya

Radio Sarh branch of RNT

Director: Mr. Ben Mbodou Mbami Abakar

Sarh

Radio Moundou, branch of RNT

Director: Mr. Fichuari Lamer 66 27 57 17

Editor in Chief: Daba Duzumka Julien 66 26 46 30 /98 00 79 49

Moundou

Radio Abéché branch of RNT

Director: Mr. Nourène Souleymane Nourène

Abéché

Radio Ati, branch of RNT

Director: Mr. Abakar Moussa 99 29 60 57

Ati

Télé-Tchad

B.P. 5123, N'Djamena

Director: Halimé Assadya Ali 22 51 69 55 /66 29 70 94

Editor in Chief : Komandegal Lazare 66 27 47 00

Email : tele-tchad@intnet.td

FM Liberté 105.3 FM

Director: Mr. Djekourninga Kaoutar Lazare 66 29 23 25

Editor in Chief: Mr. Nara Hantouloum 66 29 59 09

E-mail : fm.liberte@gmail.com

N'Djaména

Al Nassr TV and 102.1 FM, Arabic and Fench FM TV/radio

President: Mr. Aboubakar Borgo 22 52 60 20 / 66 20 90 11

N'Djaména

Ngato 96.6 FM

Director: Mr. Hassan Moussa Djallo 66 23 73 21

Al Bayan 93.7 FM

Director: Mr. Abbas Mahamoud Tahir 66 28 86 58 / 99 28 86 58

N'Djaména

Dja FM 96.9

Director: Ms. Zara Yacoub 66 29 31

Editor in Chief: Mr. Abdelkader Banda 66 93 92 30

N'Djamena

Radio Harmonie 106.3 FM

Director: Mr. Labe Ricardo 66 21 34 64

N'Djamena

Radio Arc-en-ciel

Director: Mr. Stanislas Worwa 66 43 61 62

N'Djaména

E-mail: studio.presence@intnet.td

La Voix de l'Esperance 91 FM

Director: Mr. Doumdingaou 66 23 74 70
N'Djamena

Radio Brakoss

Director: Mr. Tchanguiz Vatankha 66 29 20 25/99 69 10 99
Moissala

Radio Al Mourhal FM 94.6

Director: Mr. Atchari 66 29 77 65
Oum Hadjer

Radio Ndjimi 93.6 FM

Director: Mr. Ahmat Ali Daladouh 66 32 05 36 /99 21 82 21
Mao

La Voix du Barh El-Gazal 90.6 FM

Director : Moussa Maitchatri Oumar 99 14 54 14 / 99 68 84 18
Moussoro

Radio Al Nadja 104.6 FM

Director: Abakar Moussa Kaidala 99 29 60 57
Ati

La Voix du Paysan 92.20 FM

Director: Mr. Joseph Djikolmbaye 66 34 11 21
Doba

Radio Effata 98.0FM

Director: Mr. Mathieu Djekornombaye 66 55 05 97
Lai

Radio Lotiko 97.6 FM

Director: Mr. Noudjalbaye Ngardinon 66 36 82 92 /99 98 06 08
Editor in Chief: Mr. Allahessem Bienvenu 22 68 12 47 / 99 65 64 90
Sarh

Radio Tob 93.0

Director: Theophile Ndilambaye 66 42 74 99
Koumra

Radio Duji Lokar

Director: Mr. Tchany Ghislain 66 42 98 02
Moundou

Radio Kar Uba

Editor in Chief: Beindé Bessané 66 23 85 47/99 42 35 33
Moundou

Radio Reveil 92.0 FM

Director: Mr. Kourkaou Milisor 66 23 46 32

Bebalem

La Voix de Tchaguine 95.2 FM

Director: Mr. Mark Vanderkooi 66 47 92 32

Tchaguine

Radio Terre Nouvelle

BP 13

Director: Mr. Marco Bertimi 66 24 85 75

Editor in Chief: Mr. Bakari Tchaksam 66 35 16 12

Bongor

Radio Bargadjé

Director: Mr. Lamane Didama 66 41 10 71/99 75 17 69

Kelo

Radio Evangile et Développement Global (REDG)

Director: Mr. Jonathan Rakzeubé 66 47 36 42

Editor in Chief Mr. Mbairamadji Dorom Urbain 66 39 65 85/95 31 43 26

Pala

Radio Soleil

Director: Mr. Abdelaziz Daouda 66 40 85 21 /99 27 25 16

Editor in Chief: Mr. Djetadé Laurent 66 48 36 77/99 73 58 56

Pala

Radio Rurale de Gounou-Gaya

Emanuel Mariatnan 99 84 91 59

Gounou Gaya

Radio La Voix de Zasoo (Léré)

Radio FM Kadaye,

Bol

News papers

Tchad et Culture (Monthly)

Tel: 907

Tel: (235) 22 52 54 32 / 22 51 42 72

Director: Laoro Gondje

Site: www.cefod.org

E-mail: cefod@intnet.td

E-mail: tchadetculture@cefod.org

L 'Info (Weekly)

B.P. 892

Tel: (235) 22 52 60 94

N'Djamena

Director: Mbairé Bessingar 66 29 71 99/99 24 57 45

Editor in Chief: Taher 66 21 6006/99 91 41 49
E-mail: infotchad@yahoo.fr

N'Djamena Bi-Hebdo (Weekly)

B.P. 4498
Tel: (235) 66 29 14 25 / 22 51 53 14/ 22 51 52 76
N'Djaména
Director: Jean Claude Nekim 66 29 03 04
Web: www.ndjh.org
E-mail: ndjh89@yahoo.fr

Notre Temps (Weekly)

B.P. 6145
Tel: (235) 22 53 46 50
Director: Mr. Nadjikimo Benoudjita 66 97 60 04
E-mail: j_notretemps@yahoo.fr

Le Temps (Weekly)

BP. 1333
Tel: (235) 66 29 03 54
N'Djaména
Director: Mr. Michael Didama 66 29 03 54
Editor in Chief: Mr. Abba Ngolo Moustapha 66 35 00 59
E-mail: temps.presse@yahoo.fr

Le Progrès (Daily)

B.P. 3055/ Tel: (235) 66 23 00 94/ 22 52 55 86
N'Djaména
Director: Mr. Abderamane Barka 66 23 00 94/99 98 32 98
Editor in Chief: Mr. Boukar Koyom 66 23 00 96
E-mail: quotidienleprogres3@yahoo.fr

L'Observateur(Weekly)

BP. 2031
Tel: (235) 22 51 80 05
Coordinator: Mr. Samory Ngaradoumbé 66 76 77 78
E-mail: observer.presse@intnet.td

La Voix (Weekly)

Quartier Djamabal Barh, Rue Gaourang
B.P: 6598
Tel: 22 53 48 46/99 93 35 97
N'Djaména
Director: Goual Nanassoum
Editor in Chief: Ahmat Adoum 66 23 00 90
Site: www.lavoixdutchad.com
E-mail: laredaction@lavoixdutchad.com

L'Union

B.P. 2353 Ndjamena, Chad
Tel: 235-6647-2647/9978-7207

Director: Allahondoum Juda
Editor in Chief: Mbainaye Betoubam
Carrefour (Monthly)
B.P. 456
Tel: (235) 22 51 42 54
Avenue Charles de Gaulle et rue de Mbaibokoum
N'Djaména
Director : Sœur Géraldine Alezeau 63 84 41 81
E-mail: centrealmouna@yahoo.fr

Da'Kouna (Monthly)
B.P:
Tel : (235) 22 70 90 16
Directeur de Publication
Pascal Dohou Ferso 66 66 16 71/77 66 16 71/99 77 33 24

Horizon Femmes (Monthly)
B.P.4392
Tel : (235) 66 97 82 22 /98 00 03 62
N'Djaména
Director : Khadidja Toloumbaye 66 32 55 20/90 55 25 19
E-mail : horizonft@yahoo.fr
khadymail@yahoo.fr

Le Miroir (Monthly)
Tel: (2345) 66 29 95 19
N'Djamena
Director: Adji Moussa 66 29 95 19 / 66 27 85 43

Chronique (Monthly)
BP. 2031
Tel: (235) 22 51 91 14
Editor in Chief: Djimasdé Goldoum 66 86 56 16
E-mail: aplft@intnet.td

Alwihda Actualités(Monthly)
B.P: 6530
N'Djaména
Tel : (235) 22 71 13 27 / 22 30 48 88 /95 05 39 70
Director: Bakry Jacob 66 59 53 71
Site: www.alwihdainfo.com
E-mail: alwihda@aol.com
amdjamil@alwihdainfo.com

Pricing

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The Chadian market is largely driven by negotiation, and aside from in larger stores in N'Djamena and other cities, there is no obvious pricing structure. As in many African countries, most informal retailers first present an exorbitant price and eventually reduce it after spirited bargaining with the buyer. Larger retailers in the formal sector do not follow this practice, however, and are more likely to quote fixed prices.

U.S. export companies can invoice in Euros. Billing invoices should be computed on a Cost and Freight basis (C&F). Exporting companies sometimes have difficulty finding multinational shipping insurance firms to ensure indirect air or sea shipments to Chad, and the shipper or consignee usually covers the insurance portion of the delivery cost. Local commercial credit is difficult to obtain, and commercial transactions should be made through an irrevocable letter of credit confirmed by a reputable bank. Credit terms of up to ninety days are available. European banks with U.S. corresponding or non-corresponding banks may offer more generous terms. Local delivery and shipping companies (“transitaires” and “agents sous-douanes”) can assist with import/export formalities. Local banks are able to handle payment guarantee services and documentation.

