

**Monitoring of Graduating Countries from
the Least Developed Country Category:**

Equatorial Guinea

**Committee for Development Policy
UN Headquarters, New York
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I. Background

Equatorial Guinea and Vanuatu are earmarked for graduation, following the recommendations by the CDP which were endorsed by ECOSOC in 2009 and 2012, respectively, and taken note of by the General Assembly in December 2013 (A/RES/68/18).

Table 1. Time line for monitoring reports: Equatorial Guinea and Vanuatu

Date	Equatorial Guinea	Vanuatu	Relevant GA resolution
December 2012	Current reporting system introduced	Current reporting system introduced	67/221 adopted
March 2014	CDP annual monitoring report to ECOSOC	CDP annual monitoring report to ECOSOC	E/RES/2013/20
December 2014	Country report to be submitted to CDP (as a graduating country)	Country report to be submitted to CDP (as a graduating country)	67/221
March 2015	CDP annual monitoring report to ECOSOC	CDP annual monitoring report to ECOSOC	E/RES/2013/20
December 2015	Country report to be submitted to CDP (as a graduating country)	Country report to be submitted to CDP (as a graduating country)	67/221
March 2016	CDP annual monitoring report to ECOSOC	CDP annual monitoring report to ECOSOC	E/RES/2013/20
December 2016	Country report to be submitted to CDP (as a graduating country)	Country report to be submitted to CDP (as a graduating country)	67/221
March 2017	CDP annual monitoring report to ECOSOC	CDP annual monitoring report to ECOSOC	E/RES/2013/20
<i>June 2017</i>	<i>Equatorial Guinea graduates</i>		<i>68/18</i>
<i>December 2017</i>		<i>Vanuatu graduates</i>	<i>68/18</i>
December 2017	Country report to be submitted to CDP (as a graduated country, #1)	Country report to be submitted to CDP (as a graduating country) ^A	67/221
March 2018	CDP annual monitoring report to ECOSOC	CDP annual monitoring report to ECOSOC	67/221
December 2018	Country report to be submitted to CDP (as a graduated country, #2)	Country report to be submitted	

II. Monitoring development progress of Equatorial Guinea

Table 3. Equatorial Guinea: value of exports by main commodities exported, 2013

HS (as reported) commodity code	Exports	Value (US dollar billions)	Share (per cent)
27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes	13.6	93.4

While seeking to encourage increased oil exploration to compensate for decreasing productivity of existing oil fields, the government emphasized economic diversification as a priority in the National Economic Development Plan: Horizon 2020, the country's long-term development strategy. Although diversification into non-oil sectors is still very limited, there have been efforts to diversify products, financing sources and markets for the extractive industry. Large public investment has been made in exploring gas extraction and building LNG processing capacity in recent years. Sources of investment financing have also diversified, as firms from China, Nigeria, and Russia are expanding their presence in the

Source: United Nations Statistics Division.

While there seems to be improvement in human assets, the HAI score still remains low at 54.8 in the 2015 review. However, progress is explained partly by changes in data sources and methodology adopted in the 2015 review, and partly by real progress. For instance, the under-5 mortality rate as presented in table 4 dropped from 167 per 1,000 live births in the 2012 review to 96 in the 2015 review, but the indicators come from two different data sources.²³ If the data source for 2015 had been used for 2012 as well, the change would have been smaller, from 106 in 2012 to 96 in 2015. When approaches adopted for the 2015 review are used for previous reviews, the HAI scores for Equatorial Guinea have not changed much (49.7, 51.3, and 54.8 in the 2009, 2012, and 2015 reviews, respectively).

As shown above, there is a large discrepancy between the country's income level and its human development. Equatorial Guinea's Human Development Index (HDI) value for 2013 was 0.556, which was in the medium human development category, positioning the country at 144 out of 187 countries and territories (see table 5). In Sub-Saharan Africa, countries which are close to Equatorial Guinea in 2013 HDI rank and country size are Cape Verde and Sao Tome and Principe, ranked 123 and 143 respectively, but those countries' GNI per capita are far lower than that of Equatorial Guinea. On the other hand, countries which are close to Equatorial Guinea in terms of income levels, such as Mauritius and Seychelles, have much higher HDI values, 0.771 (ranked 63) and 0.756 (ranked 71), respectively. Table 4 shows that the low HDI value for Equatorial Guinea is due to significantly low levels of life expectancy and mean years schooling.

Table 5. Equatorial Guinea: Human Development Index indicators for 2013 relative to selected countries and groups

Country	HDI value	HDI rank	Life expectancy at birth	Expected years of schooling	Mean years of schooling	GNI per capita (2011, PPP US\$)
Mauritius	0.771	63	73.6	8.5	15.6	16,777
Seychelles	0.756	71	73.2	9.4	11.6	24,632
Cape Verde (a)	0.636	123	75.1	13.2	3.5	6,365
Sao Tome and Principe (b)	0.558	143	66.3	11.3	4.7	3,111
Equatorial Guinea	0.556	144	53.1	8.5	5.4	21,972
Sub-Saharan Africa	0.502	—	56.8	9.7	4.8	3,152

Source: UNDP, Human Development Report, 2014.

Note: (a) Cape Verde graduated from the LDC category in 2007.

(b) Sao Tome and Principe meets the criteria for graduation for the first time in 2015 according to preliminary estimates by the CDP Secretariat.

Equatorial Guinea's EVI score is 39.3 in the 2015 review (see table 4). Whether the country

absorbs more than 60 per cent of labor force, the land used for cultivating crops has steadily declined by 6 per cent annually in the period of 2007-2012.²⁹

In this context, a smooth transition strategy of Equatorial Guinea will have to be customized in order to reflect the country's special economic situations and to ensure a sustainable development of the country. As Equatorial Guinea's medium- to long-term development prospects depend extensively on future oil revenues, the Government of Equatorial Guinea is encouraged to prepare, in collaboration with its partners, its transition strategy for successful implementation of economic policies to promote diversification, reducing excessive dependence on the hydrocarbons sector, and to improve human development.

²⁹ FAO, Country profile: Equatorial Guinea, available from
http://faostat.fao.org/CountryProfiles/Country_Profile/Direct.aspx?lang=en&area=61