CHAD

LEGAL & TAX FRAMEWORK FOR INVESTMENT — JULY 2026 EDITION

An **OHADA and CEMAC member**, Chad is a **Sahelian oil economy**, **landlocked** — hydrocarbons are the country's main export, evacuated through the **Chad-Cameroon pipeline** linking the Doba basin to the Kribi terminal. The economy also rests on **livestock**, **cotton** and **agriculture**. Chad operates within the **CEMAC monetary zone** (BEAC, XAF — fixed EUR parity), applies **OHADA** business law and the **SYSCOHADA** accounting framework. A structural point of attention: unlike Congo or Gabon, **no France–Chad tax treaty is in force** — France-related flows fall under domestic law, with a **25% withholding rate outside the CEMAC zone**. This factsheet summarises the key macroeconomic, tax and legal data for an investment entry decision.

POPULATION **~21.5 M** 2026 est. (Worldometer / UN)	CURRENCY **CFA FRANC XAF** BEAC/CEMAC — fixed parity 1 EUR = 655.957 XAF	GDP GROWTH **~5.6%** 2025e · ~5.2% projected 2026 (IMF WEO April 2026)
INFLATION **~0.5%** 2026f (IMF)	GDP PER CAPITA **≈ $1,165** 2025 (IMF / Worldometer)	HEAD OF STATE **M. I. DÉBY ITNO** Mahamat Idriss Déby Itno — President, elected 06/05/2024, inaugurated 23/05/2024
CAPITAL **N'DJAMENA** Economic and administrative hub	BUSINESS FRAMEWORK **OHADA / CEMAC** 17 OHADA states · CEMAC/BEAC (XAF zone)	KEY ASSET **CHAD-CAM. PIPELINE** Doba basin to the Kribi terminal — export route for a landlocked country

CHAD-CAMEROON PIPELINE: THE EXPORT ROUTE OF A LANDLOCKED COUNTRY

Chad is a **Sahelian oil economy**, **landlocked**, whose production is evacuated through the **Chad-Cameroon pipeline**, linking the Doba basin (south of the country) to the Kribi terminal on the Cameroonian coast — a structural logistics dependence on neighbouring corridors. Secondary resources include **livestock** and **cotton** (traditional pillars of the economy and employment), and **agriculture** (a major share of GDP). A structural point of attention: unlike Congo, **no France–Chad tax treaty** is in force — France-related flows fall under domestic law, with a **25% withholding rate outside the CEMAC zone** — a decisive factor to build into any structuring.

A HARMONISED BUSINESS-LAW FRAMEWORK

- **OHADA** — Chad applies all 9 OHADA Uniform Acts (companies, security interests, debt recovery, insolvency, arbitration, etc.). Disputes may be referred to the **CCJA** (Common Court of Justice and Arbitration), whose awards are enforceable across the 17 member states.
- **CEMAC monetary zone** — CFA franc **XAF**, fixed parity **1 EUR = 655.957 XAF**, managed by the **BEAC**. Cross-border financial flows are subject to CEMAC foreign-exchange rules (Regulation 02/18): mandatory repatriation of export proceeds, domiciliation, licensed intermediaries — a regime appreciably stricter than in other zones.
- **Revised SYSCOHADA accounting** — the mandatory OHADA accounting framework, readable across the 17 member states.
- Also a member of the **African Union**, the **AfCFTA**, **OAPI** (intellectual property) and **CIMA** (insurance).

COMMON OHADA COMPANY FORMS

FORM	MIN. CAPITAL
SA	XAF 10,000,000 (OHADA standard)
SAS	Freely set by the by-laws
SARL (LLC)	Freely set by the by-laws
Branch	Tied to the foreign company (OHADA time limit)

One-stop registration via the RCCM. Investment promotion: ANIE (anie.td).

