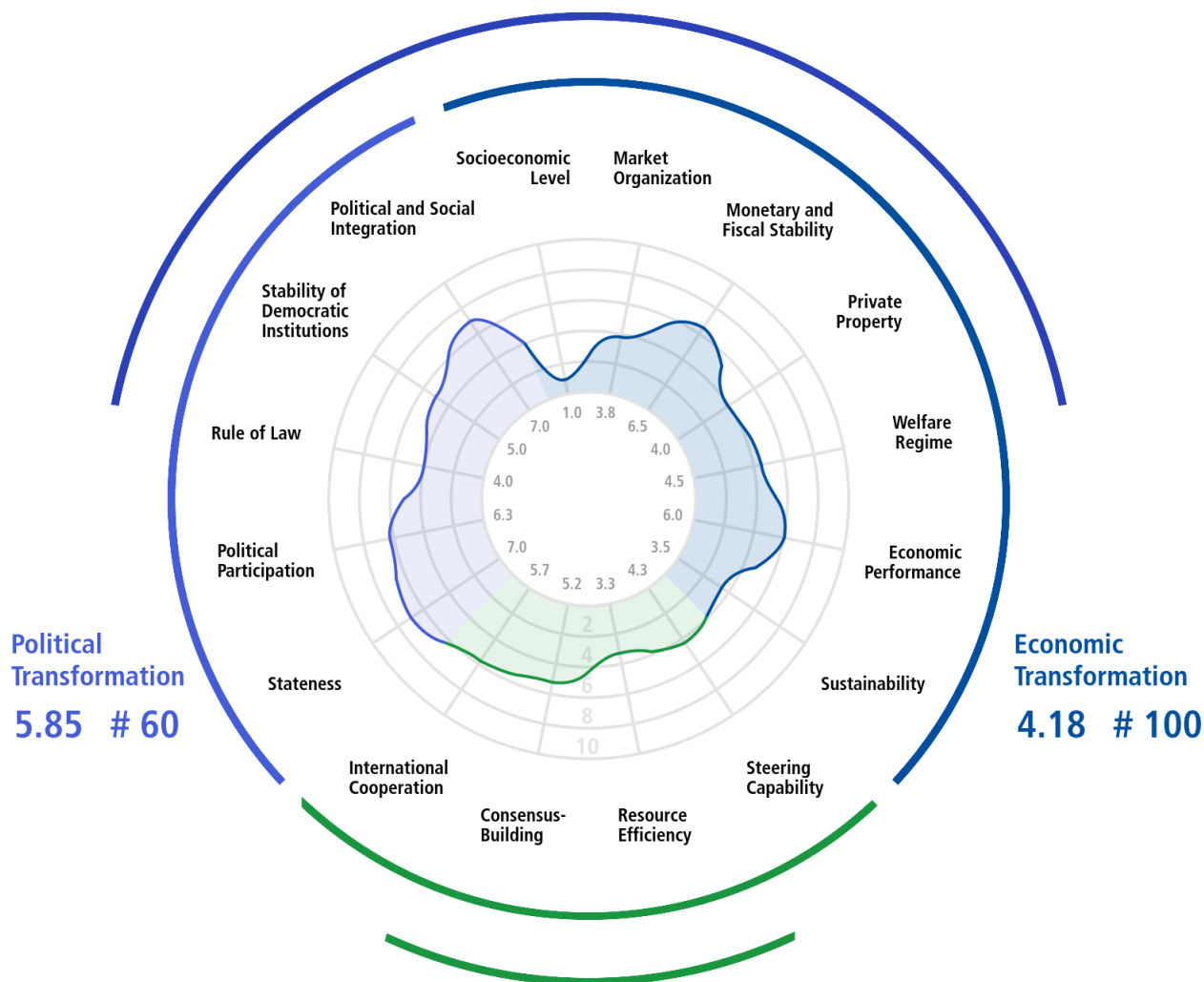


# Guinea-Bissau

## Status Index

**5.01 # 74**

on 1-10 scale out of 137



## Governance Index

**4.30 # 88**

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2022**. It covers the period from February 1, 2019 to January 31, 2021. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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**Key Indicators**

Population	M	<b>2.0</b>	HDI	<b>0.480</b>	GDP p.c., PPP \$	<b>1949</b>
Pop. growth <sup>1</sup>	% p.a.	<b>2.4</b>	HDI rank of 189	<b>175</b>	Gini Index	<b>50.7</b>
Life expectancy	years	<b>58.3</b>	UN Education Index	<b>0.414</b>	Poverty <sup>3</sup>	% <b>85.4</b>
Urban population	%	<b>44.2</b>	Gender inequality <sup>2</sup>	-	Aid per capita \$	<b>62.7</b>

Sources (as of December 2021): The World Bank, World Development Indicators 2021 | UNDP, Human Development Report 2020. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

