

Oil from the Gulf of Guinea

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Oil is the leading African product traded from Geneva. The countries of the Gulf of Guinea — Nigeria, Angola, Congo, Gabon, Equatorial Guinea, Cameroon, Ghana — and, to a lesser extent, Chad, South Sudan and North Africa export a significant share of their production through independent traders, who buy the crude from the national companies and sell it on to refiners.

The Public Eye investigation into more than 1,500 cargoes sold by the state-owned oil companies of sub-Saharan Africa between 2011 and 2013 showed that Swiss traders had bought a quarter of the oil sold by these companies, and that they had been the largest purchasers of state oil in Cameroon, Gabon and Equatorial Guinea.¹ These sales, concluded in the greatest secrecy according to the organisation, represent a major share of public revenue for the countries concerned. The United Nations estimated that half of African countries derived more than 80 per cent of their revenue from the export of natural resources in 2012.²

The relationships between traders and national companies take several forms: spot purchases of cargoes, forward contracts, pre-financing against future deliveries, the supply of refined products in exchange for crude, and shareholdings in refineries or terminals. These relationships have provided the producing countries with outlets and liquidity, and the traders with margins and dominant positions. They have also given rise to the corruption cases described in Part H, in the Republic of the Congo, Côte d'Ivoire and Angola, and to criticism of the terms of the contracts, the prices obtained by the countries and the transparency of payments.

The African national companies occupy a central position. They hold the monopoly on marketing the share of production accruing to the state, they negotiate with the traders and they receive the payments. Their governance — the appointment of their executives, the transparency of sales, the transfer of proceeds to the state budget — determines how the oil

rent is distributed. The Extractive Industries Transparency Initiative has extended its requirements to the sales of these companies, which directly concerns the Geneva traders.³

Key points. Swiss traders bought a quarter of the oil sold by the state-owned companies of sub-Saharan Africa between 2011 and 2013. They dominated purchases in Cameroon, Gabon and Equatorial Guinea. These relationships, essential to the revenue of the countries concerned, have also given rise to corruption cases and to criticism of their transparency.

1 Notes

1. Public Eye, “Enquête exclusive : à qui profite le pétrole africain ?” (Exclusive investigation: who profits from African oil?), publiceye.ch; Tribune de Genève, 21 March 2017. ↩
2. Tribune de Genève, 21 March 2017, cited above. ↩
3. Requirement 4.2 of the EITI Standard: governments, state-owned enterprises or third parties mandated by the state publish the revenues from sales of the state’s share of production and the volumes sold by purchasing company; traders that support the EITI publish their payments to governments in their own reports; working group on commodity trading since 2015; Extractive Industries Transparency Initiative, “Le commerce des matières premières” (Commodity trading), eiti.org (accessed September 2026). ↩

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