

COUNTRY PROFILE **2017**



CONGO



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Abbreviations and acronyms

ADB	African Development Bank
AIDS	Acquired immune deficiency syndrome
AU	African Union
BEAC	Banque des États de l'Afrique centrale [Bank of Central African States]
CAADP	Comprehensive Africa Agriculture Development Programme
CAR	Central African Republic
CEMAC	Communauté économique et monétaire de l'Afrique centrale [Central African Economic and Monetary Community]
CFAF	CFA francs
CPW	Construction and public works
CSS	Circonscriptions socio-sanitaires [health districts]
DRC	Democratic Republic of the Congo
DSCERP	Document de stratégie pour la croissance, l'emploi et la réduction de la pauvreté [growth, employment, and poverty reduction strategy paper]
ECA	Economic Commission for Africa
ECCAS	Economic Community of Central African States
ECOM	Enquête congolaise auprès des ménages [Congolesse household survey]
EPI	Expanded Programme on Immunization
FAO	Food and Agriculture Organization of the United Nations
FDI	Foreign direct investment
GDP	Gross domestic product
HDI	Human development index
HIV	Human immunodeficiency virus
ICT	Information and communications technology
ILO	International Labour Office
IMF	International Monetary Fund
INS	Institut national de la statistique [National Institute of Statistics]
MICS	Multiple indicator cluster survey
ODA	Official development assistance
OECD	Organization for Economic Cooperation and Development
PASEC	Programme d'analyse des systèmes éducatifs de la Conférence des ministres de l'Éducation des États et gouvernements de la Francophonie [Programme for the analysis of education systems of the Conference of Ministers of Education of French-Speaking Countries]
PRSP	Poverty reduction strategy paper
REC	Regional economic community
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
WACS	West Africa Cable System

WB World Bank

WDI World Development Indicators

WHO World Health Organization

The Congo at a glance

General information		Ranking	Position	Out of a total of	Year	Source
Subregion	Central Africa	Human Development Index	135	188	2016	UNDAP
Official language(s)	French	Gender inequality index	135	188	2016	UNDP
Currency	CFA franc	Ibrahim Index of African Governance	42	54	2016	Mo Ibrahim Foundation
Capital	Libreville	Ease of doing business index	177	190	2017	World Bank
Membership of regional economic communities	ECCAS CEMAC	Corruption perceptions index	59	176	2015	Transparency International



Economic growth

The Congolese economy entered a recession in 2016, registering -1.6 per cent growth compared to 2.6 per cent in 2015. This development is attributable to the decline in the oil GDP, as well as the slowing of the non-oil sector owing to shrinking public investment in reaction to the drop in oil revenues. Projections are that growth will rebound to 1.7 per cent in 2017 owing to higher oil production combined with higher world prices.



Fiscal policy

As a result of management of public finances, the budget deficit (on a commitment basis, excluding grants) decreased to 11.8 per cent of GDP in 2016 from 19.1 per cent in 2015. The budget deficit is expected to decline further in 2017 to stand at 7.4 per cent of GDP, mainly because of a drop in current expenditures.



Inflation and Monetary policy

Inflation stood at 4.6 per cent in 2016 compared to 2.7 per cent in 2015, owing in particular to higher food prices. Projections indicate inflation of 1.0 per cent at the end of 2017, below the 3 per cent ceiling for CEMAC countries.



Current account

The current account deficit grew to 83.0 per cent of GDP in 2016 from 50.5 per cent of GDP in 2015. The situation was attributable to the steady deterioration of the trade balance associated with the collapse of oil exports and the persistent service account deficit.



Foreign direct investment

Net flows of foreign direct investment into the Congo were estimated at \$2 billion in 2015 and 2016, far less than the \$5.5 billion recorded for 2014. The decline was attributable to the drop in investments in the oil sector, which attracts most of the foreign direct investment.



Demography

The population of Congo was estimated at 4,936,184 in 2016, consisting of 50.6 per cent females and 49.4 per cent males. An estimated 38.4 per cent of the total population is under 15 years of age, 58.7 per cent is 15–64 years of age and 2.9 per cent is over 65 years of age. The population is unevenly distributed in the country, with 56.5 per cent living in the urban centres of Brazzaville and Pointe-Noire.



Poverty

The poverty rate declined from 50.1 per cent in 2005 to 46.5 per cent in 2011. Poverty affects more women than men. In order to support spatial inclusion, the Congolese Government has embarked on an accelerated municipal development programme in the past few years that has opened up departments and reduced regional inequalities.



Employment

Unemployment stands at 11.3 per cent for all six of the Congo's municipalities. It affects more women than men (12.6 per cent versus 10.3 per cent). Brazzaville and Pointe-Noire have the highest level of unemployment (11.3 per cent and 9.0 per cent, respectively).



Health

Life expectancy at birth rose from 54.6 years in 2005 to 64.1 years in 2015. Life expectancy for females (65.7 years) remains higher than for males (62.5 years). Under-5 child mortality has fallen sharply, with 54.1 deaths per 1,000 live births in 2016 compared to 89.8 in 2005. There is still a high number of maternal deaths in the Congo, although progress has been made since 2005, with the maternal mortality ratio falling from 596 deaths per 100,000 live births in 2005 to 442 in 2015.



Education

The Congo has one of the highest school enrolment ratios in Central Africa, with 96.5 per cent primary net enrolment and 67.4 per cent secondary net enrolment. The literacy rate for 15–24 year-olds is 88.8 per cent for males and 83.9 per cent for females.



Gender equality

There is a slight disparity in favour of men for youth literacy, enrolment in secondary schools and higher, and employment in the non-agricultural sector. Women are better off than men in terms of access to finance. There is significant gender disparity in favour of men in political representation, with 17 women holding a seat in parliament compared to 134 men, and 5 women ministers out of a total of 31 ministers.

Overview

In the last decade, the Congo has recorded some of the highest growth in the subregion, with average growth in real gross domestic product (GDP) of around 5 per cent per year between 2005 and 2014.¹ Growth has slowed in the past four years or so, however. The Congolese economy, like that of the entire subregion, is being affected by falling prices for the principal commodities, including oil. Real GDP contracted by 1.6 per cent in 2016 after growing by 2.6 per cent in 2015. According to the forecasts of the Direction générale de l'économie [Directorate-General of Economy], it is expected to recover to grow by 1.7 per cent in 2017.² Inflation rose from 2.7 per cent in 2015 to 4.6 per cent in 2016³ in a context of rising food prices. The drop in international oil prices led to a cutback in capital expenditures, which helped contain the country's budget deficit (on a commitment basis, excluding grants) to 11.8 per cent of GDP in 2016 compared to 19.1 per cent of GDP in 2015.⁴ The current account deficit, meanwhile, increased from 50.5 per cent of GDP in 2015 to 83.0 per cent in 2016.⁵ While according to the second Congolese household survey (ECOM II⁶) poverty has decreased, falling from 50.1 per cent of the population in 2005 to 46.5 per cent in 2011, the human development situation is not yet up to par with the country's economic and financial potential. Furthermore, the social situation has deteriorated owing to post-election tensions and the collapse of oil revenues, which has caused delays in the payment of State receivables.

The country's production structure, which is essentially centred on oil extraction, leads to development that is relatively non-inclusive. Economic diversification is therefore crucial to improving the quality of growth, creating a sufficient number of jobs and reducing poverty significantly. It is also crucial to reducing the Congolese economy's vulnerability to external shocks and the risks associated with the economy's excessive reliance on oil. To achieve this, the country must commit to supporting non-oil sources of growth. A combination of uncultivated arable land and growing demand for agricultural products indicates that agricultural development should be one of the pillars of the Congolese Government's economic diversification strategy.

1 BEAC 2017.

2 Direction Générale de l'Économie 2017.

3 BEAC 2017.

4 Ibid.

5 Ibid.

6 Congolese household survey for poverty monitoring and assessment.

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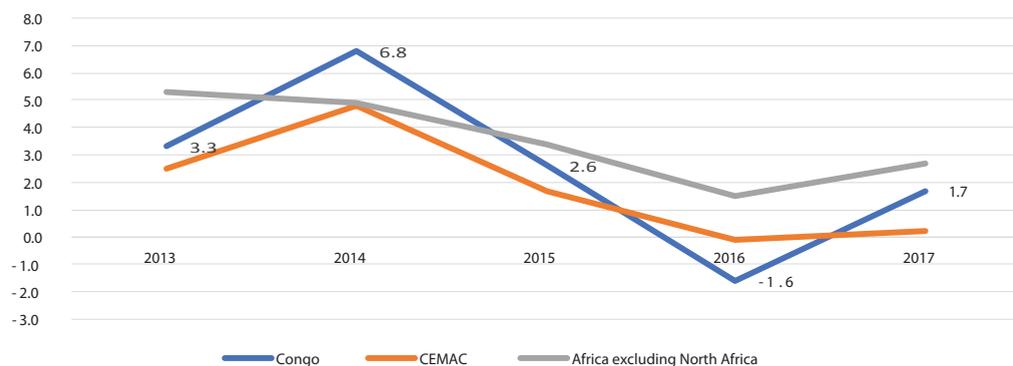
National and subregional context

Economic activity weakened in 2016 against a global backdrop of steadily declining oil prices. The 1.6 per cent negative real GDP growth recorded in 2016 puts the Congo below the average for the Central African Economic and Monetary Community (CEMAC) (-0.1 per cent) and Africa excluding North Africa (1.5 per cent) (figure 1). According to the Directorate-General of Economy, the economic outlook for 2017 is favourable based on an increase in oil production combined with higher international prices. Real GDP growth of 1.7 per cent is expected.

