

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

CHAD

Africa Central

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
N'Djamena	Capital and commercial hub; seat of government, the central bank's national operations and the limited formal banking sector	Finance, services, construction, trade
Doba Basin (southern Chad)	Chad's main oil-producing region since 2003, linked by pipeline to export terminals on Cameroon's Atlantic coast; China's CNPC has emerged as the lead partner following Western majors' exit, planning expansion of existing fields and a proposed second refinery in eastern Chad, as part of a government push to roughly double national output toward 300,000 bpd	Oil production, oilfield services, new upstream capital investment
Chad-Cameroon pipeline corridor	Critical export infrastructure; historically among the largest private investments in sub-Saharan Africa at the time of construction	Pipeline services, logistics, export-linked infrastructure
Southern cotton belt	Chad's traditional cash-crop region; cotton is the fourth-largest export product, recovering after 2024-2025 flood losses	Cotton production and processing, agro-industry
Lake Chad Basin (Sédigi area, north of Lake Chad)	Site of Chad's earliest oil discoveries (1974); broader basin also significant for livestock and fishing	Oil exploration, livestock, fisheries
Artisanal gold-mining regions	Mining output, mainly artisanal, continues to grow on high gold prices and expanding extraction capacity	Gold mining formalisation, mineral processing
Chad-Egypt-Libya transport corridor	New regional connectivity project backed by a EUR 110 million Afreximbank loan announced August 2026	Transport infrastructure, cross-border logistics

INVESTOR ENTRY ROUTES

- **FOREIGN DIRECT INVESTMENT:** Appropriate for oil, agribusiness and infrastructure platforms with a long-term operating strategy, particularly given the government's stated need for new upstream capital.
- **JOINT VENTURE:** The historical model for Chad's oil sector, originally developed by a Conoco, Shell, Chevron and Exxon consortium; relevant for new consortium-style entry alongside existing operators.
- **STRATEGIC PARTNERSHIP:** Suitable for agribusiness processing, mining formalisation and logistics companies entering through government or multilateral-linked programmes.
- **PPP / INFRASTRUCTURE:** Highly relevant to transport, energy and agricultural infrastructure under the National Development Plan 2025-2030, which targets USD 30 billion in investment.
- **ACQUISITION / PRIVATISATION:** Relevant to the gradual formalisation of artisanal gold mining and selected state-linked assets as reforms under the IMF-backed programme proceed.
- **EXPORT → DISTRIBUTION → LOCALISATION:** Effective for cotton, gum arabic, cattle and oilfield-services suppliers building market knowledge ahead of direct investment.

