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Monitoring of Countries Graduated from
the Least Developed Country Category:
Equatorial Guinea



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energy supply domestically. Despite graduation, the level of development of productive capacities of Equatorial Guinea lags that of the average Other Developing Country (ODC), with a lag of over one third vis-à-vis these countries. The gaps are especially wide in transport and ICT. This indicates the need to mobilize and invest natural resource rents for the diversification of the national economy, starting with investment in infrastructure and in the broader diffusion of digital technologies. These investments, combined with industrial and sectoral policies, should enable the diversification of the country's economy.

The country's agricultural potential remains untapped, and the National Agricultural and Food and Nutrition Security Investment Plan 2015–20 has put emphasis on training for farmers and supporting small and medium sized farming enterprises. Economic diversification, although making slow progress, remains a priority. The fisheries and aquaculture sector (0.2% of GDP between 2014 and 2018) also offer opportunities for diversification.

Figure 2: Equatorial Guinea PCI 2018

Source: UNCTAD

Table 3. Productive Capacity Index, Selected Countries, 2018 value

Country	PCI	Energy	Human capital	ICT	Institutions	Natural capital	Private s4()5s9g
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Data gap

Equatorial Guinea's statistical capacity is extremely low. Statistical Capacity Index score for Equatorial Guinea was 36.7 in 2019, much lower than the average upper middle income country (70.6) and low income country average (56.7), placing the country as 9th lowest of the world.³ Macroeconomic data, particularly the Balance of Payment data is very outdated, or not reported by the Government, and thus not available readily from the IMF databases. Socioeconomic indicators are also outdated and we use somewhat outdated and incomplete sub-indicators to calculate the HAI. Monitoring the progress and challenges for Equatorial Guinea using data is very difficult.

Smooth transition and country specific factors

Equatorial Guinea graduated from the LDC category in 2017. During the monitoring period before and after the graduation, Equatorial Guinea has yet to report to the CDP on its implementation of the smooth transition strategy. The COVID-19 pandemic will add more challenges to the country in sustaining growth and maintaining the macroeconomic stability, given the lower world demand for oil. The Government adopted some measures to improve the business climate for non-oil investment to foster economic diversification, but the progress in this area has been slow.⁴

³ World Bank. WDI. Accessed 28 January 2021.

⁴ IMF. Dec 2019, Request for an Extended Arrangement under yhe Extented Fund Facility and Second Review under the Staff-Monitored Program.