The Congo is a member of two regional economic communities, CEMAC and the Economic Community of Central African States (ECCAS). With an estimated nominal GDP of CFAF 4,792.5 billion in 2016, the Congo accounts for about 10 per cent of the total GDP for CEMAC.

By virtue of its membership in CEMAC, the Congo must establish a multilateral surveillance mechanism for budgetary policies. The framework of this mechanism has four convergence criteria: (i) a positive or zero basic budgetary balance; (ii) an annual inflation rate of less than 3 per cent; (iii) a rate of (domestic and external) public debt less than or equal to 70

Figure 1: GDP growth for the Congo, CEMAC, and Africa excluding North Africa (percentage)



Source: DGE, 2017; BEAC, 2017; IMF, 2017*

*2016: estimated (e); 2017: forecast (f).

per cent of GDP; and (iv) a non-accumulation by the State of domestic and external arrears on day-to-day management. In 2016, the Congo failed to meet any of the convergence criteria.

The unfavourable outlook for the oil prices on which the country depends for tax and export revenues has alerted the Government to the risks of its dependence on oil for the whole economy, and to the need to accelerate economic diversification in order to meet the many economic and social challenges. The extraordinary summit of CEMAC Heads of State held in Yaoundé on 23 December 2016 was aimed at the structural reform of Central Africa economies to reduce their vulnerability to external shocks. At the end of the summit, the Heads of State called on all CEMAC countries to enhance measures and actions to diversify their economies, to make them more competitive and less vulnerable to external shocks. They also decided that each member country should open and conclude bilateral negotiations with the International Monetary Fund (IMF) in the near future, to better structure the adjustment efforts of their States, assist them in resolving the crisis and help them to put in place the conditions for a virtuous and sustainable recovery of their economies. IMF support is aimed at restoring macroeconomic stability and debt sustainability, reforming public resource management to enhance transparency, and diversifying economies while preserving social spending.

The CEMAC Commission was tasked with monitoring the implementation of national policies at the country level and the status of programme discussions with the IMF under the auspices of the regional economic and financial reform programme (Programme régional de réformes économiques et financières, PREF-CEMAC), launched in July 2016 under the leadership of the President of the Republic of the Congo. The PREF-CEMAC covers a set of priority measures aimed at supporting structural transformation of the region and reducing dependence on oil. Consequently, an IMF mission visited Brazzaville from 25 September to 4 October 2017 to gather information, particularly on the level of the country's debt, with a view to concluding a financial support programme with the Congolese Government. The mission learned that the country's debt level was 116.2 per cent of GDP in 2016,⁷ higher than initially indicated by the Congolese Government, and the IMF has therefore made debt reduction a precondition for the support programme.

In order to take advantage of its strategic geographical position in the subregion, the Congo has made regional integration one of the pillars of its development strategy. Its capital, Brazzaville, and Kinshasa, the capital of the Democratic Republic of the Congo (DRC), are the closest capitals to the world, separated only by the Congo River. This geographical proximity gives Congo access to a market of more than 80 million consumers. For landlocked neighbouring countries such as the Central African Republic (CAR) and the DRC, the Congo is an information and communications technology (ICT) gateway, thanks to the fibre optic cables of the West Africa Cable System (WACS) project, which run along its shores. Despite its

⁷ BEAC 2017.

favourable geographical position, intra-regional trade remains weak, hampered by poor trade facilitation and high transaction costs despite reforms. In this context, CEMAC heads of State, at their extraordinary summit held on 31 October 2017, took note of the decision by CEMAC member States to fully open their borders to allow the free movement of people and goods. This is a major step forward for the free movement needed to facilitate intra-regional trade.

Box 1: Africa Regional Integration Index: the Congo

The Africa Regional Integration Index is designed to measure how well each country in Africa is meeting its commitments under pan-African integration frameworks like Agenda 2063 and the Abuja Treaty. The index is a joint project of the African Development Bank, the African Union Commission and the Economic Commission for Africa. It covers the following dimensions: i) free movement of persons; ii) trade integration; iii) productive integration (development of regional value chains); iv) infrastructure; and v) financial and macroeconomic integration. The following section gives highlights of selected indicators in the index. A technical description of the index can be found at <https://www.integrate-africa.org/>.

Overall performance:

Third in ECCAS (score: 0.52). The best performer in ECCAS is Cameroon (score: 0.66).

Free movement of persons	Trade integration	Productive integration	Infrastructure	Financial and macroeconomic integration
Third in ECCAS (score: 0.52). The best performer is Sao Tome and Principe (score: 0.70).	Eighth in ECCAS (score: 0.34). The best performer is Cameroon (score: 0.98).	Fifth in ECCAS (score: 0.24). The best performer is Burundi (score: 0.84).	Second in ECCAS (score: 0.65). The best performer is Angola (score: 0.66).	Fifth in ECCAS (score: 0.87). The best performer is Gabon (score: 1.00).

The Congo is a member of ECCAS and CEMAC.

Free movement of persons: the Congo is in third place, with a score of 0.52. The country has ratified the agreements on the free movement of persons within ECCAS, and nationals of 60 per cent of the countries of the community can enter the Congo without a visa or obtain a visa on arrival.

Trade integration: the Congo scores poorly on this dimension. It applies a relatively high average tariff on imports from ECCAS, estimated at 5.33 per cent over the index calculation period. Its share of intra-regional trade accounted for 14 per cent of intra-ECCAS trade for the period 2010–2013. Exports to its subregional partners did not exceed 5 per cent of the country's GDP over the same period.

Productive integration: the Congo has a moderate standing for this dimension of the Regional Integration Index. Its share of regional trade in intermediate goods was 6 per cent over the index calculation period. The Congo scored 0.12 (on a scale of 0 to 1) on the trade complementarity index over the index calculation period, a performance that illustrates the country's low level of integration into the regional value chain.

Infrastructure: The Congo performed well compared to other ECCAS countries for this dimension, with a second-place standing. Despite its poor performance on the African Development Bank infrastructure development index

(averaging 13 on a scale of 0 to 100 for the period 2010–2012), 57 per cent of the Congo's international flights are intra-ECCAS, and the country enjoys an average per capita electricity trading rate that is fairly moderate for the region.

Financial and macroeconomic integration: The Congo performed moderately for this dimension. In 2016, the Congo had an inflation rate of 4.6 per cent, higher than the CEMAC ceiling of 3 per cent. The country uses the CFA franc as its currency, as do five other CEMAC members (Cameroon, Gabon, Equatorial Guinea, Central African Republic and Chad)

Overall, the performance of the Congo within ECCAS and for the various dimensions of the regional integration index is average. Its new policy of free movement of people from other member States, which came into effect in 2017, will help improve its ranking. The Congo will also need to develop its productive capacity and regional infrastructure to improve integration with regional value chains.

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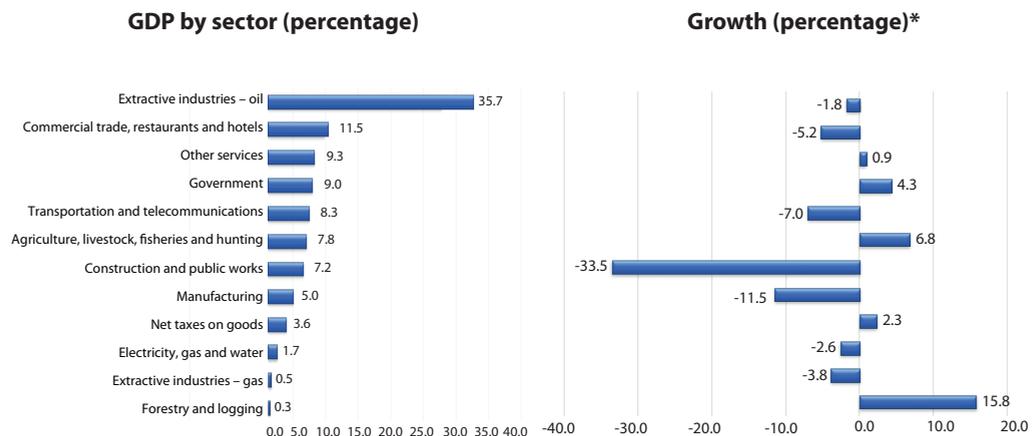
Economic performance

2.1 Economic growth

The negative impact of the oil shock in late 2014 continued to put a strain on the Congolese economy in 2015. The economy entered a recession in 2016, registering growth of -1.6 per cent compared to 2.6 per cent in 2015. This situation was attributable to both the decline of the oil GDP and slower growth in the non-oil sector resulting from shrinking public investments following the drop in oil revenues.