Sales Service/Customer Support

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Sales service and customer support are available for some construction equipment, vehicles, computer hardware, software, office equipment, photocopiers, air conditioners, and major household appliances imported from abroad. Distributors of imported machinery sold in Chad often provide additional maintenance services. After-sales support is essential, and stocks of spare parts must be readily at hand to ensure market success. Service manuals must be in French to be useful in Chad.

Protecting Your Intellectual Property

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Several general principles are important for effective management of intellectual property (“IP”) rights in Chad. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Chad than in the U.S. Third, rights must be registered and enforced in Chad, under local laws. Your U.S. trademark and patent registrations will not protect you in Chad. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Chad market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in Chad. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Chadian law. The U.S. Commercial Service can provide a list of local lawyers upon request [[See U.S. Embassy N'Djamena List of Attorneys](#)].

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in

prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Chad require constant attention. Work with legal counsel familiar with Chadian laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Chad or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at www.StopFakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.
- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.
- For small and medium-size U.S. companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with

concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.StopFakes.gov This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

Due Diligence

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U.S. companies should perform thorough due diligence before entering into any business arrangements in Chad. For government contracts it is particularly important to contact the highest ranking individuals possible in the ministry from which the project originates to make sure that it is legitimate. For private investment opportunities, prospective investors may be able to get insight into the legitimacy of specific Chadian companies or individuals from western companies already operating in Chad. The U.S. Embassy's Commercial Affairs Section is also able to provide basic background information on Chadian government ministries and large Chadian private enterprises.

Local Professional Services

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Listing in this guide does not constitute an endorsement of any provider. The U.S. government cannot verify, vouch for, or validate any provider on this list. This is not a complete listing and is only provided as a basic resource.

ATTORNEYS

Me. Amady Nathe Gabriel
Tel: (235) 22 52-31-66 (Office); 22 51-61-24 (Home)
B.P. 1029, N'Djamena, Chad
(Office located opposite the main Post Office)

Me. Therese Nadingar
Me. Kemneloum Delphine, Associate
Tel: (235) 22 52-01-50
B.P. 1029, N'Djamena, Chad
(Office located behind Camp de martyrs next to ex-Providence clinic building)

Me. Mahamat Hassan Abakar
Tel: (235) 22 51-50-94; Fax: (235) 22 52-50-05
B.P. 2065, N'Djamena, Chad
(Office located next to ex-Normandy Cinema)

Me. Mahamat Oumar Madani
Tel: (235) 22 52-29-41 (Office); (235) 22 51-40-53 (Home)
B.P. 1011, N'Djamena, Chad
(Office located within STAR Nationale Building, Avenue Charles DeGaulle)

Me. Betel Ningadoum Marcel
Me. Allaissem K. Djaïbé, Associates
Tel: (235) 22 52-49-99; Fax: (235) 22 52-36-86
(Office located in STAR Nationale Building, Avenue Charles DeGaulle)

Me. Ngare Adah Abdelkader
Tel: (235) 22 51-45-62
B.P. 600, N'Djamena, Chad
(Office located opposite to Pharmacy du Canal)

Me. Tomnayel B. Ngarta
Tel: (235) 22 51-71-63 or Cellphone : 66 27-53-25
B.P. 4106, N'Djamena, Chad
(Office located on Avenue Felix Eboue next to Fontaine de l'Union)

Me. Ndoubalo Abdou
Tel: (235) 22 51-72-29
B.P. 72, N'Djamena, Chad
(Office close to Pharmacy du Canal)

Me. Thomas Dingamgoto
Tel: (235) 22 51-55-88; Fax (235) 22 51-50-80
Cell: (235) 66 29 27 65
B.P. 1003, N'Djamena, Chad
(Office located Quartier Bololo behind Camp des Martyrs)

Me. Jean-Bernard Padare
Tel: (235) 22 53-44-67; Fax (235) 22 53-44-69
B.P. 5110, N'Djamena, Chad
(Office located between Bekambo and Behagle streets)

Me. Bahdje Magloire
Tel: (235) 22 51-77-36
B.P. 1475 N'Djamena, Chad
(Office located on the West side of U.S. Embassy N'djamena)

Me. Ribard Kladoum
Me. Jacqueline Moudeina, Associates
Tel/Fax: (235) 22 51-54-36
B.P. 4155, N'Djamena, Chad
(Office located on Avenue Bokassa, Quartier Kabalaye)

Me Philippe Houssine
Tel: (235) 22 51-85-94
B.P. 4106, N'Djamena, Chad
(Office located near ETS Challenger, Avenue Charles De Gaulle)

NOTARIES PUBLIC

Me. Bechir Madet
Tel: (235) 22 52-46-11/22 52 02 29 Fax: (235) 22 52-46-10
B.P. 5017, N'Djamena, Chad
(Office located opposite Air France, Avenue Charles De Gaulle)

Me. Nissouabe Passang
Tel: (235) 22 52-04-77
B.P. 5801, N'Djamena, Chad
(Office located opposite BIAT Bank)

Me. Dombal Djimbague Gabriel
Tel: (235) 22 51-92-03
BP. 4118, N'Djamena, Chad
(Office located on Avenue Charles Degaulle)

Me Randah Henriette
Tél. : (235) 22 52 07 86
BP : 6084, N'Djamena, Chad
(Office located on Avenue Charles Degaulle)

Me Mobeang Yobelang
Tél. : (235) 22 51 93 39
BP. 00018, N'Djamena, Chad

Me Kikigne Mahamat Saleh
Tél. : (235) 22 51 90 69
BP :1970, N'Djamena, Chad

Me Ngarmbassa Issa
Tél. : (235) 22 52 67 75
BP : 1194, N'Djamena, Chad

ACCOUNTING OFFICES

PRICE WATERHOUSE Coopers
B.P. 1899-Ndjamena—Chad
Tel: 235-6627-2244/235-9998-0098/235-2252-3896
Fax: 235-2252-0724
Email: Oscar.deffosso@cm.pwc.com; manager.pwc@intnet.td
www.pwc.com; www.pricewaterhousecoopers.com

CABINET HENRY/ Groupe Helios Afrique-EXCO
B.P. 324-Ndjamena-Chad
Tel : 235-2252-3620/235-6636-1500/235-9925-1674
CABINET DJOULA
B.P 232- Ndjamena-Chad
Tel : 235-2251-8319/235-2253-4136

Web Resources

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U.S. Embassy N'Djamena Legal Information:

http://ndjamena.usembassy.gov/legal_information.html

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial and Agricultural Sectors

- (Oil, Gas, Mineral Production/Exploration Services)
- (Oil / Gas Field Machinery)
- (Architecture / Construction / Engineering Services)
- (Construction Equipment)
- (Telecommunication Services)
- (Telecommunications Equipment)
- (Electric Power Systems)
- (Trucks, Trailers / Buses)
- (Defense Industry Equipment)
- (Agricultural Equipment)

OIL, GAS, MINERAL PRODUCTION/EXPLORATION SERVICES

Overview

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Chad is an oil producing country, but production continued to decline in 2012 and averaged around 95,000 barrels per day. Exports were produced entirely by a consortium consisting of three international oil companies. The consortium has been extracting oil in southern Chad since 2003 and exports via a purpose-built pipeline which traverses neighboring Cameroon on its way to the Atlantic coast. In recent years, Chinese, Taiwanese, and Canadian companies have acquired blocks and begun exploring for oil in Chad. A Chinese company is currently drilling oil and refining it for domestic use in Chad via a 20,000 barrel per day refinery located 40 km outside N'Djamena. These companies are currently working towards exporting oil from their respective fields via the consortium's Chad-Cameroon pipeline, which could cause Chad's oil production to begin increasing again in the near future. Chad's mining sector is underdeveloped and the country's mineral resources have not been fully explored, though small amounts of gold are being exploited and uranium is present.

Sub-Sector Best Prospects

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- Oil exploration
- Seismic mapping
- Geological surveying
- Pipeline construction/maintenance
- Renting rigs, trucks, and other equipment
- Maintenance of oil facilities
- Construction of oil infrastructure
- Construction of temporary housing for oil workers

Opportunities

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Companies interested in exploring for oil in Chad should contact the Minister of Energy and Oil directly with a detailed proposal and evidence of past work. The entrance of new oil companies into the market may also present opportunities for contractors at various stages of production.

Web Resources

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CIA World Fact Book on Chad:

https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

U.S. Geological Survey 2010 Report on Chad:

<http://minerals.usgs.gov/minerals/pubs/country/2010/myb3-2010-cd.pdf>

Website of the Ministry of Energy and Petrol:

<http://www.ministere-petrole.td/>

OIL / GAS FIELD MACHINERY

Overview

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See previous section ([Oil, Gas, Mineral Production/Exploration Services](#))

Sub-Sector Best Prospects

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- Oil drilling rigs and accessories
- Storage tanks
- Pipeline construction material
- Cranes
- Trucks
- Temporary housing
- Security fences and other measures
- Construction equipment

Opportunities

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The entrance of new oil companies into the market may present opportunities for American companies to export oil exploration and extraction equipment to Chad.

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CIA World Fact Book on Chad:

https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

U.S. Geological Survey 2010 Report on Chad:

<http://minerals.usgs.gov/minerals/pubs/country/2010/myb3-2010-cd.pdf>

Website of the Ministry of Energy and Petrol:

<http://www.ministere-petrole.td/>

ARCHITECTURE / CONSTRUCTION / ENGINEERING SERVICES

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Chad is currently enjoying a construction boom as a result of high oil revenues and increased political stability. Most of the growth is driven by government spending, although there is also increased private construction. Major French, Chinese, and Egyptian construction companies, along with a number of local firms and contractors, are building roads, bridges, hotels, hospitals, universities, airports, public housing and government offices in N'Djamena and other major cities. An American firm is currently constructing a large-scale hotel complex in N'Djamena, set to open in 2014. The construction boom has driven up the prices of concrete and other building materials, which must for the most part be imported over land from neighboring countries.