## Executive Summary

Throughout the period under review, developments in Guinea-Bissau have been shaped by a deep domestic political crisis that mirrored what can be called a constitutional crisis. First, President José Mário Vaz, and the African Party for the Independence of Guinea and Cape Verde (PAIGC) came into conflict over the formation of a new government following the legislative elections of March 2019. The parliamentary elections were only possible after months of politicized quarreling over the voter registration process, which the opposition alleged were fraudulent. Vaz attempted to delay the formation of a new government, rejecting the appointment of PAIGC leader Domingos Simões Pereira, while trying to dismiss acting Prime Minister Aristides Gomes (PAIGC). Secondly, Vaz disregarded the approaching end of his term of office and delayed the setting of a date for fresh presidential elections. As a result of international mediation, Vaz was allowed to stay in power until presidential elections would be held. At the same time, Vaz was pressured into promising to re-appoint Gomes as head of a caretaker national unity government, with Gomes to be made responsible for preparing the presidential elections. Nonetheless, Vaz appointed Faustino Imbali as prime minister in October 2019, but – as he was not recognized – Imbali resigned a week later. Thirdly, as with previous elections, the recent presidential elections were accompanied by accusations of fraudulent voter registration orchestrated by parties close to Vaz. The outcome of the presidential election, which eventually took place in November and December 2019, was highly contested. Former Prime Minister Umaro Sissoco Embaló of the pro-Vaz Movement for Democratic Change (MADEM-G15) emerged victorious from the elections. Meanwhile, the PAIGC argued that the elections were manipulated and took the case to the Supreme Court. Following the confirmation of the results by the electoral commission, Embaló declared himself president in February 2020. That way, Embaló bypassed both the Supreme Court and the parliament. The army secured the ceremony by deploying a significant number of soldiers. Gomes and the PAIGC have described this as a putsch. Although the Economic Community of West African States (ECOWAS) ultimately recognized Embaló as president, many international actors such as the European Union only “took notice” of the takeover without formally recognizing

Embaló. Fourthly, after Embaló's self-inauguration, troops invaded the Prime Minister's Office while Embaló sacked Gomes. Gomes fled to the French embassy, then stayed at the U.N. headquarters in Bissau. The same day, Embaló nominated Nuno Gomes Nabiam (Assembly of the People United–Democratic Party of Guinea-Bissau, APU-PDGB) to be the new prime minister. Gomes and the PAIGC questioned the legitimacy of Embaló and Nabiam. The army also occupied other state institutions, including state-owned radio and TV stations, the Supreme Court, and the parliament, as well as the home of leading PAIGC officials and former government members. The brief interim presidency of Speaker of the Parliament Cipriano Cassamá (PAIGC) ended when Cassamá resigned following alleged threats by the army. Intimidation and repression have increased.

COVID-19 also hit Guinea-Bissau, with several ministers and the prime minister himself becoming infected. The imposed COVID-19-related lockdown lowered consumption and domestic investment. Trade was disrupted, while the export and prices of cash crops were also affected. A night-time curfew was declared in June 2020. However, in practice, public life was left largely untouched by the health measures (e.g., mask-wearing). The IMF and World Bank projected a negative economic growth rate for 2020 due to the pandemic. A 30-day closure of schools was decreed in late January 2021 due to rise in COVID-19 cases; yet, reported official case numbers were low.

In May 2020, Embaló proposed a constitutional reform plan. Many observers have criticized the vagueness of the existing semi-presidential constitution, which does not clearly distinguish the constitutional powers of the president and the prime minister. The plan aimed to eliminate the ambivalence, while also strengthening the powers of the president.

In September 2020, as requested by Embaló, ECOWAS terminated the ECOMIB peace mission (deployed since 2012), which had often been described as impotent. The United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) was terminated in December 2020.

Meanwhile, Guinea-Bissau remains one of the least developed countries in the world, ranked very low on the Human Development Index at 178 out of 189 countries. Although debts have been reduced and economic development has been very positive in recent years, low incomes and the low quality of government services – particularly education, health care and security – have contributed to the country's low HDI ranking. The economy remains poorly diversified and marked by multilevel corruption and narco-trafficking. Human rights violations committed by security forces have intensified, and political pressure has been exerted on the media and politicians, which have contributed to Guinea-Bissau's qualification as a highly defective democracy. Political instability, due to the long political stalemate, was a major factor that prevented necessary reforms. Over the past two decades, Guinea-Bissau has attracted a lot of migrants from across the region, especially from Guinea, Senegal, the Gambia and Mauritania, many of whom work in the commercial sector. Simultaneously, Guinea-Bissau has become a transit country for and country of origin of migrants on their way north.

## History and Characteristics of Transformation

The territory of present-day Guinea-Bissau was settled between 900 to 1,300 A.D. by migrants from West and/or Central Africa. Some communities were ruled by village headmen or by elders. Other groups integrated into larger, more centralized structures, such as the Mandingos' Kaabu empire that emerged in the 13th century. The Kaabu empire lasted until the mid-19th century when it was defeated by Fula warriors, which resulted in the Islamization of the region and decades of warfare. Beginning in the mid-15th century, Portuguese navigators entered the riverine lowlands, where they established small commercial settlements. Due to intermarriages, creole communities emerged. For centuries, the coastal territories were administered from Cape Verde and were part of a transatlantic trading network. As such, the territory became a major hub for the trade in slaves. Until the late 19th century, the colonial presence was very weak and limited to the coastlands.

From the 1880s, Portugal began to prioritize colonial penetration of the hinterland, resulting in the violent conquest of most of the territory, although effective control remained weak and contested. Authoritarian Portuguese colonial exploitation contributed little to socioeconomic and infrastructural development, as it was mostly focused on extracting agricultural surpluses. The colony's population was excluded from political participation. The vast majority of the population remained illiterate and without formal education. The liberation movement, the PAIGC, was founded in 1956 and soon gained dominance over rival groups. In 1963, the PAIGC launched a successful but bloody independence war, after Portugal failed to show a willingness to compromise. Independence was declared in September 1973 and was recognized by Portugal only after the Carnation Revolution in September 1974.