TAX REGIME — THE ESSENTIALS

TAX	RATE	NOTES
Corporate income tax (CIT)	35%	Among the highest in the CEMAC zone. Regimes by turnover: lump-sum ≤ XAF 50M; simplified 50–500M; standard > XAF 500M. Source: PwC/WTS (Aug. 2024).
VAT	18%	Standard rate 18%. Reduced rate: 9% (listed local products). Zero rate on exports. Threshold tied to the regime (≥ XAF 50M turnover).
Minimum tax (IMF)	1.5%	1.5% of turnover, declared and **paid monthly** (standard regimes) — unlike many CEMAC countries where the minimum tax is annual. A key cash-flow pitfall, particularly during the ramp-up phase.
Withholding (non-residents)	20–25%	Dividends: 20%. Interest: 25% (5% within CEMAC). Oil royalties: 12.5%. CEMAC legal entities: 7.5%. Flows outside CEMAC (incl. France): 25%. Source: PwC/WTS (Aug. 2024).
Tax treaties	NONE (FR)	**No France–Chad tax treaty in force** — unlike Congo or Gabon, France-related flows fall under domestic law (25% withholding outside CEMAC). Only applicable treaty: CEMAC (multilateral). Source: Société Générale Import-Export; CEMAC treaty text.

Source: PwC Worldwide Tax Summaries — Chad (Aug. 2024, latest published edition — to be cross-checked against the Chadian finance act in force) · Société Générale Import-Export (absence of France treaty) · CEMAC treaty text.

ATTRACTIVE SECTORS

- **Oil** — the main export; production evacuated through the **Chad-Cameroon pipeline** (Doba basin to the Kribi terminal); a specific oil tax regime. Structuring establishment conventions and export flows upfront is critical.
- **Livestock & cotton** — traditional pillars of the economy and employment.
- **Agriculture** — a major share of GDP; local-processing potential.
- **Energy & infrastructure** — significant needs, notably to open up logistics corridors.

INVESTMENT INCENTIVES

- **Investment Code** — tax and customs benefits depending on the amount invested and the sector.
- **ANIE** (anie.td) — National Investment and Export Agency; a one-stop shop bringing together the commercial-court registry, the tax administration and social security for incorporation and investment formalities.
- **Oil sector** — specific establishment conventions to be combined with OHADA law.

FOREIGN-EXCHANGE REGULATION

- **Strict CEMAC framework (Regulation 02/18).** Cross-border financial transactions, administered by the BEAC, require the repatriation of export proceeds, the domiciliation of operations and the channelling of transfers through licensed intermediaries — a regime appreciably stricter than in other zones. The XAF is pegged to the EUR at a fixed parity (655.957).
- **Repatriation of dividends and capital.** Transfer abroad of profits, dividends and disposal proceeds is possible, conditional on documenting the flows and paying the taxes due — to be structured and documented from the moment of entry into the capital. Arrangements exist for oil operators.
- **Good practice.** Fund the investment in foreign currency and keep full documentary traceability of each flow — all the more so for a landlocked country whose logistics depend on neighbouring corridors (Cameroon).

SECURING THE INVESTMENT

In a landlocked oil economy with no tax treaty with France and a demanding CEMAC foreign-exchange regime, upfront contractual and tax structuring is decisive.

THE UGGC ANGLE — OHADA LEVERS

§ **CCJA arbitration** — awards enforceable across the 17 OHADA member states; the most effective dispute resolution mechanism in the zone.

§ **Security interests (Uniform Act)** — mortgage, pledge, autonomous guarantee, security agent; critical for oil and logistics project financing.

§ **No France–Chad treaty** — in the absence of a tax treaty, structure flows (interest, royalties, services) to optimise the 25% withholding rate applicable to France-related flows outside CEMAC.

§ **CEMAC FX & repatriation** — Regulation 02/18: structure dividend and capital repatriation via a licensed BEAC bank from day one, all the more critical for a landlocked country.

UGGC Africa supports you in Chad through its pan-African platform — africa@uggc.com.

Disclaimer. This country factsheet is provided for general information, as at July 2026; it does not constitute legal or tax advice and cannot bind UGGC Africa. The figures are drawn from public sources and are subject to change (notably through Chadian finance acts). Any investment decision should be the subject of a tailored analysis.

Sources: IMF (WEO April 2026 / country report) · Worldometer / UN (population, 2026) · PwC Worldwide Tax Summaries — Chad (Aug. 2024) · Société Générale Import-Export (absence of France–Chad tax treaty) · CEMAC treaty text · ANIE (anie.td) · OHADA (ohada.com) · BEAC (CEMAC Regulation 02/18) · CEMAC (cemac.int) · uggcafrica.com.