On the supply side, the extractive industries subsector, consisting mainly of crude oil and gas, dominates the country's production structure, with a 35.7 per cent share of GDP in 2016 (figure 2). This subsector shrank by 1.8 per cent in 2016 relative to 2015, which, given its place in the Congolese economy, had a negative impact on economic growth. The dominance of hydrocarbons highlights the fragility of the Congolese economy and the risks associated with its heavy dependence on oil. It also reflects how difficult it has been for the Congolese Government to initiate a structural transformation of the economy. Yet the country has many assets, most notably i) uncultivated arable land; ii) good rainfall; iii) abundant water resources; and iv) growing demand for agricultural products. These assets present an opportunity for industrialization based on the local processing of agricultural

Figure 2: Sector shares in GDP and growth of major subsectors in 2016 (estimated)



Source: BEAC, 2017

* Annual percentage change (constant prices) from 2015 to 2016.

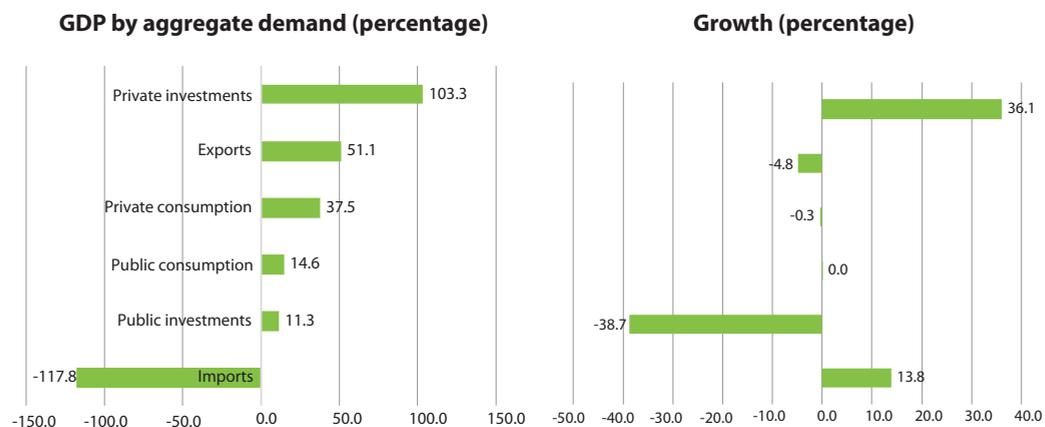
commodities. It is therefore essential for the Government to step up its efforts to build a resilient, diversified economy, particularly by supporting agricultural value chains.

The contraction of the GDP in 2016 was also due to the underperformance of the secondary and tertiary sectors.⁸ The poor performance of the secondary sector was attributable to slowdowns in the manufacturing (-11.5 per cent), construction and public works (-33.5 per cent) and electricity, gas and water (2.6 per cent) subsectors. A decline in government resources led to a drop in public orders for construction companies and a delay in payments for work already under way. Work on some construction projects was slowed or suspended.

The underperformance of the tertiary sector stemmed from the poor performance of the transportation and telecommunications (-7.0 per cent) and commercial trade, restaurants and hotels (-5.2 per cent) subsectors. This situation is the result of a drop in benefits for oil extraction subcontracting activities.

The primary sector was the only sector that made a positive contribution to growth, thanks to the agriculture, livestock, fisheries and hunting (+6.8 per cent) and forestry and logging (+15.8 per cent) subsectors. The agricultural subsector reported an increase in food production, notably for maize and cassava; acreage devoted to the cultivation of maize increased, especially in the Niari Valley. Commercial farming also increased owing to ongoing expansion of oil palm cultivation in the departments of Cuvette and Sangha.

Figure 3: Shares of aggregate demand in relation to GDP and growth in 2016 (estimated)



Source: BEAC, 2017

⁸ The primary sector comprises the following: agriculture, livestock, fisheries and hunting; forestry and logging; and oil. The secondary sector comprises the following: methanol and other gases; manufacturing; electricity, gas and water; and construction and public works. The tertiary sector comprises the following: transportation and telecommunications; commercial trade, restaurants and hotels; government; and other services.

The pattern of aggregate demand (figure 3) reflects the Congolese economy's dependence on oil. Lower oil production in 2016 combined with weak prices on the international markets led to a decline in revenues, hindering the Government's capacity to support the economy through public investment projects, which fell by 38.7 per cent in 2016. Private investment, mainly driven by the oil sector, rose by 36.1 per cent. Foreign demand contracted in 2016, with exports of goods and services declining by 4.8 per cent. Imports grew by 13.8%, mainly due to the acquisition of equipment and tools for the oil sector.

The forecasts of the Directorate-General of Economy indicate that growth will rebound to 1.7 per cent in 2017, driven mainly by the primary and secondary sectors. Growth in the primary sector will be driven by the extractive industries (crude oil) subsector, where a 10.9 per cent increase in production is expected from the ramping up of the Moho Nord oil field. The second driver of this sector will be the forestry and logging subsector (+9.3 per cent), and the third will be the agriculture, livestock, fisheries and hunting subsector, which is expected to grow by 6.9 per cent. In the secondary sector, the promising subsectors are manufacturing (+3.2 per cent) and electricity, gas and water (+12.7 per cent). The tertiary sector is expected to contract by 14.7 per cent in 2017 owing to the poor performance of the market and non-market services subsector, the commercial trade, restaurants and hotels subsector, and the other market services subsector. On the demand side, an increase in real GDP is expected to result mainly from the rebound in exports of goods and non-factor services (+9.5 per cent).

2.2 Fiscal policy

In 2016, despite the difficult environment caused by persistently weak oil prices, fiscal policy was guided in part by the objectives of the 2012–2016 national development programme (PND).⁹ Despite the deceleration of the public investment programme, new projects were started exceptionally in key areas of human development, including a project for the construction of 12 general hospitals across the country. The Congolese Government pursued its fiscal policy aimed at rebalancing the budget. A supplementary budget was passed in July 2016 in response to falling fiscal revenues.

In 2016, total budgetary revenues were CFAF 1,226.2 billion, down 3.4 per cent from 2015, accounting for 25.6 per cent of GDP (Table 1). While oil revenues were CFAF 394.7 billion, 9.8 per cent higher than in 2015, they remained far below their pre-2014 oil shock levels. Non-oil revenues fell by 8.6 per cent to CFAF 831.5 billion from CFAF 909.9 billion the previous year.

Adjustments were made in expenditures in 2016, particularly capital expenditures, which were 47.6 per cent lower than in 2015. Limiting expenditures in 2016 helped the country contain its overall budget deficit (on a commitment basis, excluding grants), which was 11.8 per cent of GDP in 2016, down from 19.1 per cent in 2015. Faced with limited financing

⁹ ADB, UNDP, OECD 2017

options, the Government made greater use of budget and external reserves (BEAC deposits and assets held in China) to finance the budget deficit.

For 2017, total revenues of CFAF 1,176.4 billion are budgeted, down 4.1 percent from 2016. The total expenditure is estimated at CFAF 1,551.7 billion. 13.4% lower than in 2016, mainly due to lower current and capital expenditures. The budget deficit (on a commitment basis, excluding grants) is expected to fall to 7.4 per cent of GDP.

Table 1: Public finances (in percentage of GDP)

	2013	2014	2015	2016(e)	2017(f)
Total income	44.1	37.7	23.5	25.6	23.2
Oil revenue	33.1	25.8	6.6	8.2	7.9
Non-oil revenue	11.1	11.9	16.8	17.3	15.3
Total expenditures	38.6	45.5	42.6	37.4	30.5
Current expenditures	16.0	15.3	20.5	24.3	20.0
Capital expenditures	22.6	30.3	22.0	13.0	10.5
Fiscal balance, on a commitment basis, excluding grants (deficit)	5.5	(7.9)	(19.1)	(11.8)	(7.4)

Source: BEAC, 2017*

* 2016: estimated (e); 2017: forecast (f).

The ratio of debt service to exports deteriorated from 9.1 per cent in 2015 to 11.1 per cent in 2016. The Congo failed to meet the CEMAC convergence criterion for the rate of public debt (less than or equal to 70 per cent of GDP) in both 2015 and 2016, with rates of 95.2 per cent and 116.2 per cent,¹⁰ respectively.

2.3 Inflation and monetary policy

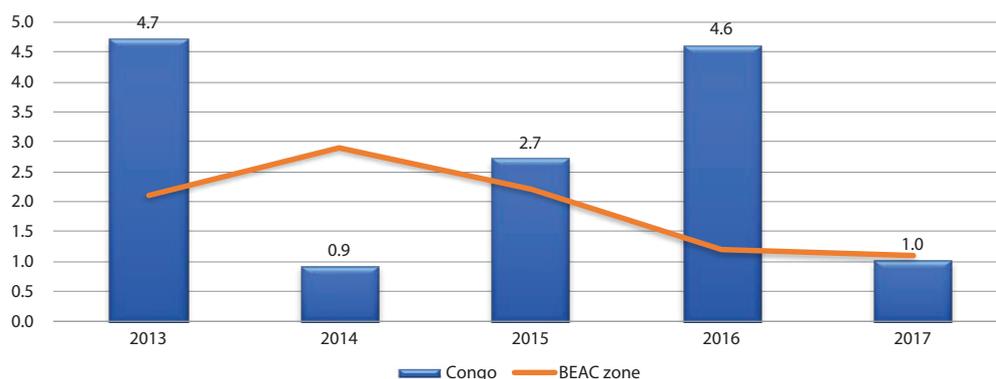
In the Congo, foodstuffs account for a significant share of the consumer price index, which is sensitive to external factors as the great majority of such products are imported. The consumer markets are primarily supplied by imports, particularly from neighbouring DRC. As a result, inflationary pressures remained relatively high in 2016. Annual inflation averaged 4.6 per cent in 2016 compared to 2.7 per cent in 2015 (figure 4). The change is linked to the rise in food prices linked to instability in the border area of Pool, as well as to logistics bottlenecks on the main access roads linking Brazzaville to Pointe-Noire. Inflationary pressures have eased significantly since the beginning of 2017 in connection with the decrease in food prices. BEAC forecasts inflation of 1.0 per cent by the end of the year, well below the 3 per cent ceiling for CEMAC countries.