Following independence, a left-wing autocratic, centralized political system emerged that gained support not only from the Eastern Bloc, but also from non-aligned countries. The state ideology – shaped by the charismatic founding father of the PAIGC, Amílcar Cabral – was based on a strong appeal to national unity. Growing authoritarianism, severe economic problems and a projected intensification of cooperation with Cape Verde led to a successful coup in November 1980. This putsch marked the beginning of political instability in Guinea-Bissau and brought to power a former independence fighter, João Bernardo “Nino” Vieira. Vieira managed to play rivals off against each other, thus surviving both actual and alleged coup attempts. From the mid-1980s, economic structural adjustment led to economic liberalization, followed by political liberalization that resulted in the first multiparty elections in 1994, turning Vieira into a democratically elected president. Yet, despite these reforms, Guinea-Bissau remained one of the least developed countries in the world with increasingly disintegrating, underfunded state structures and underpaid officials, as well as high levels of corruption. In 1998, a conflict between President Vieira and dismissed General Chief of Staff Ansumané Mané resulted in 11 months of a severe, Bissau-centered military conflict. From the end of the war until 2020, the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) was present in the country. Free and fair democratic elections in 2000 brought to power the opposition Party for Social Renewal (PRS), with its leader Kumba Yalá

also elected president. However, Yalá's erratic and increasingly autocratic governance led to a coup in September 2003. A transitional government prepared for new elections, which were held in 2005, which saw Vieira return from exile to become president. However, political instability continued, culminating in the assassination of President Vieira and General Chief of Staff Batista Tagme Na Waie in March 2009. This fragility was further compounded by the trafficking of drugs (in particular cocaine) through Guinea-Bissau, coming from Latin America. Despite formally democratic elections in 2009, which were won by Malam Bacai Sanhá, political tensions continued. In April 2012, conflicts over a security sector reform led to another military intervention. A transitional government brokered the replacement of the Angolan military training mission (MISSANG) by a contingent of the ECOWAS Standby Force (ECOMIB), deployed until 2020. After two years of unpopular transitional government rule, free and fair elections were realized in mid-2014. The elections signaled a promising new beginning for most Bissau-Guineans after years of stagnation, increasing corruption, economic challenges, and pressures on the media and the opposition. The elections brought to power the PAIGC with an absolute majority. To underline the "new spirit," PAIGC leader Domingos Simões Pereira formed a government, made up of all the parties represented in the parliament. PAIGC candidate José Mário Vaz won the presidential elections. Indeed, subsequent developments were very positive: governance was enhanced, political tensions decreased considerably and "strong man" General Chief of Staff António Indjai (a key figure influencing politics behind the scenes since the coup in 2009) was dismissed due to pressure from the international community. The economy grew and structural investments increased due to the substantial resumption of international cooperation, which had been largely suspended. With the support of donors, the Terra Ranka development strategy was successfully adopted in March 2015. This resulted in growing popular confidence. However, crisis was back on the agenda in mid-2015 after deep political divisions within the semi-presidential system emerged between President Vaz on the one side, and Prime Minister Pereira and the PAIGC majority on the other. In August, Vaz dismissed Pereira and, in the years following, unilaterally appointed prime ministers (Baciro Djá, Umaro Sissoco Embaló and Artur Silva) that did not enjoy parliamentary backing. Only in April 2018, as a result of international negotiations, did Vaz appoint a consensual prime minister, Aristides Gomes (PAIGC). Vaz continued to politicize the justice sector, which underlined Vaz's increasing authoritarian tendencies. Human rights suffered. Legislative elections due for April 2018 were repeatedly postponed due to the political crisis and only took place in March 2019.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

The Bissau-Guinean state's monopoly on the use of force covers in principle its national territory, as there are no paramilitaries, racketeering mafias or clans in territorial enclaves that control large parts of the country. However, drug-trafficking networks with links to the military and politics have emerged in the past two decades. Similarly, there is no systematic banditry. However, small forest areas along Guinea-Bissau's northwestern border with Senegal have served for decades as a retreat for guerrilla factions of the Senegalese Movement of Democratic Forces of Casamance (MFDC). During the review period, the MFDC continued to use areas along the border as a sanctuary zone, although their actions were directed against the state of Senegal, not against Guinea-Bissau. More fundamentally, the capacity of Guinea-Bissau's security forces continues to be limited and, in particular, remote, rural areas are characterized by the absence of state structures. Thus, although there are no political or armed groups that explicitly challenge the state's use of force, it is rather the state's lack of presence that impedes its monopoly on the use of force. However, narco-traffickers that cooperate with influential politicians and high-ranking military officials have emerged and are challenging the state's monopoly on the use of force. Two major drug seizures (2.85 tons) in March and September 2019 by national authorities in cooperation with international support (notably the United Nations Office on Drugs and Crime, UNODC) drew attention to Guinea-Bissau. The constitutionally questionable assumption of the Office of the President by Umaro Sissoco Embaló in February 2020 was secured by the security forces and attended by civilian and military individuals with strong relations to international narco-traffickers. State security forces and unknown individuals subsequently intimidated and harassed politicians and journalists. PAIGC politicians, journalists and observers drew a connection between Embaló's "takeover" and narco-interests that challenge democratic state institutions (including the security sector) and procedures.

Question  
Score

Monopoly on the  
use of force

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The vast majority of Guinea-Bissau's population accepts the nation-state as legitimate, and all individuals and groups enjoy the right to acquire citizenship without discrimination. Although there are political conflicts over governance and policy, the nation-state's validity is generally not questioned. Even if the Bissau-Guinean state institutions are widely known and regarded as "weak" and corruption is often lamented, all relevant groups in society accept and recognize state institutions in principle. Although sometimes isolated conflicts occur between individuals and groups from various ethnic and religious backgrounds at the village level, there are no conflicts over the question of national citizenship. In fact, national identity and cohesion across ethnic and religious boundaries have been very strong since independence, also because the war of independence against Portugal and the national ideology serve as unifiers.