Sub-Sector Best Prospects

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- Architectural design and engineering for large projects (hotels, office buildings)
- Road and bridge engineering and construction
- Landscaping design services
- Electrical wiring services
- Construction management and contracting services

Opportunities

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The Chadian government publishes construction tenders in the local press and occasionally in the international press. Legal tenders are issued by the ministry supervising the procurement in collaboration with the Public Procurement Office, part of the Government Secretary General (SGG) which is responsible for receiving and deciding tenders on behalf of the requesting ministries. Multilateral lending institutions usually finance large projects.

Web Resources

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

Chad Ministry of Infrastructure and Transportation Website:
<http://infrastructures-tchad.org/>

CONSTRUCTION EQUIPMENT

Overview

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See previous section ([Architecture / Construction / Engineering Services](#))

Sub-Sector Best Prospects

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- Concrete mixers and trucks
- Cranes
- Bulldozers and plows
- Road paving equipment
- Scaffolding

Opportunities

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Construction equipment is currently in high demand due to the large number of projects underway.

Web Resources

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

Chad Ministry of Infrastructure and Transportation Website:
<http://infrastructures-tchad.org/>

TELECOMMUNICATION SERVICES

Overview

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Chad's underdeveloped telecommunications industry is expanding rapidly, with mobile phone use dominating the sector. Since 2008, the number of mobile phone users in Chad has more than doubled to 4.6 million subscribers in 2012, or approximately 25 percent of the population. The industry, which was valued at approximately 240 million dollars in 2011, is dominated by European, Indian, and African providers who have established competing networks throughout the country. Maintaining cellular networks is difficult and expensive due to harsh weather conditions and lack of electricity. Fixed-line connections are almost nonexistent in Chad, with less than 1 per 100 persons having access to a fixed-line connection. Internet use is also limited to less than 10 percent of the population due to low connectivity and illiteracy. An American company laid the first high-speed fiber optic cable linking Chad to the outside world via Cameroon in 2011, but it is not yet fully functional. .

Sub-Sector Best Prospects

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- Mobile phone service providers
- Mobile network maintenance
- Satellite communications service providers
- Internet service providers

Opportunities

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An American company finished laying a fiber optic cable connecting Chad to the outside world in 2011. There may be opportunities for American Internet service providers to use the cable to offer internet services to clients in Chad. In Addition the GoC is planning to link by fiber optic other big cities

Web Resources

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

TELECOMMUNICATIONS EQUIPMENT

Overview

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See previous section ([Telecommunication Services](#))

Sub-Sector Best Prospects

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- Mobile phones
- Mobile phone network equipment (towers, transmitters, etc.)
- Internet routers
- Fiber optic cable
- Web cameras and other internet accessories

Opportunities

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See previous section ([Telecommunication Services](#))

Web Resources

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CIA World Fact Book on Chad:

https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

ELECTRIC POWER SYSTEMS

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At present, less than five percent of Chadians have regular access to electricity. As Chad's economy develops the government of Chad is seeking to resolve the country's chronic lack of electric power by constructing new plants and building new power infrastructure. The state-owned electric company, SNE, anticipates bringing a European-built 60-megawatt diesel power station on-line in 2013, in addition to a Chinese-built 20-megawatt plant that recently came on line. Power infrastructure dating to the 1960s, including high voltage wires and transformers, will also need to be rebuilt and expanded to answer rising demand. For the time being, most private enterprises and residences in Chad rely on diesel generators to meet their energy needs during periods when SNE is unable to provide power. A large market therefore exists for the sale and maintenance of diesel generators in Chad.

Sub-Sector Best Prospects

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- Power plant construction & maintenance
- Power infrastructure construction & maintenance
- Small and medium sized electric generator sales, installation, & maintenance

Opportunities

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The electric sector in Chad is currently dominated by SNE, the state-owned energy company. Companies interested in providing plant construction or infrastructure improvement services should contact SNE or the Ministry of Energy and Petroleum directly. The market for electric generators is private and open to American companies for competition. The GoC has often shown interest in exploring other energy sources such solar and wind to satisfy the rising demand of electricity.

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

Website of the Ministry of Energy and Petrol:
<http://www.ministere-petrole.td/>

TRUCKS, TRAILERS / BUSES

Overview

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As Chad's network of paved roads expands, demand has increased for trucks and buses to transport goods and people between widely separated urban centers. At the same time, increased construction has created an expanding demand for specialized trucks such as cement trucks and dump trucks. The lack of domestic rail and air transport means that most consumer goods transported within and into/out of the country must also move by truck. Most trucks and buses currently on the market are of French or Japanese manufacture, but Chadian consumers frequently express interest in purchasing American vehicles.

Sub-Sector Best Prospects

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- Dump trucks & spare parts
- Cement trucks & spare parts
- Flatbed trucks & spare parts
- Intercity buses & spare parts
- Minibuses & spare parts

Opportunities

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Most domestic travel occurs via informal minibus taxis, but large buses are beginning to appear on the roads, answering a greater demand for intercity travel.

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

Chad Ministry of Infrastructure and Transportation Website:
<http://infrastructures-tchad.org/>

DEFENSE INDUSTRY EQUIPMENT

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Of a total defense budget of over 228 million U.S. dollars, Chad allotted over 11 million dollars for military goods and equipment in 2012. The Chadian army and air force utilize a variety of land and air equipment, mostly of European or Russian manufacture. The Chadian army requires high mobility and rapid deployment capabilities in order to protect Chad's vast land area. Therefore it relies extensively on a fleet of light, durable trucks and a limited number of transport aircraft. The Chadian air force operates a few Russian land attack aircraft and helicopters. Due to Chad's rugged terrain and conditions, maintenance is frequently required for all equipment, and spare parts are in constant demand. The Ministry of Defense is open to purchasing from U.S. manufacturers.

Sub-Sector Best Prospects

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- Light trucks (pickups) & spare parts
- Armored trucks & spare parts
- Helicopters & spare parts
- Transport aircraft & spare parts
- Rifles, accessories & spare parts

Opportunities

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Chad operates one C-130 for which frequent maintenance and spare parts are required. Vehicles must frequently be maintained or replaced, presenting possible inroads for American sellers. The government strongly desires to purchase additional military transport aircraft. All sales offers for military equipment should be directed to the Ministry of Defense.

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CIA World Fact Book on Chad:
https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

AGRICULTURAL EQUIPMENT

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Chad is primarily an agricultural economy, with 80 percent of Chadians surviving on subsistence agriculture. Raising beef and lamb are also major informal industries that employ a large part of the population. In previous decades Chad was also a major cotton producer, exporting primarily to Europe, but this sector has declined dramatically due to mismanagement and global competition. The government of Chad is determined to improve agricultural production in Chad through modernization and mechanization over the next two years, and hosted a national Rural Development Forum in 2012 to promote investment in agriculture. President Deby dedicated his current tenure to rural development

Sub-Sector Best Prospects

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- Farm Tractors
- Fertilizers
- Seeds
- Farming Implements
- Irrigation Systems
- Harvesting Equipment

Opportunities

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On November 30, 2009 the government of Chad opened a tractor assembly plant in N'Djamena. The plant currently produces Indian tractors, but has the capacity to produce other brands. Interested companies should contact the Ministry of Agriculture.

Web Resources

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CIA World Fact Book on Chad:

https://www.cia.gov/library/publications/the-world-factbook/geos/countrytemplate_cd.html

Government of Chad Economic Office Webpage on Agriculture:

http://www.cellule-economique-tchad.org/index.php?option=com_content&task=view&id=25&Itemid=48

UN Food and Agriculture Organization (FAO) Chad Profile:

<http://www.fao.org/countryprofiles/index.asp?lang=en&iso3=TCD&subj=4>

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Chapter 5: Trade Regulations, Customs, and Standards

- [Import Tariffs](#)
- [Trade Barriers](#)
- [Import Requirements and Documentation](#)
- [U.S. Export Controls](#)
- [Temporary Entry](#)
- [Labeling and Marking Requirements](#)
- [Prohibited and Restricted Imports](#)
- [Customs Regulations and Contact Information](#)
- [Standards](#)
- [Trade Agreements](#)
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Import Tariffs

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Chad's tariff structure is based on fiscal and custom duties. Fiscal duty consists of an 18 percent Value Added Tax (VAT) applicable to all goods. Customs duties vary from 0 to 30 percent (see below). Some customs duties and a portion of the Community Tax for Integration (Tax Communautaire D'integration) are not applicable to commodities and goods originating from countries in the CEMAC (Economic Community of Central Africa) region, of which Chad is a member.

Trade Barriers

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There are no official trade barriers to U.S. exports and investment in Chad. Unofficial barriers include:

- High shipping costs and long transit times between Africa and the U.S
- High operational costs due to limited electricity and infrastructure
- Cultural and linguistic differences

Import Requirements and Documentation

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Documents which must be filed with the Ministry of Commerce and Industry prior to importation of goods include:

Commercial Invoice: Four copies, preferably in French or with a French translation and description of the goods. All invoices must contain the names of the exporter(s), consignee(s), the product name(s), the unit and total, and quantity. The unit and total quantity should include gross weight, net weight, and the terms of the sale.

Certificate of Origin: Two copies, preferably in French or other language with the French translation. The certificate of origin must be issued by an official Chamber of Commerce in the country of the products origin.

Packing list: Packing lists should include the number and quantity per carton, and be in numeric series. Note that the packing list is not required. However, if it is missing, customs clearance will be delayed.

Bill of lading/airway bill: Documents should include the name and address of the consignee/importer of the goods. Identification numbers on bills of lading, airway bills and invoices must be exact.