¹⁰ BEAC 2017.

The common monetary policy formulated and implemented by BEAC is aimed at creating internal and external monetary stability. The policy targets an external currency hedging rate of at least 20 per cent and only a small increase in the general price levels, capped at 3 per cent in accordance with the convergence criteria. In view of the behaviour of the various factors influencing short-term monetary and financial stability, BEAC has kept its key lending rate at 2.45 per cent.

Recent trends indicate that the sharp decline in oil prices has resulted in the crowding out of the private sector. In fact, tighter liquidity conditions combined with a rise in the non-performing loan ratio has hampered private sector access to credit. The net international investment position of the monetary system also contracted following the decline in oil export revenues resulting from the fall in international prices, combined with the drop in domestic production. However, given the weakness of monetary policy transmission channels and the fact that the drivers of economic growth are outside the realm of monetary policy, the mechanisms for transmitting monetary policy to the real economy remain weak.¹¹

Figure 4: Inflation rate, the Congo and BEAC zone, 2013–2017 (percentage)



Source: BEAC, 2017*

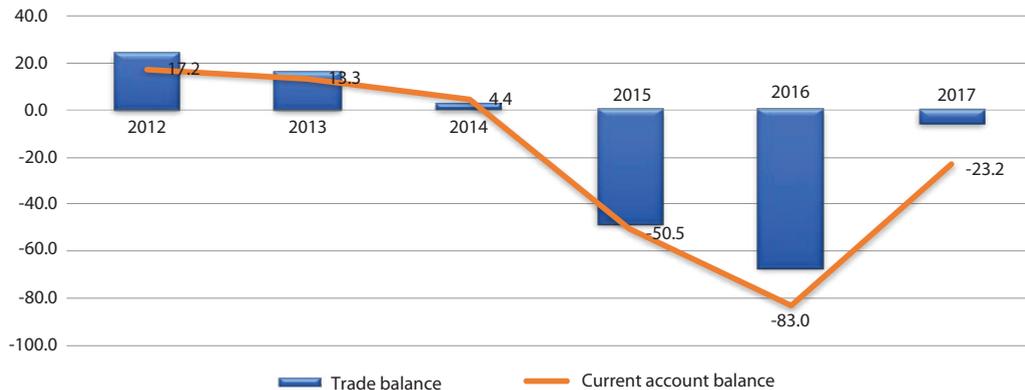
* 2016: estimated (e); 2017: forecast (f)

2.4 Current account

The Congo's current account balance (excluding official donations) worsened in 2016, showing a deficit of 83.0 per cent of GDP compared to 50.5 per cent of GDP in 2015 (figure 5). The deterioration is attributable to the widening of the trade deficit, which represented 66.7 per cent of GDP in 2016 compared to 48.3 per cent of GDP in 2015, mainly owing to the drop in oil exports. Imports were 117.8 per cent of GDP in 2016 compared to 103.8 per cent of GDP a year earlier, primarily owing to the acquisition of tools and equipment for the oil sector.

11 ADB, UNDP, OECD 2017

Figure 5: Current account balance (percentage of GDP)



Source: BEAC, 2017*

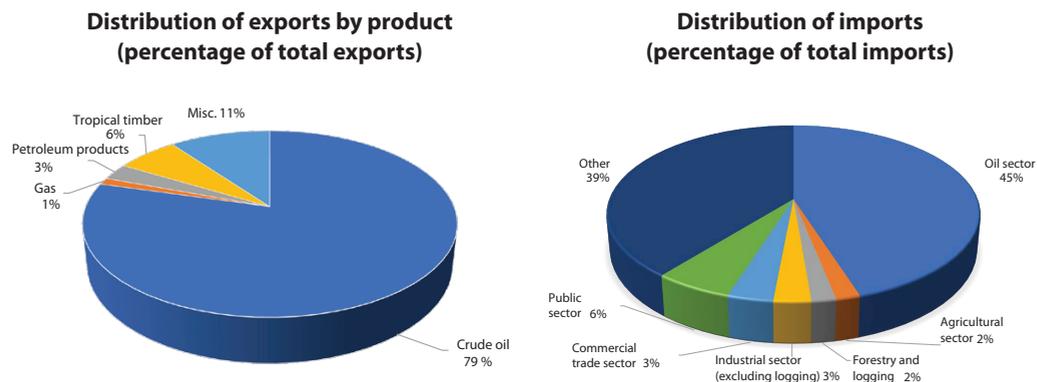
* 2016: estimated (e); 2017: forecast (f).

The deficit in the balance of services continued to decline, reaching CFAF 1,814.2 billion in 2016 compared to CFAF 1,958.9 billion in 2015, as a result of the slowdown in the oil sector. However, the deficit in the income balance grew to CFAF 688.2 billion from CFAF 21.3 billion in 2015.

The current account deficit is expected to decline to 23.2 per cent of GDP in 2017 with the expected rise in the price of the Congo’s oil exports.

Crude oil continued to dominate foreign trade in 2016, representing 79 per cent of total exports (figure 6). The other main exports are tropical timber, petroleum products, and propane and butane gas. Imports essentially consist of manufactured goods, capital goods for the oil sector, and foodstuffs. National food production does not meet the population’s

Figure 6: Structure of foreign trade in 2016



Source: BEAC, 2017

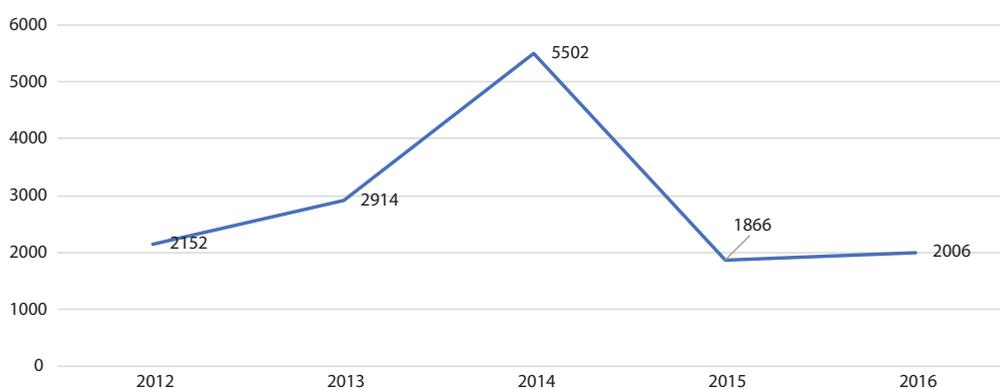
needs, and the country imports most of its agricultural commodities. Poultry comes from Europe, meat from Chad, and vegetables from DRC and Cameroon. The fact that the Congo imports a large part of the agricultural products it needs is a sign of food dependence, but also indicates an opportunity to develop the agricultural sector into a vector of the economic diversification strategy. The predominance of oil in exports and of manufactured products in imports highlights the urgency for structural transformation of the economy. The situation warrants greater efforts to develop both the country's timber resources, given the size of its forest basin, and the agro-industry, given its large tracts of arable land.

2.5 Capital and financial account

Foreign direct investment (FDI) inflows to the Congo were estimated at around \$2 billion in 2015 and 2016, far below the \$5.5 billion recorded in 2014. Most of the FDI is directed at the oil sector. To boost the structural transformation of the Congolese economy, it is essential to strengthen the country's attractiveness for local and foreign private investors looking to participate in the most productive activities, such as manufacturing. This will require, among other things, a better business climate. The Congo remains among the world's lowest-ranked economies in terms of doing business, ranking 177th out of 190 countries in the Doing Business 2017 report.

With respect to official development assistance (ODA), OECD data indicates that the amount of aid destined for the Congo fell from \$106.2 million in 2014 to \$88.8 million in 2015.¹² A large part of this aid was directed at the development of economic and social infrastructure. France, the European Union and the United States remain the main providers of aid to the Congo.

Figure 7: Net inflows of foreign direct investment in the Congo (millions of dollars)



Source: UNCTAD* ;

*UNCTAD online database accessed from <http://unctadstat.unctad.org/wds/TableView/tableView.aspx> on 27 October 2017.

12 OECD database accessed from <http://stats.oecd.org/qwids/#?x=2&y=6&f=3:51,4:1,1:1,5:3,7:1&q=3:51+4:1+1:1,2+5:3+7:1+2:262,41+6:2014,2015,2016> on 27 October 2017.