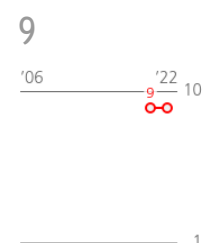
Guinea-Bissau's population is very heterogeneous in religious terms. It is marked by "religious forum shopping" and parallel adherence to several religious faiths. According to the last census conducted 2009, 45.1% of the population was Muslim (mostly in the Eastern part of the country), 22% Christian (mostly in the coastlands), and 14.9% were believers in local religions; both Islam and Christianity are represented by diverse denominations in Guinea-Bissau. According to the *Voices do Povo* survey of 2018, 47% of respondents identified themselves as Muslim, 39% as Christian, and 9% as "animist." In recent decades, as in other parts of Africa, evangelical churches (mostly from Brazil) have gained ground, while conservative Muslim countries have donated grants and scholarships, thus competing with firmly anchored Sufi Islam. The state is legally secular, and this is respected by the government. However, politicians have to respect religious feelings. Likewise, decisions by some politicians may to some extent be influenced by their respective beliefs, although this impact is not considerable. For instance, former President Vaz (2014–19) was widely believed to rely on local religious practices of divination when making politician decisions. Acting President Embaló is known to often rely on Muslim countries, mainly for financial reasons.

The state provides only very basic, barely effective administrative, health care, security, justice, infrastructural, and education services, which are particularly weak outside the capital. Although numerous attempts have been made to reform governance, security, and the rule of law in Guinea-Bissau, the state continues to be marked by an insufficient presence in the countryside. Services are often inconsistent and personalized, and citizens often have to pay individual civil servants for services. This also applies to the security and justice sectors. The security forces are badly equipped, poorly paid, and often insufficiently trained, although with international help a few model police stations have been created. Moreover, a few prisons and justice buildings have been renovated. Access to justice centers has been established as part of international cooperation; yet, the state struggles to keep services running. A reliable road infrastructure is largely maintained through international loans and donations and only links the country's major centers. Access to villages especially in

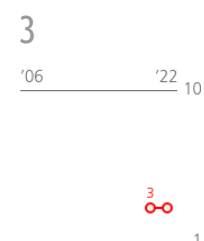
#### State identity



#### No interference of religious dogmas



#### Basic administration





remote parts of the country, can be very difficult, particularly during the rainy season. Ship connections to the islands are very rudimentary. The state-run telecommunication company went bankrupt some years ago; currently, only private companies maintain a mobile phone network and slow, limited internet access outside the capital. Electricity is unreliable and power cuts are frequent, sometimes lasting several days. Particularly the health care and education sectors are often hit by strikes due to low or unpaid salaries, and classes in public schools are often canceled, as in 2020–21. The public service went on strike over unpaid salaries in 2020–21. Education quality is insufficient, especially in the countryside. The health care sector continues to be marked by significant insufficiency; even the main public hospital in the capital only provides basic services. As a result, the COVID-19 pandemic has been a real challenge, as patients face a lack of testing, treatment capacities, medical supplies and access to services. A reliable ambulance service does not exist, and the number of adequately trained specialists is very limited and concentrated in the capital. Guinea-Bissau's very low HDI confirms these observations.

## 2 | Political Participation

Guinea-Bissau held free and fair multiparty legislative and presidential elections in 2014. Elections, which had been scheduled to take place in November 2018, had to be postponed several times due to an incomplete voter census. The delay was due to a lack of financial and material resources as well as quarreling over the legitimacy of voter registration. Legislative elections took place in March 2019, and the presidential poll in November and December 2019. The outcome of the presidential election has been heavily criticized, with some political and civil society actors alleging manipulation and fraud. This has led to doubts about the impartiality of the electoral commission, the registration of voters and polling procedures, as well as the fairness of media access. However, according to the U.S. State Department, international observers considered all elections in the 2019 cycle to be free and fair.

Yet, the position of prime minister could not be filled according to the election outcome given the unwillingness of the president. Despite being debated for 30 years, an increase in local autonomy is yet to be implemented and no local elections have yet been held, although the introduction of a customary leadership system has been discussed in recent years.

Universal suffrage by secret ballot is ensured. Guinea-Bissau has an established multiparty system. However, President Vaz tried to monopolize the appointment of prime ministers from 2016 to 2019, thus idiosyncratically interpreting the constitution, and creating a political and constitutional crisis. Vaz ignored the right to participation by the leadership of the party with majoritarian representation in parliament, the PAIGC. Election management is barely effective and dependent on foreign aid. It could be regarded as impartial in the past, although the opposition has

Free and fair elections

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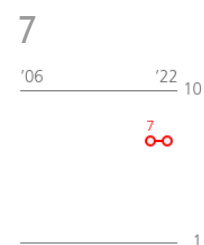
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accused the National Election Commission of partiality. In the period under review, voter registration was slow; transparency has been criticized; and scattered double registration was reported. In past elections, the polling process was considered transparent, accessible, free, and fair, and so was formal media access for campaigners. In general, due to insufficient inquiries, it is difficult to assess the extent to which elections were rigged in 2019. However, the transfer of power from Vaz to Embaló marked the first actual peaceful transfer of power in Guinea-Bissau's history. While the conduct of the election and subsequent transfer of power was not without controversy, this represents a legitimate step toward democratic norms.

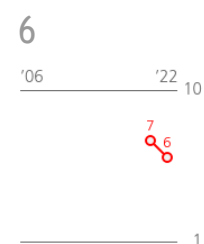
While the president and parliament were elected democratically in 2014, the presidential polls held in late 2019 left many doubts about the legitimacy of current President Embaló, despite independent international observers declaring the elections to be free and fair. Events after the elections suggest that the military – allegedly spurred on by politicians with close ties to individuals involved in narco-trafficking and other illicit activities – has again exercised its veto power in politics. However, this is difficult to prove. Moreover, some politicians and officials were allegedly bought in order to strengthen support for the president's politics. In the past, this also included the military's ability to influence the appointment or dismissal of the general chief of staff and culminated in coups and coup attempts. The last successful putsch occurred in April 2012, although events in early 2020 imply that the military played a crucial role in securing the self-proclamation of Embaló as president. It appears that the military has found more subtle ways of accessing political power, as opposed to the coups of the past. While military interference no longer plays out in an open fashion, many people in Guinea-Bissau still think that the military remains influential behind the scenes.