Special Requirements for Pharmaceuticals: Special import certification is required for pharmaceuticals. Health and pre-shipment inspection regulations are available from the following ministry: (1) Ministère de la Santé Publique (health) B.P. 898, N'Djamena, Tel: (235) 2251-7566 / 235-66-26-26-04.

U.S. Export Controls

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There are currently no U.S. sanctions on trade with Chad. For complete and up-to-date information on U.S. export controls, please visit the following websites:

U.S. International Trade Administration:
www.export.gov

U.S. Department of Commerce, Bureau of Industry and Security:
www.bis.doc.gov/licensing/ExportingBasics.htm

U.S. Trade Representative:
www.ustr.gov

Temporary Entry

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The Ministry of Commerce and Industry requires completion of Form D18 "Request for Temporary Admission", for temporary entry of goods. Permission is issued for one year and can be extended for an additional year.

Labeling and Marking Requirements

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There is no specific requirement concerning "Made In" markings. Computer hardware and software, televisions, high-tech equipment and appliances made in the United States should have instruction manuals and guarantees in French and/or Arabic since eventual end-users may not be able to read English.

The regulations do not require any particular language markings on imported or local food products. Production and expiration dates are controlled.

Prohibited and Restricted Imports

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There are several products ineligible for import or subject to import restrictions by Chadian law. They include:

- Arms and munitions
- Pornography

- Narcotics
- Illicit drugs and explosives
- Charcoal
- Plastic bags (there is currently a ban on plastic bags in N'Djamena)

Live animals require vaccinations and must be accompanied by an international or national vaccination card.

Customs Regulations and Contact Information

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Direction Générale de la Douane et des Droits Indirects

B.P: 144 Ndjamen, Tchad

Tel: (235) 22 51 54 94 / (235) 22 51 44 22 / (235) 22 51 90 82 / (235) 22 52 23 04 No change

N'Djamena Airport Customs

Tel: (235) 22 52 56 14, (235) 22 52 35 19 No change

Standards

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- [Overview](#)
- [Standards Organizations](#)
- [Conformity Assessment](#)
- [Product Certification](#)
- [Accreditation](#)
- [Publication of Technical Regulations](#)
- [Labeling and Marking](#)
- [Contacts](#)

Overview

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The metric system is used for weights and measures. Norms usually follow French/European Standards, ISO 9000, and SGS. Inspection Certificates are not required.

Standards Organizations

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NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

Conformity Assessment

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Not applicable to Chad.

Product Certification

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Special import certification is required for pharmaceuticals. Health and pre-shipment inspection regulations are available from the following ministries:

Ministère de l'Agriculture

B.P. 441, N'Djamena, Tchad
Tel: (235) 22 52 21 48/ 6683-9515
Fax: (235) 22 52 51 19

Ministère de la Santé Publique

B.P. 898, N'Djamena, Tchad
Tel: (235) 22 51 48 21/6629-5099

N'Djamena Airport Health Control Office:

Tel: (235) 22 52 20 74.

Accreditation

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Not applicable to Chad.

Publication of Technical Regulations

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Not applicable to Chad.

Labeling and Marking

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There is no specific requirement concerning "Made In" markings. Computer hardware and software, televisions, high-tech equipment and appliances made in the United States should have instruction manuals and guarantees in French and/or Arabic since eventual end-users may not be able to read English.

The regulations do not require any particular language markings on imported or local food products. Production and expiration dates are controlled. Nevertheless, a small amount of smuggled products without expiration dates are in circulation.

Contacts

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Ministère des Finances, Direction de la Douane

B.P. 144 Avenue Félix Eboué, N'Djamena, Chad
Tel: (235) 22 51 54 94 / (235) 22 51 44 22 no change

N'Djamena Airport Customs

Tel: (235) 22 52 56 14, (235) 22 52 35 19 no change

Trade Agreements

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Chad is a member of the Central African Monetary and Economic Community or CEMAC, which was formerly the Customs and Economic Union of Central Africa (UDEAC) See Chapter 6, Section 1. Chad is a member of the World Trade Organization (WTO).

Web Resources

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Central African Monetary and Economic Community (CEMAC):
www.cemac.int

The Economic Community of Central African States (CEEAC):
www.ceeac-eccas.org

The World Trade Organization:
www.wto.org

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Chapter 6: Investment Climate

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Openness to Foreign Investment

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The government of Chad (GOC) officially encourages foreign direct investment (FDI) and there are few formal restrictions on foreign trade and investment. Chad's investment climate remains challenging, however, due to its geographic isolation, limited infrastructure, a lack of trained workers, high import duties, and corruption. The National Investment Charter of 2008 offers incentives for foreign companies establishing operations in Chad, including three years of tax-exempt status. Chadian law guarantees the rights of foreign and domestic entities to establish and own business enterprises and to engage in remunerative activities, and the National Investment Charter offers the possibility of full foreign ownership for all companies in Chad, with the exception of those affecting national security. In recent years the GOC has fully or partially privatized some state-owned enterprises (SOEs). Foreign companies seeking to invest in former SOEs are afforded the same treatment as Chadian nationals under the Investment Charter. In principal, tenders for foreign investment in SOEs and for government contracts are done through open international bid procedures, but in practice such arrangements are usually made through direct agreements between the GOC and individual companies. Foreign companies desiring to invest in the oil and mining sectors should directly contact the concerned ministries.

There are no official screening mechanisms, such as national content criteria or restrictions, for foreign investments in Chad, although there are requirements for hiring local nationals. Foreign businesses interested in investing in Chad should contact the National Agency for Investment and Exports (ANIE), a one-stop shop for filing the legal forms needed to start a business. The process officially takes 72 hours and is the only

legal requirement for investment. In addition, most foreign corporations operating in Chad have taken the extra step of signing contracts directly with the GOC. These contracts are individually tailored to each investment, and often include additional incentives offered by the GOC as well as concessions from companies, such as agreements to work with specific local suppliers. Contracts are often confidential, and the specifics are worked out on a case-by-case basis by the GOC and the interested investors. **There have been cases of government ministries attempting to change the terms of agreements or apply new laws broadly, even for companies that have preexisting agreements that exempt them.** Chad's judicial system is weak and judicial outcomes, including those relating to contract disputes, are subject to direct influence by the government. There is limited capacity within the judiciary to address commercial issues, including contract disputes. In the absence of an effective judiciary, companies usually try to resolve disputes directly.

A number of new commercial activities and foreign investment projects were launched in 2012 in Chad. Major economic activities included construction of new roads and bridges, government office buildings, and oil infrastructure, including pipelines. Plans for future foreign investment in Chad include the construction of a new international airport, a railway connecting the country to the sea via neighboring countries, and an industrial zone 40 km outside N'Djamena. Despite an increasing number of large-scale projects, the economy remains underdeveloped and the majority of the population works in the informal economy or survives on subsistence agriculture.

Measure	Year	Index/Rating
TI Corruption Index	2012	165 out of 174
Heritage Economic Freedom	2013	164 out of 177
World Bank Doing Business	2012	184 out 185
MCC Government Effectiveness	2013	-0.522/2.0 (18 percent)
MCC Rule of Law	2013	-0.55/2.0 (11 percent)
MCC Control of Corruption	2013	-0.38/2.0 (18 percent)
MCC Fiscal Policy	2013	-4.0/10 (42 percent)
MCC Trade Policy	2013	55.6/100 (10 percent)
MCC Regulatory Quality	2013	-0.26/2.0 (27 percent)
MCC Business Start Up	2013	0.604/1.0 (4 percent)
MCC Land Rights Access	2013	0.43/1.0 (14 percent)
MCC Access to Credit	2013	28/60 (61 percent)

Conversion and Transfer Policies

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There are no restrictions on the transfer of funds from and into Chad via banks and international financial intermediaries, but any individual who wishes to transfer money exceeding USD 1,000 out of Chad must provide documentation of the source and purpose of the transfer to the local bank conducting the transfer. Additional requirements exist for companies intending to transfer more than USD 800,000 out of the country. Approvals are routine, although the government has occasionally restricted capital outflows for temporary periods. There were no reports of any such restrictions being levied in 2012. Businesses can obtain approvals in advance for regular money transfers.

Chad is a member of the African Financial Community (CFA) and uses the CFA Franc (FCFA) as its currency. The FCFA is pegged to the Euro at a fixed rate; since 2002 the

rate has been 655.99 to the Euro. In 2012, the CFA/USD exchange rate fluctuated between 496 and 518 FCFA, as a function of the performance of the USD against the Euro. There are no difficulties in obtaining foreign exchange.

As a member of the Economic Community of Central African States (CEMAC), Chad shares a central bank with Cameroon, the Central African Republic, Equatorial Guinea, Gabon, and the Republic of Congo. Individuals or companies need authorization from the Central African Economic Bank (BEAC) for transfers exceeding USD 800,000, and such authorization may require up to three working days to process at BEAC's headquarters located in Yaoundé, Cameroon. To request authorization for a transfer, a company or an individual must submit contact information for the sender and recipient, a delivery timetable, and proof of the sender's identity.

Expropriation and Compensation

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The law guarantees that no business will be subject to nationalization or expropriation except in cases where such expropriation is "in the public interest". There has been no known government expropriation of foreign-owned private property in recent years, and no indications that the GOC intends to expropriate foreign property in the near future. Article 41 of Chad's Constitution prohibits seizure of private property except in cases of urgent public need. A 1967 Land Law prohibits deprivation of ownership without due process, and stipulates that the state may not take possession of expropriated properties until 15 days after the payment of compensation. There are no laws that force local ownership of property and foreigners may own land. The government is actively working to reform the 1967 law. A new law which is expected to take effect in 2013 would encourage foreign companies to own property instead of renting offices.