MARKET-ENTRY OBSERVATION

A strong Chad entry strategy should connect the investor to a specific sector-risk profile rather than treating the country as one undifferentiated market. Oil investors should weigh the government's own warning that output could begin a gradual decline from 2031 absent substantial new capital investment, alongside the now-resolved Savannah Energy nationalisation precedent as a reference point for upstream contract-security risk. Agribusiness and infrastructure investors should prioritise projects aligned with the National Development Plan 2025-2030 and multilateral co-financing, which carry materially lower counterparty and financing risk than standalone private entry given the banking sector's current fragility. The sector's centre of gravity is shifting: following the nationalisation of former ExxonMobil/Savannah Energy assets and the earlier exit of other Western partners, Chadian officials describe China (via CNPC) and the UAE as now the most active new investment sources in oil, while no comparable new Western capital has arrived to replace what departed.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Oil-revenue dependence	Oil accounted for around 70% of total exports in 2024, leaving fiscal space and export revenue directly exposed to global oil-price swings	Stress-test projects against oil-price scenarios; prioritise sectors benefiting from, rather than dependent on, oil revenue
Post-2031 oil decline risk	Based on current extraction plans, oil output could begin a gradual decline from 2031 in the absence of substantial new capital investment	Engage early on new upstream investment opportunities while terms remain favourable; monitor field-level production data directly
Contract security / nationalisation precedent	The long-running Savannah Energy dispute has been resolved in the state's favour: Chad took direct control of the former ExxonMobil assets, ending Savannah's claim; foreign investors reportedly read this as a signal of weak contract security for upstream assets	Seek strong, internationally arbitrable contract terms and political-risk insurance; weight recent precedent heavily when assessing upstream entry
Banking-sector fragility	Only five banks meet prudential requirements, and non-performing loans stand at 33.3%	Use international correspondent banking and development-finance institution structures rather than relying on local bank balance sheets
Debt sustainability	The IMF considers Chad's debt sustainable but at high risk of over-indebtedness, given dependence on oil revenue and external financing; debt-to-GDP trajectories reported across sources diverge, from a declining path toward 28.7% (World Bank) to a rising path toward 34% (Coface) for 2026	Monitor IMF programme reviews and BEAC's regional assessments directly; do not rely on a single debt-trajectory estimate
IMF programme and reform pacing	Chad's four-year Extended Credit Facility, approved July 2025, is central to fiscal credibility; reform implementation pace remains a live variable	Track IMF mission outcomes and first-review conditions as leading indicators of broader reform momentum
Regional security and humanitarian spillover	The ongoing war in Sudan has created a significant humanitarian crisis affecting Chad, alongside heavy security expenditure pressures	Factor regional security conditions into site selection and contingency planning, particularly near the eastern border

INVESTOR RISK NOTE

Chad is best viewed as a genuinely improving but still fragile frontier market, where strong headline growth coexists with real banking-sector and debt-sustainability risk. The World Bank upgraded its 2026 growth forecast to 5.2%, described as the largest upward revision for any African economy this year, following growth of 5.6% in 2025; higher global oil prices linked to the Middle East conflict are explicitly cited as a factor boosting Chad's oil export revenues and fiscal space. Institutional forecasts diverge meaningfully, however: the African Development Bank projects a more conservative 3.6% for 2026, while Coface projects around 5%, illustrating genuine uncertainty around how much of this growth proves durable. Despite the oil windfall, around four in ten people in Chad live below USD 3 a day, and the economy remains small in absolute terms, at roughly USD 21.4 billion in 2025. Chad completed its political transition with nationwide elections and the adoption of a new constitution, providing a more stable institutional backdrop than in recent years.

MARKET ACCESS

Chad was the first country to reach a debt treatment agreement under the G20 Common Framework, announced 11 November 2022, covering roughly USD 3 billion in external debt, over a third of which was commercial debt owed predominantly to Glencore; the

agreement also marked China's first participation in a joint debt treatment deal alongside other creditors, reprofiling payments without reducing the debt stock. Chad's IMF-backed four-year Extended Credit Facility was approved 25 July 2025, with a first-review staff-level agreement reached 19 December 2025 and continued IMF engagement through 2026. The government launched its National Development Plan 2025-2030 in November 2025, targeting USD 30 billion in investment, and in August 2026 secured a EUR 110 million Afreximbank loan specifically to build transport infrastructure linking Chad to Egypt and Libya.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Government of Chad / Ministry of Finance	Leads National Development Plan 2025-2030 implementation and IMF-linked fiscal reform	PPP structuring, NDP-aligned project introductions
IMF (Extended Credit Facility)	Approved a four-year programme in July 2025; its review cycle is the key leading indicator of fiscal and reform credibility	Reform-linked monitoring, macro-stability tracking
World Bank	Publishes the Macro Poverty Outlook cited throughout this guide and supports agriculture and livestock-sector development financing	Agribusiness and rural development co-financing
African Development Bank	Provides country economic outlook reporting and infrastructure-linked financing support	Infrastructure co-financing, project pipeline access
Afreximbank	Financed the new EUR 110 million Chad-Egypt-Libya transport corridor loan in August 2026	Cross-border infrastructure and trade-finance introductions
BEAC (regional central bank)	Sets CEMAC-wide monetary policy; its December 2026 regional review is a near-term milestone for the financial sector	Regional monetary-policy and banking-sector risk monitoring
Glencore and existing oil-sector operators	Chad's largest private creditor and a central commercial counterparty in the oil sector	Oil-sector commercial introductions and consortium structuring