Guinea-Bissau's constitution and legal framework guarantee freedom of assembly and association. Formally, the government generally respects freedom of association. In the past, security forces met peaceful demonstrations with force and even prohibited demonstrations. During the review period, the police repeatedly dissolved demonstrations, including a student rally against teacher strikes in May 2019. Elsewhere, the police used tear gas to dissolve a prohibited opposition rally that was protesting against the management of the elections in October 2019, which led to the death of one protestor. Another demonstration by school students in front of the main government building on January 8, 2021 was also violently dissolved by the police. As part of anti-COVID-19 measures, the government imposed restrictions on travel within the country and closed borders. A state of emergency was declared in March 2020, which was extended until September 2020 when a 90-day "state of calamity" was declared. Legal provisions have limited social gatherings, which represents a curtailment of the right of assembly. The ban on people meeting continued to apply throughout 2020. Flights to Bissau resumed in September and schools reopened in October 2020.

Effective power to govern

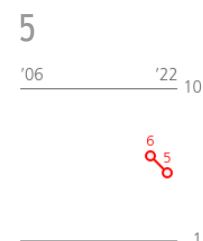


Association / assembly rights



The Bissau-Guinean constitution guarantees the freedom of expression and the state does not practice any formal censorship. Yet, journalists practiced self-censorship when “delicate” issues were touched upon, such as drug- and timber-trafficking involving public officials and influential businessmen. Conditions deteriorated considerably during the review period. Since Embaló’s takeover, leading politicians in the previous Gomes government were persecuted, sought protection in foreign embassies or were prohibited from leaving the country. In July 2020, the Bissau-Guinean Human Rights League accused the regime of substantial human rights violations and serious violations of democratic values. These violations include the arbitrary arrest and beating of citizens, the installation of a public surveillance system and monitoring of citizens’ communications in contradiction with the constitution as no corresponding law was passed by the parliament. The league also criticized the intimidation and persecution of journalists with the aim of limiting freedom of expression. The league blamed the government for the proliferation of political discourses that encourage hatred, the division of the population and acts of violence, as well as for the dysfunctional judicial system (including the paralysis of the Supreme Court). In October 2020, the league even accused the “repressive” government of “implanting terror” following the abduction and beating of one member of parliament by security forces, and the abusive detention of another opposition parliamentarian.

Freedom of expression



### 3 | Rule of Law

Guinea-Bissau’s constitution stipulates the separation of executive, legislative and judicial powers. Although the separation of powers exists in theory, checks and balances are occasionally subject to interference. Until late 2019, President Vaz sought to dominate the legislature and the justice system, testing the limits of the constitution. Inter alia, he appointed attorney generals who were widely believed to act in favor of Vaz. After Embaló took office, the balance of power shifted even more to the executive, with the armed forces practically assisting Embaló in bypassing the Supreme Court and the parliament, and persecuting opposition members and intimidating dissenters. Most visibly, the president holds regular cabinet meetings, not the prime minister as stipulated in the constitution. The judiciary came increasingly under pressure in 2020 after Embaló declared himself winner of the presidential election runoff in December 2019. President Embaló repeatedly suggested that he stood above all other powers – contrary to the country’s constitution. If his plans, voiced in mid-2020, to establish a public surveillance system to ensure security are implemented, the executive (and security forces) would gain even more power.

Separation of powers



Regarding the COVID-19 pandemic, some restrictions that favored the executive were introduced, but these restrictions were not disproportionate and did not substantially limit the separation of powers any further. As the Global State of

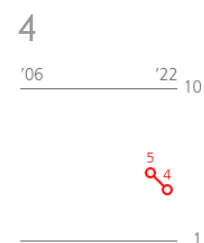
Democracy Index reports, the government declared a state of emergency in April 2020, which was renewed several times and replaced by a state of calamity in September. Currently, there is a less strict state of health alert in place. Parliamentary sessions have continued but the parliament was occupied by police on May 7, 2020 before a scheduled press conference.

Guinea-Bissau's constitution and several laws establish that the judiciary is independent. An independent body, the Superior Council of Magistrates, composed of elected judges administers the judiciary. Judges on the Supreme Court – which also acts as the Constitutional Court – are nominated by the Superior Council of Magistrates and appointed by the president. However, judges often fear retaliation, and lament poor working conditions and a lack of security when involved in politically delicate cases. Especially in the countryside, the judiciary often fails to function or operate effectively. As a result, parts of the population often turn to alternative providers of justice (e.g., elders, qadis, traditional authorities). In June 2020, President Embaló called the judges of the Supreme Court “corrupts” and “bandits” after six of the seven judges stated their intention to discuss the presidential election case put forward by opposition leader Domingos Simões Pereira. Attorney-General Fernando Gomes subsequently subpoenaed the judges. Thus, the judiciary is only partially independent and has come under increasing pressure from the executive during the review period.

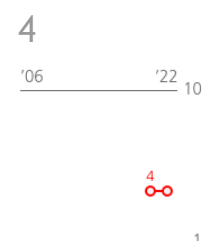
Public officeholders who benefit illegally from their positions are rarely held accountable by legal prosecution when they break the law and engage in corrupt practices. This concerns all the top government officials, including the president. Public contempt depends on relatedness and the reputation of the officeholder. As a rule, corrupt officials are widely perceived as getting away with their crimes without consequences. Usually, officeholders who break the law are dismissed, rather than prosecuted. Members of the government accused of corruption often return to official positions after an interim. Conflicts of interest and ethical misconduct are often not addressed. In general, the rule of law does not exist for the most part within the judiciary and too many resources are devoted to political infighting. This allows space for corruption to thrive.