Dispute Settlement

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Chad's legal system and commercial law is based on the French Civil Code, though the constitution recognizes customary and traditional law in locales where it is long-established and to the extent it does not interfere with public order or constitutional guarantees of equality for all citizens. In addition, the law is affected by international arrangements among the member states of the CEMAC, the Economic Community of Central African States (ECCAS) and the Organization for the Harmonization of Business Law in Africa (OHADA). OHADA in particular has strongly influenced Chadian business law by promulgating an international court to ensure uniformity and consistent legal interpretations across its member countries. The OHADA Investment Arrangement, with provisions for securities, arbitration, dispute settlement, bankruptcy, recovery and other aspects of commercial regulation, spells out rights for approved creditors in various categories (e.g., the Chadian Treasury, wage earners, etc).

Chad's court system officially covers commercial disputes, but its ability to do so is highly limited based on lack of capacity and limited expertise of officials in these matters. Judges are appointed by the Chadian President without National Assembly confirmation, making them vulnerable to influence from the executive branch. Monetary judgments are usually awarded in local currency, although they can be awarded in other currencies when disputes concern transactions initially made in a foreign currency.

In 2005, Chad established five commercial tribunals to share information on business law and to settle disputes. The N'Djamena tribunal has dealt with cases brought by

foreign companies. Firms not satisfied with judgments in these tribunals have recourse to OHADA's regional court in Abidjan; several Chadian companies have pursued dispute-settlement through the OHADA mechanism. CEMAC established a regional court in N'Djamena in 2001 to hear business disputes, but this body is not widely used.

Contracts and investment agreements can stipulate arbitration procedures and jurisdictions for settlement of disputes. If both parties are in agreement and provisions do not run counter to Chadian law, Chad's courts will respect the judgments of U.S. or other foreign courts. In the absence of specification, the accepted principle is that jurisdiction belongs in the nation where a given agreement was drafted. This principle applies to disputes between companies and the Chadian government.

Bilateral judicial cooperation exists between Chad and certain nations. In 1970, Chad signed the Tananarive Convention, covering the discharge of judicial decisions and serving of legal documents, with eleven other former French colonies (Benin, Burkina Faso, Cameroon, CAR, Congo-Brazzaville, Gabon, Cote d'Ivoire, Madagascar, Mauritania, Niger and Senegal.) Chad has similar arrangements in place with France, Nigeria and Sudan. Chad is also a member of the International Center for the Settlement of Investment Disputes (ICSID, also known as the Washington Convention.)

Performance Requirements and Incentives

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Chad's National Investment Charter of 2008 provides tax exemptions from five to ten years for foreign investors in areas that could have a significant benefits for Chad's economy, specifically in rural development. Foreign investors may also ask the GOC for other incentives as part of investment-specific negotiations. Large companies usually sign separate agreements with the government, which contain mutually negotiated incentives and obligations. The possibility of special tax exemptions exists for some public procurement contracts, and a preferential tax regime applies to contractors and sub-contractors in major oil projects. In the past, the government occasionally offered lower license fees in addition to ad hoc tax exemptions. Incentives tend to increase with the size of a given investment, its potential for job creation, and the location of the investment, with rural development being a GOC priority. Investors may address inquiries about possible incentives directly to the Ministry of Commerce.

Chad does not impose any performance, local content or export requirements on businesses. Some conventions signed between the GOC and specific companies, however, may include obligations for purchasing local materials. There is no requirement that technology or proprietary business information be transferred to Chadian companies or the GOC. There are likewise no government-imposed conditions on authorization to invest, such as location in specific geographical area, use of a specific percentage of local content (goods and services) or local equity, substitution for imports, export requirements or targets, legal requirements to use specific employment agencies, technology transfer, or local sources of financing. There is, however, a legal requirement that obliges foreign companies to employ locals for 98 percent of their staff. Firms can formally apply for permission from the Labor Promotion Office (ONAPE) to employ a greater percentage of expatriates than the formally-allowed two percent if they can demonstrate that skilled local workers are not available. Most foreign firms operating in Chad have been able to do this.

Work permits, which need to be renewed annually, are required for all foreign workers in Chad. Prior to 2009, work permit fees for foreign employees were set at the equivalent of USD 1,000 per year. In 2009, Chadian President Idriss Deby Itno signed two decrees raising these fees considerably. The first decree stipulated that work permit fees be equivalent to one month's salary for foreign workers. The second required firms wishing to hire foreign employees to demonstrate that finding local skilled workers was impossible and to present files of local candidates not selected for given jobs to the GOC for review. Multinational companies protested these measures. In 2010 the Prime Minister made a verbal announcement to other foreign businesses that they did not have to abide by the decrees and could continue paying FCFA 500,000 (USD 1,000) per year per employee for their work permits. **In late 2012, the Ministry of Labor reversed this informal agreement and notified foreign firms that they would have to begin paying one month's salary as a work permit fee for all foreign employees.** The Ministry said the new fees would apply even to companies that had special agreements with the government exempting them from such fees. While many foreign companies operating in Chad have since been able to individually negotiate paying lower fees than those described in the presidential decree, the decree remains in place and the government may choose to enforce it again at any time.

There are no tariffs (custom duties) for products entering Chad that are produced within the CEMAC region, besides the 18% of value added tax. Products imported from outside the CEMAC region are subject to customs duties falling under four tariff rate categories:

- Products of Primary Necessity (e.g. flour, rice, etc.): 5 percent
- Primary Materials and Equipment: 10 percent
- Intermediate Goods (e.g. tools, tires, etc.): 20 percent
- Consumer Goods (e.g. canned foods, electronics, etc.): 30 percent.

In addition to the above regular custom duties, there are also other supplementary taxes, including a tax of 20 percent on luxury products (such as televisions, audiovisual equipment, air conditioners, automobile radios, CD laser discs, home appliances, etc.) and a tax of 51 percent on new automobiles. An 18 percent value added tax is applied to all goods, and a two percent "statistical tax" is applied to all goods entering or leaving Chad, including all exports. **In early 2013, companies that had signed contracts with the government alleviating them from paying the statistical tax began reporting that the government is now demanding that they pay the tax.** Cover shipping insurance for in-land travel between Douala, Cameroon and the Chadian border is decided upon by agreement between importers and providers.

Right to Private Ownership and Establishment

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Foreign and domestic private entities have the legal right to establish and own business enterprises and engage in remunerative activity, as well as to freely establish, acquire, and dispose of interests in business enterprises.

Protection of Property Rights

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Property rights are protected by the Chadian Civil Code, but the GOC has a limited capacity to enforce them. OHADA arrangements put into place in 1998 improved existing property laws, including those dealing with mortgages, making them consistent with French commercial law. The office of "Direction de Domaine et Enregistrement" in

the Ministry of Finance is responsible for recording property deeds and mortgages. In practice, this office only asserts authority in urban areas; rural property titles are managed by traditional leaders who apply customary law. Chadian courts frequently deal with cases of multiple or conflicting titles to the same property, indicating that problems of corruption exist with the title registration system. In cases of multiple titles, the earliest title issued usually has precedence. Fraud is common in property transactions. By law, all land for which no title exists is owned by the government, and can only be given to a separate entity by Presidential decree. There have been incidents in which the government reclaimed land for which individuals held titles which were given to them by government officials without the backing of Presidential decrees. As part of the Chadian government's anti-corruption efforts initiated in mid-2009, the Ministry of Infrastructure has put in place a computerized system designed to help detect false property titles. The Ministry is currently working on a new project to modernize property titles management. Launched in 2012, the project is expected to be implemented over five years by a French firm, and will significantly reduce the powers of traditional leaders to manage property titles.

Chad is a party to the 1958 Paris Convention and the 1977 Bangui Agreement on Intellectual Property Rights (IPR). The Bangui agreement groups together 16 other francophone African nations in the African Intellectual Property Rights Organization (OAPI). The GOC adheres to OAPI rules within the constraints of its limited administrative capacity. The Ministry of Trade and Industry has established an office to register copyrights, as well as a branch office of OAPI to process patent applications (valid in all OAPI states). In 2000, Chad's National Assembly adopted a 1999 OAPI standard on IPR designed to bring member states into compliance with the WTO's Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement, which specifies protections for software, literary works, sound recordings, and industrial patents.

Although legally prohibited, counterfeit watches, sports clothing, footwear, jeans, audio materials, cosmetics, perfumes, and other goods are readily available on the Chadian market. These products are not produced locally, and are generally imported through informal channels. Due to limited resources, Chadian customs officials make occasional efforts to enforce copyright laws, including by seizing counterfeit medicines, CDs, and mobile phones. Chad signed the WTO TRIPS agreement on October 19, 1996 and the WIPO treaty in November, 1963 but it has not signed the WIPO Internet treaty.

Transparency of Regulatory System

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In the past, bureaucratic procedures for opening a business were cumbersome and slow for both Chadians and foreigners, consisting of as many as 15 steps and visits to several agencies and ministries. In 2010, the GOC created a National Investment Agency for Investment and Exportation (ANIE) to streamline the process and provide a single point of contact for foreign businesses and investors. Officially operational as of September 2011, the agency acts as a one-stop shop for all required approvals across the government. Anyone seeking to establish a new company can fill out forms at the Documentation Center at the Chamber of Commerce which are then forwarded to ANIE for processing within 72 hours. In 2012, an American investor completed the procedure and confirmed it took less than three days. ANIE is also in the process of putting in place a one-stop shop to streamline procedures for exporting Chadian products.