CURRENT INTERNATIONAL BUSINESS CHANNELS

Glencore remains Chad's most significant private commercial creditor and a central oil-sector counterparty. China participated for the first time in a joint sovereign debt treatment alongside Chad's other creditors in the 2022 Common Framework agreement, alongside France, India and Saudi Arabia as bilateral creditors. Afreximbank's new corridor financing signals growing African multilateral development bank engagement specifically in regional connectivity. These channels, established oil-sector commercial relationships, diversified bilateral creditor engagement, and new multilateral infrastructure financing, offer established entry points for Waverley to build further cross-border investor and institutional introductions.

INVESTOR PROFILE BEST SUITED

Oil and gas investors prepared to engage on new upstream capital ahead of the post-2031 decline risk, agribusiness and agro-processing operators (cotton, gum arabic, cattle), gold-mining formalisation investors, transport and cross-border logistics developers, and development-finance partners are the strongest initial target profiles.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Market Intelligence

Map the sector, project location, applicable NDP priority area and counterparties.

STEP 2: Investor Fit

Match capital, technology, operating experience and risk appetite to a defined Chadian project or investment theme.

STEP 3: Partner Identification

Identify government counterparts, project sponsors, multilateral institutions and existing commercial operators.

STEP 4: Strategic Introductions

Use Waverley's business-diplomacy and institutional-relations capability to facilitate selected, purposeful introductions.

STEP 5: Market Entry

Support the investor through feasibility, partner negotiations, financing discussions and implementation planning.

WAVERLEY'S ROLE

- Market Entry & Investment

- Business Diplomacy & Strategic Introductions
- Trade Missions & Market Access
- Trade & Geopolitical Risk Advisory
- Government & Institutional Relations
- Research & Investment Intelligence

INVESTOR CALL TO ACTION

International investors, companies, institutions and strategic partners seeking further market intelligence or selected introductions may contact Waverley to discuss their objectives.

Market Intelligence → Investor Assessment → Strategic Introduction → Market Engagement → Potential Investment

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Internal intelligence should track: project sponsor; location/region; sector; project stage; CAPEX; financing need; investor type; government counterpart; local partner; licensing; relevant international company; conference/mission opportunity; introduction status; and next action. Public Gateway pages should reveal enough to generate investor interest without exposing commercially sensitive intelligence.

POSITIONING

Waverley Investment Gateway - From Market Intelligence to Trusted Market Connections.

Waverley helps international investors understand selected emerging and frontier markets, identify relevant opportunities and navigate the relationships required to explore market entry.

SELECTED SOURCES

- Rio Times Online - "Chad oil nationalisation, investment drought," September 2026.
- South China Morning Post - "China steps in as Chad bets oil future on Beijing after Western exit," November 2025.
- World Bank - Macro Poverty Outlook for Chad, April 2026, and Chad country data.
- Rio Times Online - "Chad's Economy Hinges on Oil and a Delayed IMF Loan," October 2026.
- African Development Bank - Chad Economic Outlook, 2026.
- Coface - Chad Country Risk File, Economic Risk Analysis, 2026.
- African Leadership Magazine - "Chad's Economic Turnaround: How Oil, Agriculture and Reforms Are Fueling Growth," 2026.
- IMF - Chad Extended Credit Facility Request and Debt Sustainability Analysis, IMF Staff Country Reports, 2025.
- Bank of Scotland Trade - Chad economic context briefing, 2026.
- Reuters - "Chad agrees debt plan with creditors, including Glencore," and related G20 Common Framework reporting.