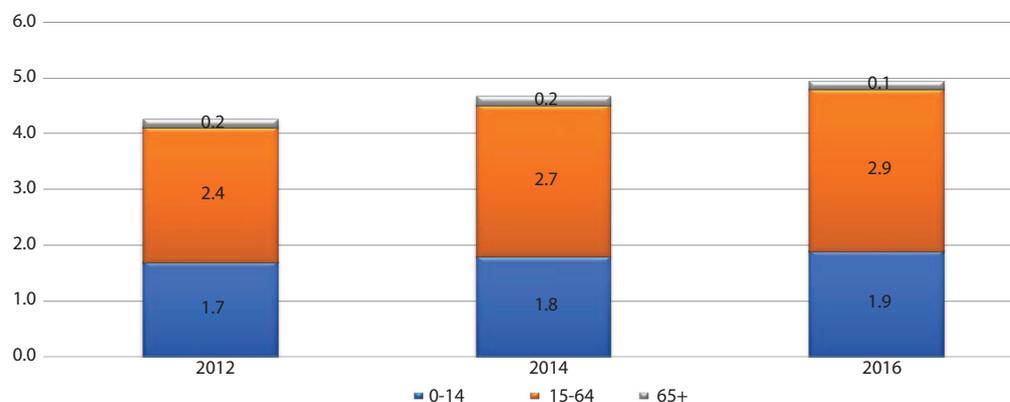
Social development

3.1 Demographics

According to the National Institute of Statistics (INS), the Congo had an estimated population of 4,936,184 in 2016 (figure 8), made up of 50.6 per cent females and 49.4 per cent males. The under-15 population represents 38.4 per cent of the total, while those aged 15–64 represent 58.7 per cent and those over 65 represent 2.9 per cent.

The population is unevenly distributed over the territory, with 56.5 per cent living in Brazzaville and Pointe-Noire. The imbalance between the rural hinterland and urban centres has increased over the years, putting pressure on the Congolese Government to provide more social and economic infrastructure in urban areas. In order to support spatial inclusion, the Government has embarked on an accelerated municipalization programme in recent years that has helped to open up departments and reduce regional inequalities.

Figure 8: Population by age group (million inhabitants)



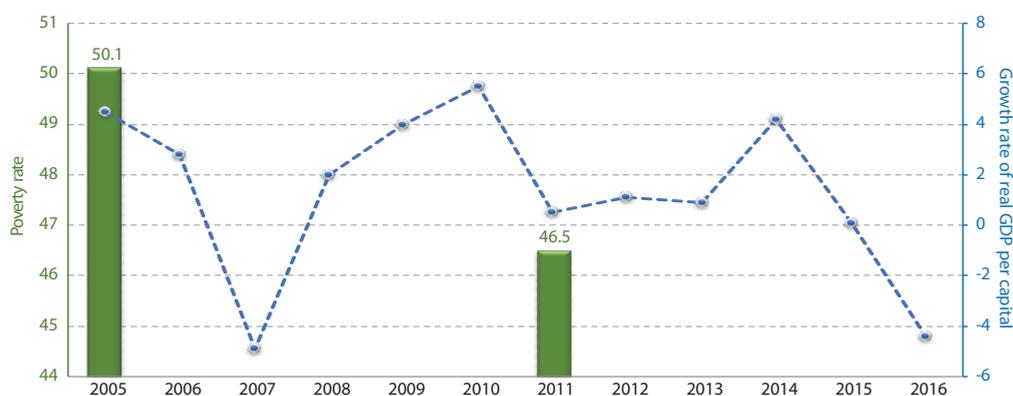
Source: INS

3.2 Poverty and employment

The results of the ECOM II, carried out in 2011, indicate that the incidence of poverty (proportion of the population living below the poverty line of \$1.25 per day) has decreased, falling from 50.1 per cent in 2005 to 46.5 per cent in 2011 (figure 9). The incidence of poverty, which affects more women than men, is 74.8 per cent in rural areas and 32.3 per cent in urban areas. Although more recent data on the poverty rate is lacking, Figure 9 shows how the Congolese standard of living has slipped since 2014, when the growth rate of real GDP per capita began a steady decline.

In terms of employment, information on unemployment is from the second survey on employment and the informal sector, carried out in 2014 among people aged 15 and over in the six municipalities of the Congo. According to ILO, unemployment stands at 11.3 per cent in the six municipalities, affecting more females than males (12.6 per cent vs. 10.3 per cent). Brazzaville and Pointe-Noire are the municipalities with the highest unemployment, at 11.3 per cent and 9.0 per cent, respectively. Overall unemployment is estimated at 19.7 per cent, with those most affected being individuals aged 15–29 years (34.1 per cent). Although the activity rate as defined by ILO is quite high in urban areas (53.2 per cent), the phenomenon of underemployment affects 6.2 per cent of employed workers. The underemployment rate is 6.7 per cent for females and 5.8 per cent for males.

Figure 9: Poverty rate and growth rate of real GDP per capita (percentage)



Source: INS, World Bank*

* World Bank, World Development Indicators database, accessed from <https://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG?end=2016&locations=CG&start=2005> in October 2017.

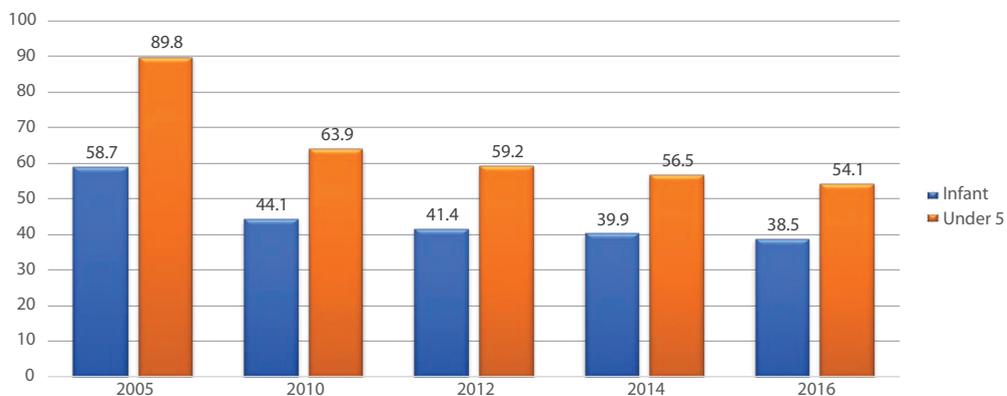
3.3 Health

World Bank data indicates that life expectancy at birth in the Congo increased from 54.6 years in 2005 to 64.1 years in 2015. The life expectancy for females (65.7 years) is higher than for males (62.5 years).

The mortality rate for children under 5 has declined considerably since 2005, when it was 89.8 deaths per 1,000 live births. Under-5 mortality reached its lowest level in 2016, with 54.1 deaths per 1,000 live births. Infant mortality also decreased between 2005 and 2016, from 58.7 to 38.5 deaths per 1,000 live births. This downward trend in mortality rates since 2005 reflects improvements in the health system. The Government of the Congo has undertaken to strengthen the delivery of health services and improve the quality of care. Priority was assigned to infrastructure construction and rehabilitation, including the start of construction of 12 general hospitals in the country's 12 departments, as well as to the strengthening of human resources. These measures, combined with the establishment of some free services (e.g., immunization of infants aged 0 to 9 months and malaria treatment for children aged 0 to 15), have improved access to health care.

With respect to improved maternal health, there is still a high number of maternal deaths in the Congo, although progress has been made since 2005, with the maternal mortality ratio falling from 596¹³ deaths per 100,000 live births in 2005 to 436¹⁴ in 2015. The percentage

Figure 10: Infant and child mortality rates (per 1,000 live births)



Source: World Bank*

* World Bank, World Development Indicators database, accessed from <https://data.worldbank.org/indicator/SH.DYN.MORT?end=2016&locations=CG&start=2005> and <https://data.worldbank.org/indicator/SP.DYN.IMRT.IN?end=2016&locations=CG&start=2005> in October 2017.

13 World Bank, World Development Indicators database, accessed from <https://data.worldbank.org/indicator/SH.STA.MMRT?end=2016&locations=CG&start=2005> in October 2017.

14 Multiple Indicator Cluster Survey (MICS 2014–2015).

of births attended by skilled health personnel also improved, rising to almost 94.4 per cent in 2015¹⁵ from 83.4 per cent in 2005.