Formal sector businesses frequently complain about excessive taxation, which includes both high tax rates and at times duplicative or complex tax structures. The heavy tax burden has served to discourage investment and creates an unfair advantage for some informal businesses, particularly informal enterprises involved in small scale commercial activities. Labor laws tend to be restrictive and highly favorable to workers, making it difficult to fire employees. Efforts are being made in regional institutions and via technical assistance from the international financial organizations and EU towards simplifying tax laws and streamlining government procedures.

Chad was accepted on 16 April 2010 as a Candidate Country for the Extractive Industry Transparency Initiative (EITI). On October 15 2012 Chad applied and obtained an extension of its deadline for completing EITI validation. It submitted its first report to the EITI Board in October 2012 and the second report on May 9, 2013. At the most recent EITI Global Conference in May 23-24 2013, the EITI Board determined that Chad did not meet the remedial actions needed to achieve compliance. The Board allowed Chad to retain its Candidate status and will review additional progress by Chad in the upcoming months. The Board retains the right to require a new validation process if the remedial actions are not completed on time.

Efficient Capital Markets and Portfolio Investment

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Due to its low level of economic development, Chad's financial system is limited in size. There are no capital markets or money markets in Chad, and no sophisticated financial products are available. A limited number of financial instruments are available to the private sector, including letters of credit, short- and medium-term loans, foreign exchange operations and some long-term savings instruments. Credit is allocated on market terms and foreign investors are able to get credit on the local market, however rates tend to be very high. Most foreign investors seek credit outside of Chad given the lack of local financial markets.

Chad's banking sector improved after undergoing internal reforms beginning in 1990 to streamline lending practices and reduce the volume of bad debt. Three of Chad's largest banks have been privatized: ECO BANK (formerly BIAT), Société General Tchad (formerly BTCD) and CBT (formerly BDT). Another bank, Orabank, is majority owned by an American investor. Two Libyan banks are established in Chad: BCC (formerly la Banque Libyenne) and BSCIC, along with one Nigerian Bank (UBA). A number of European banks have long maintained offices in Chad. Credit is available from commercial banks on market terms, which are expensive, often at rates of 16 to 25 percent for short-term loans. Medium-term loans are difficult to obtain, as lending criteria are rigid. Most large businesses maintain accounts with foreign banks. There are ATMs in some major hotels and in some neighborhoods of N'Djamena.

Regulations and financial policies generally do not impede competition in the financial sector. Legal, regulatory and accounting systems pertaining to banking are transparent and consistent with international norms. Chad's banking sector is regulated by COBAC (Commission Bancaire de l'Afrique Centrale), a regional agency. Chad began using OHADA's accounting system in 2002, bringing its national standards into harmony with accounting systems throughout the region. Several internationally-known accounting firms have personnel in Chad. There is no effective regulatory system to encourage or facilitate portfolio investments.

Although there is no stock market in Chad, there are two nascent stock markets in the region. A small regional stock exchange, known as the Central African Stock Exchange, in Libreville, Gabon, was established by CEMAC countries in 2006. Cameroon, a CEMAC member, launched its own market in 2005. Both exchanges are poorly capitalized, and Chadian companies are not listed on either.

Competition from State Owned Enterprises

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The GOC operates SOEs in a number of sectors, including electricity, petrol, water, cement, agriculture and telecommunications. There were no reports of discriminatory action taken by SOEs against the interests of foreign investors in 2012, and some foreign companies operated in direct competition with SOEs. Chad's Public Tenders' Code (PTC) provides some preferential treatment for domestic competitors, including SOEs; however the GOC is in the process of reviewing and removing provisions that conflict with WTO obligations.

SOEs are subject to limited government financing under the national budget law, however in practice the budget is not respected. The state takes a direct hand in the management of SOEs, and state and company funds are not always separated in practice. All Chadian SOEs operate under the umbrella of government Ministries. Each SOE is managed by a Board of Directors and an Executive Board. The heads of SOE Boards of Directors are appointed by the President of the Republic, and have in the past included relatives of the President. Executive Boards are managed by CEOs who are also appointed by the President. The Boards of Directors give general directives over the year and the Executive Boards develop management strategies through general guidelines set by the Boards of Directors. Some Executive Directors consult with their respective ministries before making business decisions but others do not.

Corporate Social Responsibility

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Most Western firms operating in Chad are aware that they bear a burden for social responsibility, given extremely low local health, safety and environmental standards compared to those that prevail in their countries of origin. Western firms are generally committed to extensive staff training efforts, purchasing of local goods where possible, and donating excess equipment to charity. While work safety and environmental protection regulations exist, they are not always enforced by the government or adhered to by companies. There are a variety of local NGOs, particularly in the southern oil producing regions, which monitor safety and environmental protection in the oil sector, and have held government and private companies publically accountable in the past.

Political Violence

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Chad has been politically unstable for much of its post-independence history. It suffered its most recent period of instability from 2005 to 2008, in connection with the Darfur crisis in neighboring Sudan. During this period the governments of Chad and Sudan fought a proxy war by supporting rebel movements in each other's territory. In 2006 and 2008, Chadian rebel fighters entered the capital of N'Djamena but were repelled by the Chadian military after intense fighting. In 2009, Chadian rebels clashed again with the Chadian national army in eastern Chad. In January 2010, an agreement between the governments of Chad and Sudan committed the two nations to ceasing support for respective rebels and to ending the proxy war. The resulting peace has ushered in one

of the most stable periods in Chad's history. Domestic tensions between the ruling party and opposition groups increased in 2013 led to arrest of several political figures and journalists, following a May first alleged plot against the regime. Political tensions also occurred in 2012, however, following a series of elections in which President Deby's ruling MPS party maintained control of the government. Although there were few incidents of violent protest, 2012 was marked by several months of strikes by public sector workers, the arrest of union leaders and journalists by the government, and increasing public dissatisfaction with rising living costs. Although itself a poor country, Chad continues to host a significant number of refugees from neighboring countries, including approximately 250,000 refugees from Sudan. There have been no reported incidents over the past few years involving politically motivated damage to projects and/or installations, although kidnapping and banditry are persistent threats, particularly in rural areas.

Corruption

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Chad has not ratified either the UN Convention on Preventing and Combating Corruption or to the OECD anti-bribery convention. Despite a February 2000 anti-corruption law stipulating penalties for corrupt practices, corruption continues to exist at all levels of government, and is consistently described by businesses as one of the largest obstacles to operating in Chad. As in other developing countries, low salaries for most civil servants, judicial employees, and law enforcement officials, coupled with a weak state system and culture of rent seeking, have contributed to corruption. Corrupt practices include bribery, non-transparent selection in public procurement, and embezzlement of public resources.

In 2011, the GOC launched a campaign to investigate and prosecute corruption cases at all levels of government. This campaign led to the arrest of several high ranking officials, including the Minister of Good Governance. President Deby, in many public addresses to the nation throughout 2012, pledged to continue the campaign to eliminate corruption from Chadian public life and promised prosecution of those who accepted kickbacks or demanded bribes. In May 2012 the GOC launched "Operation Cobra": a nationwide anti corruption campaign which has succeeded in recovering around USD 50 million in embezzled funds. Despite these efforts and expressions of commitment, charges against those indicted for corruption are routinely dropped without explanation, and the individuals accused are sometimes promoted or reinstated in different government positions.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a

competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: <http://www.justice.gov/criminal/fraud/>

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see <http://www.oecd.org/dataoecd/59/13/40272933.pdf>). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. *NOTE: Chad is not a signatory to the OECD Antibribery Convention.*

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. *NOTE: Chad is not a signatory to the UN Anticorruption Convention.*

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) *NOTE: Chad is not a signatory to the Inter-American Convention against Corruption (OAS Convention).*

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) *NOTE: Chad is not a signatory to the Council of Europe Criminal Law and Civil Law Conventions.*

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. *NOTE: Chad is not a signatory to an FTA with the United States.*

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: <http://www.justice.gov/criminal/fraud/fcpa>.
- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/departement/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: <http://www.oecd.org/dataoecd/11/40/44176910.pdf>.
- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.
- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at:

http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/publications/gcr>.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See <http://info.worldbank.org/governance/wgi/index.asp>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>.
- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See <http://www.weforum.org/s?s=global+enabling+trade+report>.
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: <http://report.globalintegrity.org/>.

Bilateral Investment Agreements

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The U.S. has neither an investment treaty nor a bilateral tax agreement with Chad. Chad has signed bilateral investment treaties with approximately a dozen countries, most of them in Europe, Africa and the Middle East. These agreements include:

COUNTRY	AGREEMENTS
Algeria	<ul style="list-style-type: none"> - Trade Agreement, signed on February 9, 1990 - Friendship and Cooperation Protocol Agreement, signed on March 27, 1990
Cameroon	<ul style="list-style-type: none"> - Cooperation Agreement on Economic and Customs matters, August 20, 1970
Canada	<ul style="list-style-type: none"> - Economic and Technical Cooperation Agreement
Central African Republic	<ul style="list-style-type: none"> - Economic Cooperation Agreement, December 10, 1980

