

REPUBLIC OF CONGO

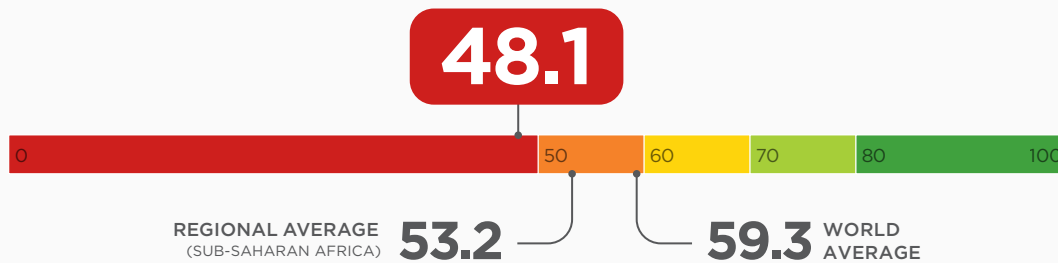
WORLD RANK: **156** REGIONAL RANK: **39**

ECONOMIC FREEDOM STATUS: **REPRESSED**

The Republic of the Congo's economic freedom score is 48.1, making its economy the 156th freest in the 2023 *Index*. Its score is 0.4 point lower than last year. Congo is ranked 39th out of 47 countries in the Sub-Saharan Africa region, and its overall score is lower than the global and regional averages.

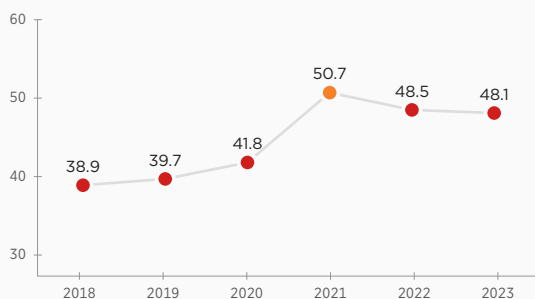
Economic freedom remains fragile in Congo because of repressive governance exacerbated by the weak rule of law. The weak judiciary fuels corruption, and extensive state controls persist. The slow pace of reform, coupled with political instability, has left the nation with an inadequate institutional capacity.

ECONOMIC FREEDOM SCORE



HISTORICAL *INDEX* SCORE CHANGE (SINCE 1996): +7.8

RECENT FREEDOM TREND



QUICK FACTS

POPULATION:
5.7 million

GDP (PPP):
\$20.7 billion
-0.2% growth in 2021
5-year compound annual growth -3.6%
\$4,312 per capita