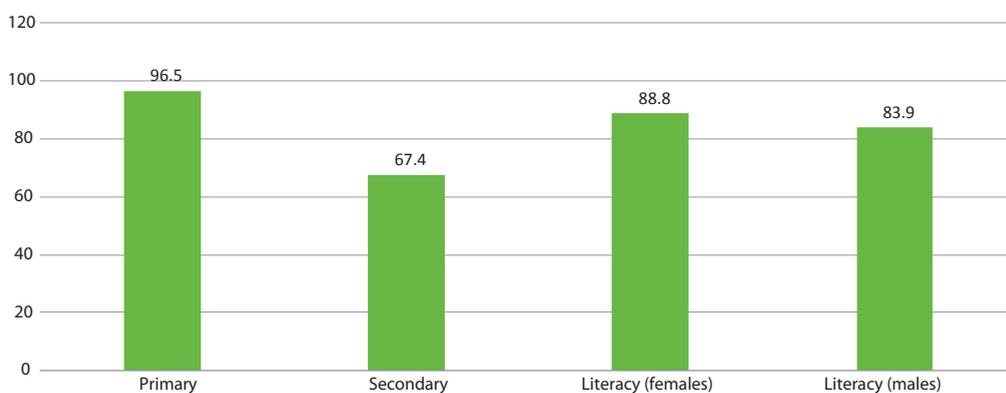
The prevalence of HIV/AIDS among the Congo's adult population decreased from 3.3 per cent in 2005 to 3.1 per cent in 2016¹⁶ thanks to targeted interventions and increased access to antiretroviral therapy, reflecting the political will of the Government.

The proportion of 1-year-old children immunized against measles has increased significantly since 2005, when it stood at 54 per cent. In 2016, this indicator was estimated at 80 per cent.¹⁷ This positive development can be explained by: i) improved and maintained performance of the routine Expanded Programme on Immunization (EPI); ii) better prevention and management of epidemic outbreaks of vaccine-preventable diseases; iii) capacity-building for immunization and EPI health care workers at all levels; iv) the strengthening of the cold chain at the central level and in the health districts (CSS); and (v) the implementation of activities to raise awareness of the importance of immunization.

3.4 Education

The Congo has one of the highest school enrolment ratios in Central Africa. According to the Congo Multiple Indicator Cluster Survey (MICS5 2014–2015), the net enrolment ratio is 96.5

Figure 11: Primary and secondary net enrolment ratios and literacy rates for 15–24 year-olds (percentage)



Source: MICS5 2014–2015

15 World Bank, World Development Indicators database, accessed from: <https://data.worldbank.org/indicator/SH.STA.BRTC.ZS?end=2016&locations=CG&start=2005> in October 2017.

16 World Bank, World Development Indicators database, accessed from: <https://data.worldbank.org/indicator/SH.DYN.AIDS.ZS?end=2016&locations=CG&start=2005> in October 2017.

17 World Bank, World Development Indicators database, accessed from: <https://data.worldbank.org/indicator/SH.IMM.MEAS?end=2016&locations=CG&start=2005> in October 2017.

per cent for primary school and 67.4 per cent for secondary school. Although the country has almost reached universal education, it still faces issues of education quality. According to the latest Programme for the Analysis of Education Systems of the Conference of Ministers of Education of French-Speaking Countries (PASEC), Congolese primary school students are less successful than their neighbours in Cameroon and Gabon.¹⁸ In addition, data from the MICS5 2014–2015 indicates that the literacy rate for 15–24 year olds is 88.8 per cent for males and 83.9 per cent for females.

3.5 Gender equality

Gender equality and empowerment of women is measured on the basis of the key areas shown in the pie chart below in box 2. These areas are decisive in improving living conditions for women and in their contribution to inclusive, sustainable growth in Africa.

In order to assess the magnitude of gender inequalities and measure the level of parity and empowerment of women in Africa, ECA has developed a monitoring tool, the African Gender and Development Index (AGDI). This tool allows policymakers to assess their own performance in implementing policies and programmes geared towards ending women's marginalization.

Scoring is based on the Gender Status Index, one of the components of the AGDI. The score for each key indicator is an unweighted arithmetic average: the female-to-male ratio of the indicator values is multiplied by 10 and the result is rounded to the nearest whole number. A score of zero represents the highest level of inequality; a score of 5, an average level of parity; and a score of 10, complete parity. Parity levels above 10 represent situations in which women have outperformed men, regardless of the development level of the area concerned.

Most of the data used to calculate the indicator scores are taken from the most recent national statistics available, primarily the MICS5 2014–2015. However, where the country does not have any disaggregated data for certain indicators, international data sources are used, including the databases of ILO, UNESCO, the World Bank's Global Findex database, UNICEF, and the WHO report on progress on sanitation and drinking water, as well as the WHO African Health Observatory and the Inter-Parliamentary Union.

18 ADB, UNDP, OECD 2017.

Box 2: Gender Scorecard

The figures for the Congo show gender parity for the following indicators: under-5 survival rate, under-5s who are not malnourished, and life expectancy at birth. Women are better off than men in terms of access to finance. There is significant gender disparity in favour of men in political representation, with 17 women holding a seat in parliament compared to 134 men, and 5 women ministers out of a total of 31 ministers. Data from the World Bank's Global Findex database indicate a gender parity score of 7 for the proportion of the population with an account at a financial institution. The score is the same for participation in the labour force. There is a slight disparity in favour of men for youth literacy, enrolment in secondary schools and higher, and employment in the non-agricultural sector.

According to the MICS5 2014–2015, the maternal mortality ratio is 436 deaths per 100,000 live births. The percentage of the population with access to a drinking water source is estimated at 98 for urban areas and 57 for rural areas, while the percentage of the population with access to improved sanitation facilities is 76 for urban areas and 15 for rural areas.



Source: African Union Commission and ECA, 2015.

Thematic analysis: Revitalizing the agricultural sector to sustain the economic diversification strategy

The vigorous growth recorded for the Congo over the past decade has not translated into significant job creation or a substantial improvement in the living conditions of the population. Growth, which is generally non-inclusive, is still largely based on goods produced for export such as oil and tropical timber that undergo little if any processing. The Economic Commission for Africa (ECA) believes that value addition and structural transformation are essential for African economies to accelerate and sustain the broadest possible growth, improve social conditions by creating jobs, reduce inequality and poverty, and reduce vulnerability to external shocks.

Beyond its large oil and mineral resources, the Congo has many natural assets (climate, soils, forests, hydrography, etc.) and economic assets (cities where urban demand is concentrated, neighbouring countries seeking agricultural products) that form a solid basis for the structural transformation of its economy, particularly through agrofood industry. In this respect, the current small contribution of the agricultural sector to wealth creation (5% of GDP on average between 2000 and 2015) is deplorable, and exploration of the optimal conditions for improving the situation is merited. A development strategy based on the growth in the agri-food industries that supports value addition and increased agricultural productivity would enable the Congo to achieve higher economic growth and significantly reduce poverty. In fact, development of the agricultural sector (including sector diversification and agro-industry expansion) is more closely associated with poverty reduction than development of other sectors of the economy (UNCTAD et al, 2017).

This section assesses the development prospects for the agricultural sector in the Congo by: i) examining the status and potential of the agricultural sector; ii) describing the agricultural development policies implemented in the Congo; and iii) identifying some of the challenges that must be overcome for the agricultural sector to become a real pole for economic diversification.

4.1 Status and potential of the Congolese agricultural sector

Although the decline in agriculture's share of GDP is generally perceived as an indicator of the structural transformation of an economy, in the case of the Congo this decline is more the negative consequence of oil discovery and extraction. With the arrival of the oil era in the 1960s, traditional agricultural activities were gradually abandoned, along with the associated industry, resulting in the oil-dependence of the Congolese economy, and "Dutch disease" (UNDP 2012). Over time, agriculture's share of GDP has declined gradually, from 27 per cent in 1960–1970 to 12 per cent in the 1980s and 10 per cent in the 1990s.¹⁹ Over the last fifteen years, the indicator has stagnated at around 5 per cent of GDP, compared to 15.8 per cent for Cameroon and 48.3 per cent for Chad,²⁰ both oil-exporting countries. Yet, agricultural production is the basis of the agro-industry and drives its performance. For the Congo, given its comparative strengths, there can be no transformation through agro-industry development without agricultural production. Furthermore, the country remains dependent on imports of staple foods, placing a heavy burden on its balance of trade, while the resources devoted to this could be used for more productive purchases more apt to stimulate economic growth.

The Food and Agriculture Organization of the United Nations (FAO) has identified the greatest obstacles to higher agricultural production and productivity as being (i) the low level of public investment; (ii) a shortage of healthy and improved plant material (seeds, cuttings, plants); (iii) the absence of farmer training and support and effective financing mechanisms; (iv) poor rural roads and inadequate conservation and processing facilities; (v) a land regime that is poorly suited to modern large-scale agriculture and the market economy;²¹ and (vi) an unfavourable business climate. Added to this is a rural population that is shrinking owing to a rural exodus and rapid urbanization. Responsibility for food production thus largely rests with a steadily declining, aging rural population using rudimentary techniques, hence the fragility of the food supply and food and nutritional security. As a result, the country meets its needs by importing large quantities of cereals and agrifood commodities (oils, dairy products, meat and poultry). This heavy reliance on food imports (CFAF 200 billion in 2011)²² makes the people, especially those who are poorest, increasingly vulnerable to external food price shocks.