Czech Republic	<ul style="list-style-type: none"> - Trade Agreement, signed on February 13, 1997
Democratic Republic of Congo	<ul style="list-style-type: none"> - Economic, Scientific, Social and Cultural Cooperation Agreement, signed November 18, 1987 - Trade Agreement, signed on November 16, 1987
Egypt	<ul style="list-style-type: none"> - Trade Agreement, October 14, 1994 - Convention on Promoting and Protecting investments, no date
France	<ul style="list-style-type: none"> - Multifarm Agreements (trade and assistance)
Iran	<ul style="list-style-type: none"> - Agreement on creating a Mixed Commission for Cooperation, signed on July 17, 1997
Iraq	<ul style="list-style-type: none"> - Trade, Economic and Scientific Cooperation Agreement, August 21, 1989
Morocco	<ul style="list-style-type: none"> - Trade and Tariff Convention, December 4, 1997
Niger	<ul style="list-style-type: none"> - Cooperation Framework Agreement November 9, 1976 - Agreement on creating a Mixed Commission for Cooperation, no date
Nigeria	<ul style="list-style-type: none"> - Economic, Scientific, and Technical Agreement Cooperation, December 10, 1986 - Framework Agreement on Trade, April 9, 1971
Republic of Congo	<ul style="list-style-type: none"> - Air Transport Agreement signed on October 19, 1988 - Transport and Cultural and Scientific Cooperation Agreement, signed on October 19, 1988
Romania	<ul style="list-style-type: none"> - Trade Agreement, signed on November 5, 1969
Russia	<ul style="list-style-type: none"> - Economic and Technical Cooperation Agreement, signed on February 17, 1968
South Africa	<ul style="list-style-type: none"> - Trade Agreement, signed in 1994
The Netherlands	<ul style="list-style-type: none"> - Assistance Cooperation Agreement, signed on August 8, 1988
Tunisia	<ul style="list-style-type: none"> - Framework Agreement on Economic, Scientific, Cultural and Technical Cooperation, October 9, 1998 - Agreement creating Mixed Commission for Cooperation, September 9, 1998

Turkey	- Trade, Economic, Scientific and Technical Cooperation Agreement, signed on October 14, 1999
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OPIC and Other Investment Insurance Programs

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Chad is a member of the Multilateral Investment Guarantee Agency (MIGA), and the U.S. Overseas Private Investment Corporation has issued political risk investment insurance to U.S. companies in Chad. The French investment guarantee agency, COFACE, has also guaranteed a number of investments in Chad. The annual average exchange rate is approximately 500 FCFA = 1 USD. Given that the FCFA is fixed to the Euro, any devaluation or depreciation of the rate is illustrative of changes in the Euro/USD rate. At the average rate of 500 FCFA/USD, the US Embassy purchased FCFA worth approximately USD 6 million in 2012.

Labor

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Chad has a shortage of skilled labor in most sectors due to weaknesses in the education system. Although there is an increasing pool of university graduates able to fill entry-level management and administrative positions, skilled workers still represent a very small percentage of the total labor pool. About 80 percent of the labor force is engaged in subsistence activities such as fishing, farming, and herding, and the majority of the population is illiterate. Unskilled and day laborers are readily available. Very few Chadians speak English, although a small but increasing number of university graduates and business professionals have English skills. Acceptable translators and interpreters are available.

Chadian labor law derives from French law and tends to include greater protections for workers than U.S. law. Labor unions exist and operate independently from the government. There are two main labor federations, the "Confederation Libre des Travailleurs du Tchad" (CLTT) and the "Union des Syndicats Tchadiens" (UST), to which most individual unions belong. Most Chadian businesses operate in the informal economy, where labor laws are widely ignored.

Foreign-Trade Zones/Free Ports

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There are currently no foreign trade zones in Chad. The Chadian Agency for Investment and Exportation (ANIE) is currently examining the possibility of creating a duty-free zone.

Foreign Direct Investment Statistics

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The onset of greater peace and stability following the 2010 peace accord with Sudan has seen a substantial increase in Foreign Direct Investment (FDI) into Chad. FDI increased over 300 percent between 2008-2011, from USD 234 million in 2008 to USD 1.8 billion in 2011, according to the United Nations Conference on Trade and Development (UNCTAD). In 2011, FDI inflows constituted approximately 18 percent of Chad's total GDP of USD 9.5 billion. Private Chadian investment overseas remains negligible.

By far the largest source of FDI in Chad is the Chad-Cameroon Oil Development Project. The project is funded by a consortium including two American oil companies, Exxon

Mobil and Chevron, and a Malaysian company, PETRONAS. The project began producing oil in the Doba region of southern Chad in 2003 and transporting it via a 1,000 km pipeline to the coast at Kome, Cameroon for export. The consortium has invested over USD 3.0 billion in maintaining oil production levels and employs over 6,000 local staff. Since its inception the project has resulted in over USD 7.4 billion in revenues for the GOC, representing on average over 60% of the annual GOC budget.

Other major examples of FDI include an oil refinery constructed and operated by a 40/60 joint venture between the GOC and China National Petroleum Company (CNPC). The refinery, which began operations in July 2011, can refine up to 20,000 barrels per day, principally from the CNPC drilling project located in southern Chad. Chinese companies are also involved in constructing roads throughout the country, and a Chinese cement factory is currently being operated as an SOE by the GOC. Canadian companies are also finding their way in the oil sector, with one firm expected to begin exporting crude oil in 2013 and two others in the exploratory stage.

Major foreign hotel brands in N'Djamena include the Meridian (American), Novotel (French), and Kempinski (the N'Djamena branch is Libyan owned). A new five-star Hilton hotel is being built by an American company and is scheduled to open in late 2013. International restaurants owned by expatriates in N'Djamena include French, Lebanese, Chinese, and Ethiopian restaurants. There are currently no international franchise restaurants or retail chains in Chad, but some local businesses have expressed interest in franchising opportunities with U.S. companies.

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Chapter 7: Trade and Project Financing

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- [How Does the Banking System Operate](#)
- [Foreign-Exchange Controls](#)
- [U.S. Banks and Local Correspondent Banks](#)
- [Project Financing](#)
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How Do I Get Paid (Methods of Payment)

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Some traditional trade finance instruments such as letters of credit, collections and funds transfers are available to exporters, but associated fees are high. Financing can be obtained from commercial banks for short, medium, and long term loans to the private sector. Long-term public sector financing can also be arranged through multilateral lending institutions, i.e., the World Bank, African Development Bank (BAD), European Development Fund (FED), and Islamic Development Bank, as well as bilateral agreements with European, Middle Eastern and Asian nations.

How Does the Banking System Operate

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Chad is a member of the CFA (Communauté Financière Africaine) zone, as well as the Central African Monetary Union (CEMAC), which guarantees the convertibility of the FCFA into Euro at a fixed rate. Exchange rates with the USD therefore vary according to the strength of the dollar versus the Euro. The average exchange rate in 2012 was 500 FCFA per USD.

Chad's banking system is limited in size and in the services it offers. Financial instruments available to the private sector include: letters of credit; short, medium and long term loans; foreign exchange operations; and some long-term savings instruments. The banking sector is regulated by COBAC (Commission de Banque de l'Afrique Centrale), a regional banking agency. There are also two investment banks in Chad: BSCIC and Agricultural and Commercial Bank (ACB). While BSCIC belongs entirely to the Libyan government, ACB's equities are held equally by Chad and Sudan.

The banking sector has improved in recent years as the four largest banks, Ecobank (formerly BIAT), SGB (formerly BTCD), BCC (formerly Banque Libyenne) and CBT (formerly BDT) were privatized and all major banks have undergone internal reforms to reduce the volume of bad debt and improve lending practices. Recently a Nigerian-based bank the United Bank of Africa (UBA), started operation in Ndjamen and is now planning to open branches in other cities as well. Credit is available from commercial banks on market terms, which are expensive, usually 16 to 25 percent for short-term loans. Medium term loans are possible to obtain upon prior eligibility assessments by banks.

A stock exchange does not exist in Chad, but the CEMAC zone has two regional markets based in Cameroon and Gabon. A discussion to merge these two markets is ongoing among CEMAC officials.

Foreign-Exchange Controls

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There are no restrictions on the transfer of funds into Chad, but any individual who wishes to transfer money exceeding USD 1,000 out of Chad must provide documentation of the source and purpose of the transfer to the local bank conducting the transfer. Additional requirements exist for companies intending to transfer more than USD 800,000 out of the country. Approvals are routine, although the Central Bank has occasionally restricted capital outflows for temporary periods. There were no reports of any such restrictions being levied in 2012. Businesses can obtain approvals in advance for regular money transfers.

U.S. Banks and Local Correspondent Banks

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Société Générale des Banques -SGB (former BTCD)

Correspondents: Société Générale of New York; Standard Chartered Bank of New York; The Bank of New York;

Banque Commerciale du Chari –BCC

Correspondents: Arab Intercontinental Bank (French: Banque Intercontinentale Arabe), Paris; Union des Banques Arabes et Françaises, Paris

Orabank (former Financial Bank Tchad)

Correspondents: NATXIS, Paris; Credit Agricole, Paris; ING, Belgium

Commercial Bank Tchad (CBT), former Banque de Développement du Tchad (BDT)

Correspondents: Citibank, New York; The United Bank for Africa (UBA); City bank of New York.

Project Financing

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Private financing is difficult to obtain in Chad and the terms are quite expensive due to the high level of risk. Loan rates are generally set on an individual basis depending on the clients and their projects. Short and long-term loans are available domestically but foreign investors generally rely on external financing.

Web Resources

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Export-Import Bank of the United States: <http://www.exim.gov>

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

Overseas Private Investment Corporation (OPIC): <http://www.opic.gov>

Trade and Development Agency: <http://www.tda.gov/>

SBA's Office of International Trade: <http://www.sba.gov/oit/>

USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

U.S. Agency for International Development: <http://www.usaid.gov>

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Chapter 8: Business Travel

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Business Customs

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French and Arabic are the official languages of Chad. English speakers in the government and business communities are rare. Business correspondence, brochures, and advertising materials should all be prepared in French. Translation of materials into Arabic can also provide an advantage. Business calls are generally conducted in French, but for some interactions an interpreter who speaks Chadian Arabic may be necessary.

In general, business customs in Chad are similar to those in the United States and Europe, although less formal. It is customary to shake hands with virtually everyone, regardless of the setting. Meetings usually begin with polite inquiries about personal and family health before getting down to business. In general, visitors should permit the person receiving them to turn to the subject to business. Chadians usually wear either business suits or traditional dress. Lightweight suits are appropriate throughout the year.

