

Equatorial Guinea is highly dependent on the oil sector (about a third of GDP and 80 per cent of exports) and continues to face serious challenges due to the decline in hydrocarbon production compounded by low investment.¹ While other macroeconomic indicators, such as exports, consumption, and fiscal space, show steady and slow declines, real GDP has contracted fast since 2013 (see Figure 1). Prospects of rebounding of oil production and exports helped by new discovery of oil fields remain unclear.²

Source: IMF (2019). World Economic Outlook, accessed December 2019.

Despite the negative growth in the past years, GNI per capita remains as \$8,346 in 2020, about seven times higher than the graduation threshold established at the 2018 review, \$1,230 (see Annex). The country is expected to remain an upper-middle income country (GNI per capita between \$3,956 and \$12,235) in the coming years.³