Yet, the Congo has enormous agricultural development potential. It is home to 10 per cent of Africa's dense rainforests, about 22.3 million hectares.²³ The country has hydroelectric potential and a vast hydrographic network that constitutes both important travel ways and a rich reserve of fresh water and fishery resources. Finally, it has a major development asset

¹⁹ FAO 2013

²⁰ World Bank, World Development Indicators database, accessed from: <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?end=2016&locations=TD-CM-CG&start=2000> in December 2017

²¹ FAO 2013

²² FAO 2013

²³ FAO. Online data accessed from <http://www.fao.org/countryprofiles/index/en/?iso3=COG> on 27 December 2017.

in its more than 10.6 million hectares²⁴ of arable land. This land would allow the country to develop a large variety and wealth of equatorial and tropical crops, both perennial (coffee, cocoa, oil palm, forestry) and seasonal (subsistence and commercial), and sometimes even warm temperate zone crops. The fact that the country is located on the equator allows it to produce seasonal products year-round. Few countries in Africa or elsewhere can alternate crops and harvests throughout the year, and thus provide domestic and international markets with a steady supply of agricultural products without resorting to off-season crops.²⁵

The Congo has huge tracts of rich natural pasture land and land that could be converted to pasture land, conducive to the development of cattle farming, and a significant fisheries potential to help cover domestic animal protein needs, as well as for export (see Box 3). The country also has large deposits of potash, an essential mineral for agricultural fertilizer production, with estimated resources of 1.07 billion tonnes, for an estimated production of 5 million tonnes of potash per year.²⁶

24 Ibid.

25 UNDP 2012.

26 Agence d'Information d'Afrique centrale: article dated 23 March 2017, accessed from: <http://adiac-congo.com/content/mines-le-congo-pourrait-devenir-premier-producteur-africain-de-la-potasse-62410>.

Box 3: Agricultural production systems in the Congo

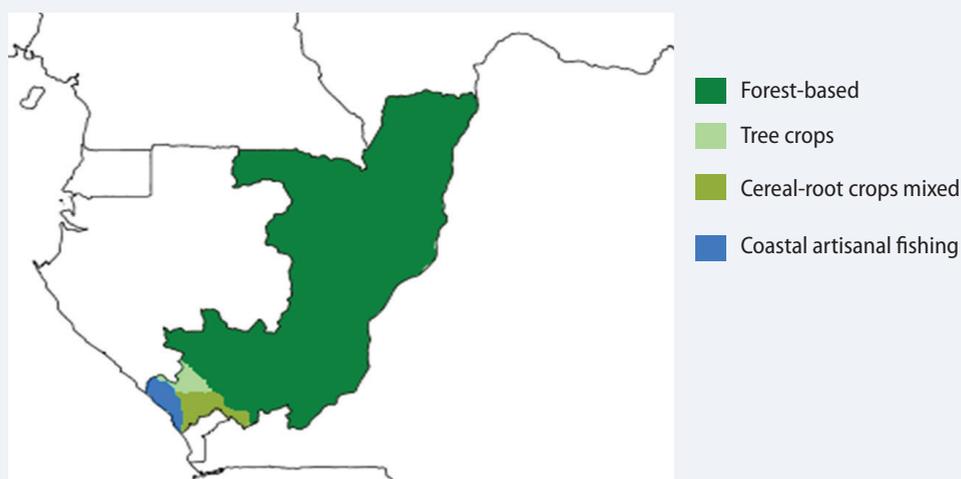
There are several agricultural production systems¹ in the Congo; four of them are described here because of their strong potential to contribute to economic growth:

Tree crops: this system is organized around the cultivation of industrial products such as cocoa, coffee and oil palm.

Forest-based system: This system is mainly organized around cassava, maize, beans and taro.

Small-scale coastal fishing: this system is based on fishing and the cultivation of coconut, banana, yams and fruits.

Mixed system based on cereals and tubers: this system is characterized by extensive cattle breeding. Tuber crops such as yams and cassava dominate. Crop combination practice are common. The area hosting this system could become the breadbasket of the Congo and constitute an important source of export revenues.



Source: FAO and World Bank*

* Figure taken from FAO site, <http://www.fao.org/countryprofiles/maps/map/en/?iso3=COG&mapID=601>, accessed on 27 December 2017.

4.2 The Congo's agricultural development policy

The Congo's agricultural production, like that of other Central African countries, is less than optimal. There is considerable room to boost the entire agricultural sector and also to support the effective development of the agro-industrial potential of the subregion.

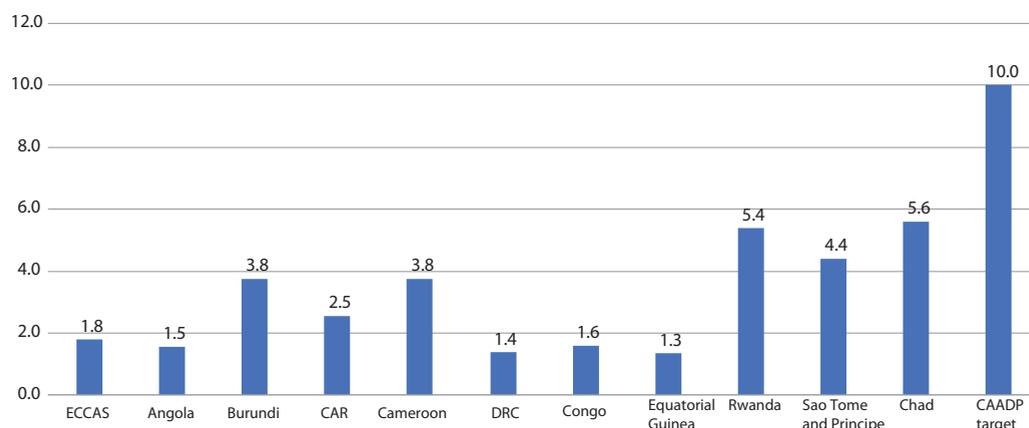
In recent years, the Government has launched a number of strategic frameworks aimed at promoting the agricultural sector, whose operationalization or implementation have perhaps been less than effective. These include: (i) the Programme National pour la Sécurité Alimentaire (2008–2012) [National Food Security Programme], developed following the implementation of the Special Programme for Food Security; (ii) the Agricultural Development Strategy, a goal of which was to reduce the country's food dependency through increased

domestic agropastoral and fisheries production; and (iii) the national development programme (PND) for the period 2012–2016, aimed at accelerating the economic, social and cultural transformation of the country. One of the thrusts of the 2012–2016 PND, “growth and diversification”, was aimed at promoting growth driven by the private sector in order to create jobs through the implementation of a diversification strategy articulated around seven axes, the first of which was the “agriculture and the agrifood chain”. A new PND for 2018–2022 is currently being finalized. In contrast to the previous plan, this PND is more focused on economic diversification around a small number of engines of strong growth and job creation, like the agricultural sector.

In order to improve the effectiveness of agricultural development strategies, the Congo, with FAO support, has been conducting the general agricultural census since 2014. The census provides a portrait of the structural characteristics of the agricultural sector. Thus, a total of 1,249,783 people, 514,358 agricultural assets and 3,269 villages²⁷ have been identified. The census provides decision-makers with reliable, current agricultural statistics, and is thus an important tool for making decisions regarding agricultural planning, formulating food security policy and measuring the impact of actions taken to develop the rural sector. It is therefore possible to imagine that improving the performance of the Congolese agricultural sector could also improve food security and people’s incomes and living conditions.

The agricultural sector development policies in the Congo are based on the Comprehensive Africa Agriculture Development Programme (CAADP), which advises African countries to allocated

Figure 12: Share of the budget allocated to the agricultural sector, 2003–2015 (percentage)



Source: ECA, 2017*

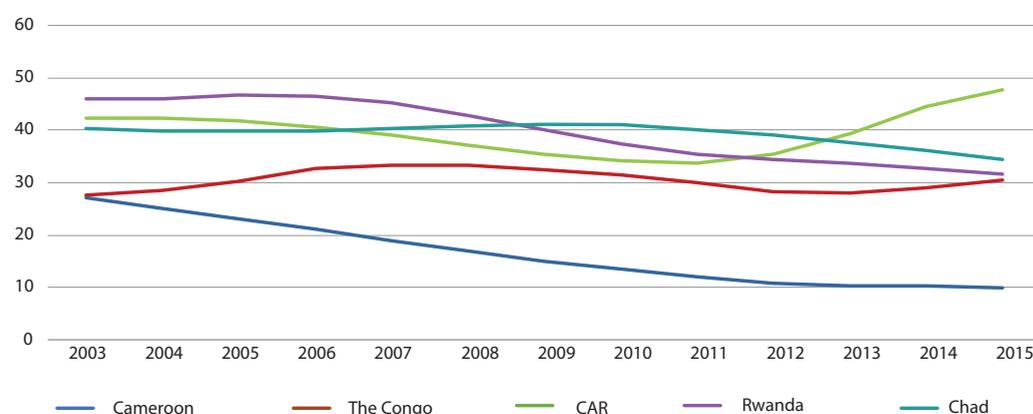
* From the ECA study entitled “Harnessing agro-industry potential to support structural transformation in Central Africa”. Under publication.

²⁷ FAO 2017.

at least 10 per cent of their national budgets to the agricultural sector and achieve at least 6 per cent annual growth in agricultural productivity.²⁸ Since the adoption of the CAADP by the Congo in 2003, the portion of the budget allocated to the agricultural sector (1.6 per cent) is still far from 10 per cent target in the CAADP (figure 12). This observation applies generally to all the countries of the subregion. Chad, Rwanda and Sao Tome and Principe have done somewhat better, at 5.6 per cent, 5.4 per cent and 4.4 per cent, respectively.