Travel Advisory

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For up-to-date travel advisories, consult the State Department travel page at: www.travel.state.gov

Visa Requirements

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A visa is required for U.S. citizens to enter Chad. The visa must be obtained prior to departure; it is not possible to obtain one at the airport upon arrival. U.S. visitors must register with the National Police at the Commiseriat Central on Rue du Colonel Moll in N'Djamena within 72 hours after arrival. Travelers are advised to carry their passports at all times, since authorities often request identification. Long-term visas (Visa de Long Séjour) are also available, valid for up to one year. Entry visas can be obtained through Chadian embassies in the United States, Cameroon, Central African Republic, Sudan, Libya, Nigeria, Niger, Benin, Algeria, Germany, Egypt, Ethiopia, Lebanon, France, Benelux and the EU, Saudi Arabia, Congo, Democratic Republic of the Congo, Ivory Coast, Italy, and Russia.

U.S. travelers can obtain tourist, business and diplomatic visas from the Embassy of the Republic of Chad, 2002 R Street, NW, Washington, D.C. 20009. Telephone: (202) 462-4009; fax: (202) 265-1937.

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process, and it is a good idea to apply for the necessary visa as soon as possible. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/>

U.S. Embassy, N'Djamena, Chad Website: <http://ndjamena.usembassy.gov/>

Telecommunications

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Chad's underdeveloped telecommunications industry is expanding rapidly, with mobile phone use dominating the sector. Since 2008, the number of mobile phone users in Chad has more than doubled to 4.5 million subscribers in 2012, or approximately 25 percent of the population. Fixed-line connections are almost nonexistent in Chad, with less than 1 per 100 persons having access to a fixed-line connection. Internet use is also limited to one percent of the population due to low connectivity and illiteracy. Presently, most organizations requiring access to the internet are forced to use satellite connections.

Transportation

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Chad is a landlocked country with poor transportation links to ocean ports. The nearest port facility is in Douala, Cameroon, 1,800 km from the capital of N'Djamena. In 2011 Chad began planning a seven billion USD railway construction project linking N'Djamena to Port Sudan on the Red Sea and Douala on the Atlantic, as well as a large new international airport for N'Djamena. As of 2013, the railway project has yet to start. Currently, all goods must be flown in on the limited international flights to N'Djamena or trucked overland via poorly-maintained roads to the Cameroonian railhead of Ngaoundere, from which trains run to Douala. The alternative route is through Nigeria's Maiduguri rail junction, which connects to Port Harcourt or Lagos. To ship goods to Chad by surface or air, it is recommended that a freight forwarder be used. STAT/SAGA and SDV/SOCOPAO are the two major freight-forwarding companies in Chad. The Commercial Section at the U.S. Embassy can provide up-to-date contact information.

Chad's internal road network is poor but gradually improving. Chad has nearly 40,000 km of roadway, of which 1,724 km are paved. The GoC regularly stated it would increase paved roads to 6,000 km by 2016. A recently finished paved road connecting N'Djamena to the city of Moundou in the south has dramatically improved road links between the capital and the southern agricultural zone. The number of paved roads within the capital city is also increasing.

Chad has one international airport in N'Djamena with regular direct flights to Paris and several African cities. The N'Djamena Airport is modern but lacks standard travel comforts and facilities despite a recent upgrade to the departure terminal. The airport is run by the International Agency for Air Navigation Security in Africa (ASECNA). Chad also has 109 rural airports, five of which have paved runways. Several small companies

offer charter domestic flights to regional cities and the Zakouma Game Park in southeast Chad. Others offer cargo service to Dubai.

Language

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French and Arabic are the official languages of Chad. Chadian Arabic varies considerably from Classical Arabic, and while Chadians may be able to understand the latter, speakers of Classical Arabic may have difficulty understanding Chadian Arabic. English speakers in the government and business communities are rare.

Health

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With the exception of a few international clinics, health facilities in Chad are not up to western standards, and travelers should take this into consideration before entering Chad. A valid U.S. passport and international health certificate indicating recent yellow fever and cholera immunizations are required for entry into Chad. Vaccinations against typhoid, tetanus, diphtheria, meningitis and hepatitis are also recommended. Malaria is common, even in the capital, and Malaria prophylaxis is strongly recommended.

Local Time, Business Hours, and Holidays

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Chadian Local Time is one hour ahead of Greenwich Mean Time (GMT+1). Chad lies entirely in the West African Time Zone (WAT). The following are public holidays in Chad:

January 1	New Year Day
Feb	Maouloud Al Nebi (M)
April	Easter Monday
May 1	Labor Day
May 13	Meditation Day for the Memory of Chadian Soldiers Engaged in Mali
August 11	Chadian Independence Day
August	Aid-Al-Fitr (end of Ramadan) (M)
November 1	All Saints' Day
October	Aid-Al Adha (Tabaski) (M)
November 28	Proclamation of Chad Republic
December 1	Freedom and Democracy Day
December 25	Christmas Day

Note: (M) - Muslim holidays are based on the lunar calendar and the exact dates may vary in different countries. Travelers may want to confirm the dates of these holidays before traveling.

For government offices, working time is usually Monday through Thursday from 7:00 AM to 3:30 PM, with a 30-minute break at 12:00, and Friday from 7:00 AM to 12:00 PM. The commercial working week varies but in general is from 8:00 AM to 12:30 PM and from 4:00 to 8:00 PM. Offices close Friday afternoons during designated Muslim prayer time. Offices are closed on Sundays while markets and restaurants are mostly open seven days a week.

Temporary Entry of Materials and Personal Belongings

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Articles such as clothing and other personal effects along with professional tools and devices, musical instruments, etc., may be allowed duty free entry for short and long term residents. Foreigners wishing to import personal vehicles usually have two alternatives:

(1) Those intending to stay for a predetermined length of time can obtain Form D18 from the Chadian customs office. The form allows for temporary admission of a vehicle for up to two years. The vehicle will receive temporary transit tags along with an assigned validity date; the vehicle must then be re-exported at the end of the stipulated period.

(2) Those intending to stay in Chad for a longer period must present their vehicles to Customs. Customs will determine the duty based on the invoice value or, in the absence of an invoice, the estimated value calculated by the Customs office. Customs duties are based on the following duty schedule: 30 percent Import Tariff; VAT Tax 18 percent, two percent for a license fee ("redevance") and four percent Income Tax. Upon payment of duties, the vehicle is inspected by the Bureau of Transportation and receives a tag number.

Web Resources

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For up-to-date travel information, consult the State Department travel page at: www.travel.state.gov

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Chapter 9: Contacts, Market Research and Trade Events

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- [Trade Events](#)

Contacts

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1. DEPARTMENT OF COMMERCE CONTACTS

U.S. Department of Commerce
14th and Constitution Ave., NW
Washington, D.C 20230

U.S. Department of Commerce
Country Desk Officer: Karen Burress-Floyd/ Office of Africa
Tel: (202) 482-5149
Fax: (202) 482-5198
E-Mail: Karen_Burress@ita.doc.gov

The Trade Information Center (TIC)
Office of Export Promotion Coordination
International Trade Administration
U.S. Department of Commerce
14th and Constitution Ave., NW HCHB 7424
Washington, D.C. 20230
Tel: (202) 482-0543 Fax: (202) 482-4473
Internet: <http://www.ita.doc.gov/tic>

2. OTHER U.S. GOVERNMENT AGENCIES

U.S. Department of State
Office of Central African Affairs
Washington, D.C. 20520
Tel: (202) 647-1707 Fax: (202) 647-1726

U.S. Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220
Office of the Assistant Secretary for International Affairs
Tel: (202) 622-1231 Fax: (202) 622-1228

U.S. Department of Agriculture
Foreign Agricultural Service
14th and Independence Ave., SW
Washington, D.C. 20250
Trade Assistance and Promotion Office
Tel: (202) 720-7420 Fax: (202) 690-4374

Overseas Private Investment Corporation (OPIC)
1100 New York Avenue, NW
Washington, D.C. 20527-0001
Tel: (202) 336 8799
Website: www.opic.gov

Export-Import Bank of the United States
811 Vermont Avenue, NW
Washington, DC 20571
Tel: (202) 565-3903 Fax: (202) 565-3931
John Richter, Regional Director - Africa
Website: www.exim.gov

U.S. Trade and Development Agency
1621 North Kent Street
Arlington, VA 22209
Tel: (703) 875-4357 Fax: (703) 875-4009

U.S. Agency for International Development
Office of West African Affairs
1300 Pennsylvania Avenue, NW
Washington, DC 20523
Tel: (202) 712-0220

3. OTHER U.S. - BASED CONTACTS

The Corporate Council on Africa
1100 17th Street, N.W., Suite 1100
Washington, DC 20036
Tel: (202) 835-1115
Fax: (202) 835-1117
E-mail: cca@africacncl.org

The World Bank
1818 H Street NW, Washington DC 20433
Tel: (202) 458-7860
Fax: (202) 473-5452
Mr. Ali Khadr
Country Director – Chad
Email: akhadr@worldbank.org

Ms. Christine Richaud
Country Economist
Tel: (202) – 458-7937
Fax: (202) – 473-8466
Email: crichaud@worldbank.org

International Finance Corporation (IFC)
1850 I Street N.W.
Washington D.C. 20433

Small Business Development Division Sub Saharan Africa Department
Tel: (202) 473 0398 Fax: (202) 676 9707

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully, connect them with trade opportunities and support them once they do have exporting opportunities.**

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: www.buyusa.gov

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center at (800) USA-TRAD(E).**

To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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