Generally, civil rights are codified in Guinea-Bissau. However, fundamental rights are only partially respected in practice. The police forces in particular have repeatedly been accused of torture and using excessive force, although this is not a mass phenomenon. Mechanisms and institutions for prosecuting, punishing and redressing violations of civil rights are in place, but not consistently effective. Conditions in the few prisons are harsh. Discrimination based on sexual orientation is usually not an issue. Especially in areas dominated by Islam and customary law, women did often not enjoy the same rights as men. Though legally prohibited, female genital mutilation continued to be practiced in rural areas. Although the Guinean Human Rights League reported in February 2018 a decline by 5%, almost 45% of all Bissau-

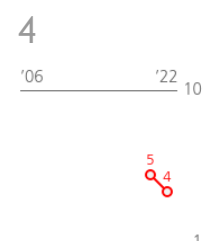
#### Independent judiciary



#### Prosecution of office abuse



#### Civil rights



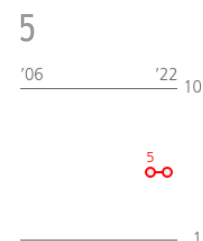
Guinean women between the ages of 15 and 49 were reportedly affected by this practice. More generally, women also continued to experience discrimination in political representation, employment, pay, and education. As a result of the COVID-19 pandemic, restrictions on the freedoms of movement and assembly were temporarily imposed.

#### 4 | Stability of Democratic Institutions

Democratic institutions exist and have been legitimized through popular votes, although the outcome of the runoff presidential election of December 2019 continues to be contested. However, during the review period, key Bissau-Guinean institutions were hit by extensive, counterproductive frictions. This concerned the parliament – the National People’s Assembly – and the president. Partly due to the unclear provisions in the semi-presidential constitution, they engaged in a serious conflict, which left the parliament unable to operate for about two years, until April 2018. The remaining institutions (e.g., the judiciary and public administration) performed their functions only partially. The judiciary came increasingly under pressure after President Embaló had taken office. In October 2020, Embaló described himself as the only constitutional institution that possessed popular legitimacy – while admitting that a separation of powers existed. Embaló has repeatedly stated he is now “in charge” and that all other powers are answerable to him. These statements run counter to constitutional provisions, which state that the government is answerable to the parliament and that the head of state has no executive powers. Attempts by Embaló in December 2020, which ultimately failed to materialize, to call fresh legislative elections could be interpreted as an effort to bring the parliament, with its shaky majorities, under his control. Local governments independent of central state institutions do not exist.

In contrast to the past, the legitimacy of key democratic institutions – including the president and the parliament – seem to be less accepted by some relevant actors. In particular, the opposition has refused to recognize the president, accusing the president of having manipulated the presidential election runoff in December 2019. Similarly, Prime Minister Nuno Gomes Nabiam, unilaterally appointed by President Embaló in February 2020, is regarded as illegitimate by opposition forces. They accuse him of having usurped the office and of buying parliamentary support. Commitment to democratic freedom and legitimacy was challenged by violence, although this violence was far from the levels of 1998 and 1999. In May 2020, a parliamentarian of Nabiam’s party – who had refused to support the prime minister and his “new majority,” and had instead continued to support the PAIGC coalition that was forged in 2019 – was abducted, intimidated and beaten by unknown civilians. Several hours later, he was found at a police station. Thus, in contrast to previous years, 2020 saw officeholders being increasingly regarded as illegitimate.

Performance of democratic institutions



Commitment to democratic institutions



## 5 | Political and Social Integration

Until a few years ago, the party system was relatively stable, with two major parties competing for power. The oldest party is the PAIGC that was founded in 1956 as an independence movement, which continues to be associated with the successful independence struggle against the former colonizer. After independence, it emerged as an authoritarian left-wing party. To date, the PAIGC continues to be regarded as a political party that attracts voters from all ethnic groups and religions and pretends to embody more than other parties an inclusive state ideology. It is also popular among intellectuals, is considered to be best organizationally institutionalized, and is regarded as less personality-based – in contrast to the PRS, the Assembly of the United People-Democratic Party of Guinea-Bissau (APU-PDGB), and Democratic Alternative Movement (MADEM-G15), *inter alia*.

In the first multiparty elections in 1994, the PRS emerged as the second largest party, benefiting from its charismatic, but controversial leader Kumba Yalá, who ruled as democratically elected president from 2000 to 2003. Following Yalá's death in 2014, the PRS did not repeat its earlier successes, although the party continues to build on a stable, mainly rural electorate, and continues to be popular among many ethnic Balanta voters. New parties emerged after the last general elections in 2014. Nuno Gomes Nabiam, who received a considerable number of votes in the 2014 presidential elections, founded the APU-PDGB, which is largely perceived as a competitor to the Balanta-dominated PRS.

In mid-2018, MADEM-G15 was founded by leading PAIGC dissenters, headed by controversial businessman Braima Camará. The legislative elections of 2019 showed that the PAIGC continues to be the largest party, even though it lost considerable support. The polls led to the ascent of MADEM-G15 as the main competitor to the PRS, with a substantial proportion of former PRS voters apparently switching support to the MADEM-G15. APU-PDGB was able to establish itself as the fourth largest party, although it failed to meet expectations. Thus, voter volatility has apparently increased and the party system, which previously consisted of two dominant parties, has transformed into a three-party system. Thus, elections have led to a more fragmented political landscape. In addition to this, there are several dozen (typically personality-based) parties, although only two of these minor parties are currently represented in the parliament. In general, many citizens view political parties to be clientelist networks, with especially the PRS and MADEM-G15 associated with clientelism.