UNEMPLOYMENT:
n/a

INFLATION (CPI):
2.0%

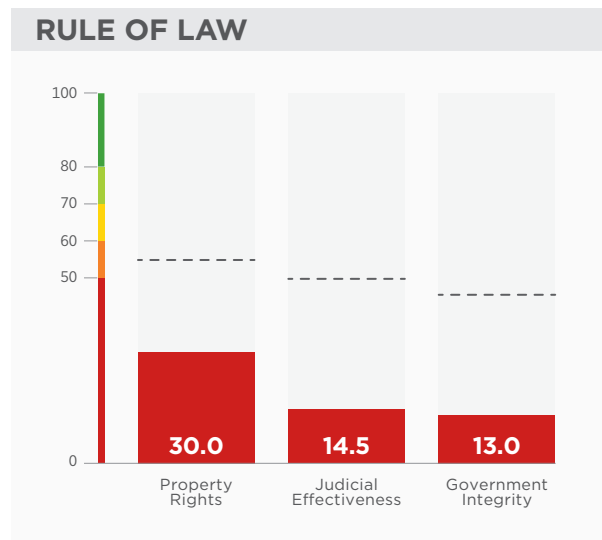
FDI INFLOW:
\$3.7 billion

PUBLIC DEBT:
103.6% of GDP

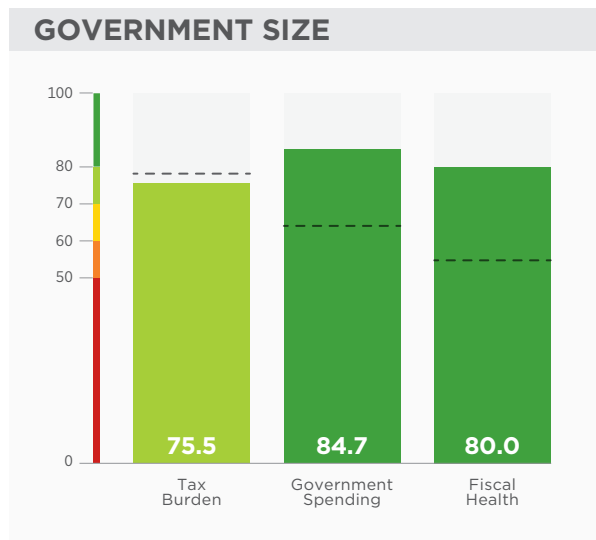
2021 data unless otherwise noted. Data compiled as of September 2022

BACKGROUND: The Republic of the Congo became independent from France in 1960. Denis Sassou-Nguesso seized power in 1979 and ruled until 1992 when he allowed a multiparty election to be conducted. He was defeated but seized power again after a 1997 civil war and won flawed elections in 2002, 2009, 2016, and 2021. A referendum approved in 2015 modified constitutional limits so that he could run again. Congo is one of sub-Saharan Africa's largest producers of oil but lacks the infrastructure to exploit its natural gas reserves and hydropower potential. The country shipped its first exports of iron ore in 2019.

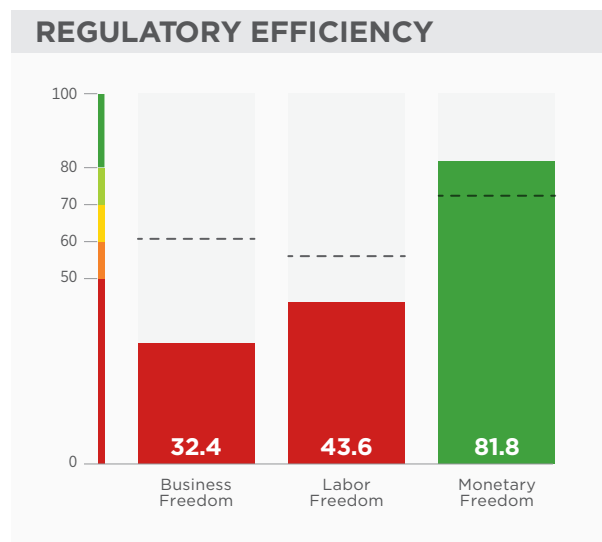
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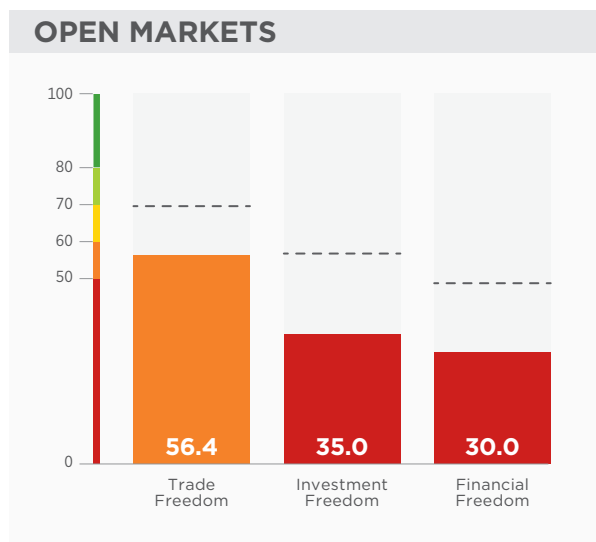
The overall rule of law is weak in the Republic of Congo. The country's property rights score is below the world average; its judicial effectiveness score is below the world average; and its government integrity score is below the world average.



The top individual and corporate tax rates are, respectively, 40 percent and 28 percent. The tax burden equals 8.0 percent of GDP. Three-year government spending and budget balance averages are, respectively, 22.6 percent and 1.7 percent of GDP. Public debt equals 103.6 percent of GDP.



Government interactions with respect to registering businesses, obtaining land titles, paying taxes, and negotiating natural resource contracts are arbitrary, unreliable, and subject to corruption. The formal labor market is not well developed across the country. The most recent available inflation rate is 2.0 percent.



The trade-weighted average tariff rate is 11.8 percent, and nontariff barriers persist. Poor economic management aggravated by political instability has constrained the growth of much-needed domestic and foreign investment. Companies have very limited access to financial services.