In addition, the level of food insecurity in the Congo remains high. The Congo and CAR are the only countries for which undernourishment did not start falling between 2003 and 2015. Undernourishment in the Congo has even worsened since 2014 (figure 13).

Figure 13: Prevalence of undernourishment in some ECCAS countries, 2003–2015 (percentage of the population)



Source: The World Bank: World Development Indicators database, accessed from <https://data.worldbank.org/indicator/SN.ITK.DEFC.ZS?end=2014&locations=AO-BI-CF-CM-TD-CD-CG-GQ-GA-RW-ST&start=2000> in October 2017. [Anything here beyond "World Bank" should likely go in a footnote, as elsewhere in the document]* From the ECA study entitled "Harnessing agro-industry potential to support structural transformation in Central Africa". Under publication.

4.3 Challenges in transforming the agricultural sector into a pole of economic diversification

Despite the government's commitment to develop the agricultural sector, the Congo's current positioning appears to indicate that modern agriculture cannot yet constitute a key pole of economic diversification. Judging by the persistently low contribution of the agricultural sector to GDP and the small budget allocated to its development, the sector is not evolving

²⁸ Only one significant change was made to the CAADP, in 2014, during the twenty-third ordinary session of the Assembly of the African Union held in June 2014 in Malabo, Equatorial Guinea. The Malabo CAADP is wider than the Maputo CAADP, extending the scope of actors responsible for CAADP implementation beyond the limits of ministries of agriculture.

in a positive direction. The transformation of agricultural products is hampered both by low agricultural production²⁹ and by a shortage of the skills required to organize upgrading of the products in rural areas. Furthermore, the business environment is not conducive to attraction of local or foreign investment capable of supporting the development of a modern agricultural sector. Although not exhaustive, the recommended measures below could help make the Congolese agricultural sector a vector of the economic diversification strategy.

Enhancing the competitiveness of smallholders

Enhancing the competitiveness of smallholders will make them better able to seize market opportunities. Elements to be considered in this regard are: improving production techniques, diversification, transformation and improving product quality, as well as establishing a link between production and growth markets and strengthening support services, including commercial institutions, using public-private partnerships (ECA 2017).

Encouraging young people to invest in farming

To increase agricultural production, the Government should encourage young people to farm as a means of coping with the aging of the population that lives in rural areas and practices agriculture. Particular emphasis should be placed on: i) training in agriculture at the secondary and university levels; ii) farmland development and establishment of measures to help young farmers become established; (iii) road-building and improved living conditions in rural areas; (iv) facilitated access to agricultural credit, inputs and improved seeds; and (v) promotion of mechanization.

Improving the business climate to develop the agricultural sector

The business climate in the Congo remains difficult despite the country's wealth and opportunities for private sector development. The country remains among the lowest ranked economies in the world in terms of doing business, ranking 177th out of 190 countries in the Doing Business 2017 report. Improving the business climate is essential if domestic or foreign agricultural investments are to contribute to agricultural development through increased productivity, increased food availability, job creation, poverty reduction, technology transfer and access to capital and markets.

Meeting the challenge of infrastructure availability and accessibility

Transportation, energy, water supply, and information and communications technology (ICT) are some the key elements of infrastructure needed to develop the agricultural and agro-industrial sector. In the field of transportation, priority must be given to rural road rehabilitation. This would help reduce poverty in rural areas by opening up the producing basins. Storage, conservation and processing facilities also need to be developed. As such facilities require a substantial amount of space, land reform will be required to facilitate access to land (ECA 2017).

²⁹ FAO 2013.

Investing more in the production and dissemination of agricultural statistics

Intensifying agricultural production requires more investment in the production and dissemination of agricultural statistics. Collecting these statistics on a regular basis is essential in order to have an accurate idea of how the situation on the ground is changing and properly assess the programmes and policies being implemented. The use of mobile technologies to collect and analyse agricultural statistics can facilitate decision-making. In this regard, the Congo could benefit from the expertise of ECA, which has carried out a capacity-building project on the analysis, dissemination and use of statistical data for the rural agricultural sector using mobile technologies in some of the countries of the subregion (ECA 2017).

Building the capacity of the agencies in charge of agricultural and rural development

A very important but often overlooked aspect of increasing agricultural production is the capacity of the agencies in charge of agricultural and rural issues.³⁰ The success of agricultural and rural development programmes and projects depends on the existence of a competent administration with qualified human resources. The administrative staff responsible for agricultural and rural matters is usually made up of agronomists. It is important to include other specialists, including economists (agroeconomists) and rural sociologists, to ensure that objectives are pursued efficiently and effectively (ECA 2017).

Drawing on good practices to make the Congolese agricultural sector a driver of export diversification

Like successful experiences elsewhere, such as in Costa Rica, Malaysia and Ethiopia, the Government of the Congo must develop appropriate strategies and interventions to promote the diversification of agricultural exports.³¹ In Costa Rica, which has a climate similar to that of the Congo, the Government has introduced a series of measures that include financial incentives to encourage exports of non-traditional agricultural products such as pineapple, of which Costa Rica is now one of the largest exporters in the world. The boom in the Costa Rican pineapple industry was driven by companies innovating in production techniques and product development. These innovations have attracted both local and foreign investment, which has fostered economic growth. In Costa Rica, the pineapple industry represents about 26,000 direct jobs.³² In addition, 65 per cent of pineapple production is attributable to independent farmers, which has resulted in the development of the rural areas where these pineapples are produced. Malaysia has achieved similar successes with the promotion of palm oil exports, and has used the resources generated to boost its overall industrial development. In Ethiopia, the creation of agricultural clusters and special economic zones has created jobs and, thanks to tax incentives, attracted agricultural sector manufacturers that generate value-added products for export.

30 ECA 2017.

31 UNCTAD and FAO 2017.

32 Ibid.

5. National Data Quality Evaluation

The quality of national data sources for key indicators in the country profiles was evaluated. The results are presented in colour codes, with green indicating that the data source is “good”; yellow; “satisfactory” and red, “needs improvement”.

The evaluation focused on the transparency and accessibility of the national data sources, while taking into account the periodicity of the published data based on the timeliness and frequency of the data updates in accordance with international standards. It measured the comparability of the data series based on length, definition and standard units of measurement. Also reviewed were the accessibility of the data to the general public, the format of the data and the ease with which the data can be downloaded and shared. Data citations, together with references to primary or secondary sources, were also assessed. Lastly, the completeness of metadata for data release and the clarity of documentation and notes were evaluated.

Demography	Value	Evaluation
Population (millions)	4,936(2016)	1
Children (0-14 years, %)	38,4 % (2016)	1
Adults (15-64 years)	58,7 % (2016)	1
65 years and over	2,9 % (2016)	1
Urban population (%)	56,5 (2016)	1
Annual mean growth rate (%)	2,6 (2016)	1
Total fertility rate	4,8 (2015)	3
Life expectancy at birth (years)	64,1 (2015)	7

Macroeconomic and sectoral performance	Value	Evaluation
Real GDP growth rate (%)	-1,6 % (2016)	3
Nominal GDP (billions CFA francs)	4792,5 (2016)	3
Real GDP (billions CFA francs)		3
Real GDP (billions CFA francs)	4,6 (2016)	3
Annual inflation rate (%)	-83,0 (2016)	3

Economic trends and performance indicators	Value	Evaluation
Inflows of foreign direct investment (millions USD)	2 000 (2016)	6
Exports — total (billions CFA francs)	2448 (2016)	3
Exports — crude oil (billions CFA francs)	1757,1 (2016)	3
Imports — total (billions CFA francs)	5646 (2016)	3
Gross fixed capital formation billions CFA francs)	5492,4 (2016)	3

Education and employment	Value	Evaluation
Literacy rate, 15-24 years (%)	2000(2016)	1

Primary net enrolment ratio (%)	2448 (2016)	1
Primary completion rate (%)	1757,1 (2016)	1
Parity index girls/boys (%)	5646 (2016)	1
Primary net enrolment ratio — girls (%)	5492(2016)	1
Employment-to-population ratio (%)	65,7 (2012)	1
Proportion of population living below the poverty line (%)	46,5 (2011)	1
Unemployment rate (%)	11,3 (2014)	1

Health	Value	Evaluation
Under-five mortality (per 1,000)	54,1 (20136)	7
Maternal mortality (per 100,000 live births)	436 (2015)	1
Prevalence of underweight children under 5 years of age (per 1,000)	12,3(2015)	1
Infant mortality (per 1,000)	38,5 (2016)	7
Proportion of births attended by skilled health personnel (%)	94,4 (2015)	7
HIV/AIDS prevalence rate in people aged 15-49 years (%)	3,1 (2016)	7

Data Sources Code Index
1. Official national data (INS)
2. Direction Générale de l'Économie
3. Bank of the Central African Republic (BEAC)
4. United Nations Statistics Division and INS
5. United Nations Population Division
6. United Nations Conference on Trade and Development
7. World Bank

Green indicates a “good” data source; yellow, a “satisfactory” source, and red, a source that “needs improvement”

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