Programs are far less important than personalities. In the past, electoral violence has not been a prominent issue, although recent years have seen increasing polarization within society. Polarization peaked with the latest elections, which produced a sharp division between the two major political camps (MADEM-G15 and PRS vs PAIGC,

Party system

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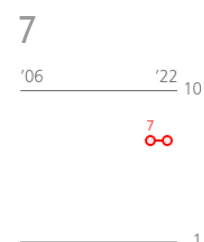
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with APU-PDGB situated in between due to internal divisions). While the PAIGC and the PRS can be considered the most socially rooted parties, some 62% of respondents to the 2018 *Voices do Povo* survey stated that they aligned with one party in particular.

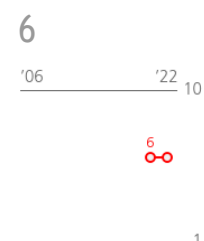
Guinea-Bissau features both a wide range of political parties and a highly differentiated civil society. The country also features a variety of trade unions – organized into at least two federations, one dating back to the times of the one-party state – and professional organizations that pay lip-service to fighting for better working conditions and salaries. Yet, because most formal employment is in the state sector and the financial resources of the state are very limited, the results of trade union activities are limited. At the same time, there are also employees’ and trade associations, such as a chamber of commerce. Apart from this, there are specialized non-governmental organizations that defend women’s rights and human rights, represent the various religious and local communities, veterans and traditional leaders, engage in environmental protection and for the development of the country in general. On specific occasions, these groups can work together. In recent years, some groups have been founded that are nominally independent of any party influence but attempt to politically mobilize the population in favor of specific parties or party coalitions. Most organizations are however dependent upon foreign support and patronage and are sometimes even created to tap foreign funding in sectors and on issues internationally deemed to be worthy of support. The Catholic Church repeatedly acted as a broker in political conflicts. Thus far, organizations that openly and effectively undermine democracy and civil society to mobilize particular ethnic or nationalist interests do not exist.

Quantitative surveys on the approval of the democratic system, performance, and institutions are limited for Guinea-Bissau. Results from the first comprehensive quantitative EU-financed survey (*Voices do Povo*) on public opinion ever in Guinea-Bissau, published in October 2018, showed that 53% of the respondents regarded democracy preferable to any other form of government – in contrast to 9% that favored a non-democratic government and 48% of all respondents associated democracy with freedom. Of all respondents, 61% agreed that political parties were necessary while 33% opined that parties were unnecessary because they created dissent. Moreover, 66% agreed that the president should obey the law and court decisions, while 27% said that the president should not submit to court decisions. At the same time, 77% (against 14%) rejected a one-party system, 80% (against 11%) military rule, and 82% (against 8%) a presidential dictatorship without elections and parliament. Regarding democratic performance, 70% of respondents opined that one could say freely what one thought, 67% that one could join any political organization, and 75% that one could vote without being pressured. However, 43% agreed that they were living in a democracy with big problems, and 11% even said that Guinea-Bissau was not a democracy, while 14% were convinced that it was a democracy with small problems – only 7% believed that they were living in a complete democracy.

#### Interest groups



#### Approval of democracy



Additionally, 77% of respondents were unsatisfied with the functioning of democracy. Democratic institutions were assessed negatively: the institution in which respondents had the lowest level of confidence was the treasury (77%), followed by the parliament (68%), the prime minister (61%), the courts (59%), the police (53%), the president (43%) and the armed forces (34%), which might suggest an authoritarian fixation. Many citizens lamented the absence of the state in various sectors: 64% felt abandoned by the state, and only 28% stated that they felt protected. Of polled Bissau-Guineans, 59% associated politicians with corruption, whereas 78% believed the government's fight against corruption was insufficient; 51% said that the president always or frequently ignored the constitution, as opposed to 33% who said he never or rarely did so. Regarding corruption, 45% (as opposed 48% who stated the opposite) opined that politicians involved in crimes always or in many cases went unpunished, while 88% were convinced that politicians were only serving their own interests. These results express ambivalence with a political system the performance of which is considered insufficient while, at the same time, a majority welcomed democracy and enjoyed civic liberties. At the same time, the study reveals that citizens have difficulties in coherently expressing their opinions.

Although Guinea-Bissau has been characterized by the legacies of authoritarian colonial and one-party rule, as well as civil war and social pressure, cooperation and mutual support for purposes of self-help among citizens are well established. This is also owed to an inclusive state ideology developed and popularized by the (former) ruling party, the PAIGC, but also because of years of armed struggle that largely succeeded in uniting the population across cultural, ethnic, social, and religious boundaries. Although ethnic and religious stereotyping exists, solidarity and trust among Bissau-Guineans is very strong. There is a lively, voluntary and autonomous organization of cultural and social associations across the country. According to the 2018 *Vozes do Povo* survey, 58% of the respondents took part in religious organizations, 42% in communitarian and sports associations, 30% participated in political parties, 23% in trade and agricultural unions, and 7% in professional or employee organizations.

Social capital





## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Guinea-Bissau belongs to the poorest countries in the world and ranked 178 out of 189 countries in the United Nations' Human Development Index (HDI) in 2019, representing a fall of one position since 2017, although the country's score improved from 0.426 (in 2010) to 0.461 (in 2019). Like other post-socialist countries, Guinea-Bissau had an elevated Gini coefficient (50.7) as of 2010, indicating medium to high income inequality. In 2014, a very large percentage of Bissau-Guineans (67.3%) lived in poverty and in severe multidimensional poverty (40.4%). In 2010, 85.4% of the population lived on less than \$3.20 a day at 2011 international prices adjusted for purchasing power parity (PPP). The country relies mainly on foreign assistance, subsistence economy, and the export of cash crops (cashew kernels, fish). The processing industry remains underdeveloped and many mineral resources (bauxite, phosphate, oil) remain unexplored. Women are relatively well-represented in the workforce, a feature that can be also attributed to Guinea-Bissau's post-independence, socialist one-party era, when the social advancement of women was promoted. However, both girls and boys from disadvantaged social classes are vastly discriminated against by the failing public education system, marked by a low quality of schooling, limited years of schooling, and frequent cancellation of lessons or even entire school years. However, statistical data on years of schooling are currently not available. At present, there is no quantitative data available on gender inequality. Generally, women continue to suffer from disadvantages, sometimes due to sociocultural and religious restrictions. This also concerns the legal sphere: according to the civil code, for example, married women cannot – at least in theory – conduct business without the permission of their husbands, according to the World Bank's Doing Business 2019 report.

Question  
Score

Socioeconomic  
barriers

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Economic indicators		2017	2018	2019	2020
GDP	\$ M	1350.2	1504.6	1439.6	<b>1431.8</b>
GDP growth	%	5.9	1.3	4.5	<b>-2.4</b>
Inflation (CPI)	%	1.7	0.4	0.2	-
Unemployment	%	2.9	2.8	2.8	<b>3.2</b>
Foreign direct investment	% of GDP	1.2	1.4	5.0	-
Export growth	%	-17.8	20.4	8.7	<b>-14.6</b>
Import growth	%	18.6	-17.2	14.1	<b>-3.0</b>
Current account balance	\$ M	3.9	-54.1	-127.4	-
Public debt	% of GDP	50.0	59.2	65.9	<b>79.3</b>
External debt	\$ M	425.0	520.7	611.2	<b>805.9</b>
Total debt service	\$ M	10.9	11.4	13.2	<b>19.8</b>
Net lending/borrowing	% of GDP	-1.6	-	-3.9	-
Tax revenue	% of GDP	10.3	-	9.5	-
Government consumption	% of GDP	9.3	12.6	14.8	<b>16.5</b>
Public education spending	% of GDP	2.2	2.1	2.9	-
Public health spending	% of GDP	0.6	0.6	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.4	1.4	1.7	<b>1.7</b>

Sources (as of December 2021): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

## 7 | Organization of the Market and Competition

Market organization is very weak. Although various attempts and many promises have been made in the past decade to facilitate trade and enhance market-based competition, the Ease of Doing Business Score is only 43.2 out of 100 (ranked 174 out of 190 countries) in 2020. According to Doing Business 2020, starting a business takes eight days and eight procedures with a cost of 88.8% of GNI per capita. In the Heritage Foundation's 2020 Economic Freedom Index, Guinea-Bissau ranked 148 (out of 180 countries), a sharp decline in comparison to 2019 and 2018 when the country ranked 135 and 118, respectively. This was due to eroding fiscal health.

According to the Heritage Foundation, obstacles include a weak and painfully slow legal system, political instability, an opaque regulatory environment, illicit trafficking, a large subsistence economy, subsidies on electricity and energy, bureaucratic customs procedures, and high levels of corruption. The protection of property was generally weak, also due to the weak rule of law, inadequately trained and paid judges, and prevailing corruption that is not effectively combated. The Bissau-Guinean market remained characterized by informality – expressed by vast petty trade. There are no official statistics on the size of the informal employment sector. A huge part of it is dominated by trafficking of narcotics and closely linked to the army. This indicates inappropriate institutional frameworks of economic and social policy, while existing rules are frequently applied inconsistently. Oligopolies existed for the importation of specific products in some segments. The state has set prices for cashew kernels – the country's main cash crop – rice, and fuel, with limited success, however, as in the case of cashews. Another segment subject to state intervention is the export of (partly illegally lumbered) timber, in which leading officials are involved. Nonetheless, state intervention is not excessive. With respect to the market for mobile communication, Guinea-Bissau allows for partial competition through the issuance of a limited number of licenses and full competition in wireless local loop. Principally, cross-border labor (many Bissau-Guineans work abroad and in neighboring countries) and movement of capital is possible. Since 1997, Guinea-Bissau has been a member of the West African franc (CFA) zone. The CFA has been pegged to the euro since 1999 (previously to the French franc) and convertibility is guaranteed by France. However, in practice it is difficult to exchange CFAs into major currencies outside the CFA zone.

Market  
organization

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Guinea-Bissau does not have a national competition law and a national competition authority. However, it is a member of the West African Economic and Monetary Union (WAEMU) that adopted antitrust competition legislation in 2002 and has been operative since January 2003. Hence, Guinea-Bissau applies the regional law of WAEMU to national anti-competitive practices. On paper, Guinea-Bissau had a planned economy from independence until the 1980s, characterized by state monopolies. Although these monopolies were largely abolished, some continue de facto to exist, such as the Bissau Port Authority and the Bissau water and electricity supply enterprise. Further, some market segments are dominated by a few entrepreneurs, indicating a partly concentrated market. Chinese influence is on the rise in this regard as Chinese firms monopolizing the logging industry. Currently, Guinea-Bissau is not a member of the International Competition Network (ICN). In general, law enforcement and control capacities are weak in Guinea-Bissau and can be biased. Economic free zones do not exist. Public electricity and water supplies – de facto only in the capital – are subsidized by the state and donors.

Guinea-Bissau has been a member of the World Trade Organization (WTO) since the liberalization of foreign trade on May 31, 1995 and a member of the West African Economic and Monetary Union (WAEMU) since May 2, 1997. Given its dependence on the export of cash crops and foreign aid, Guinea-Bissau's integration into the world market is limited and one-sided. Chinese logging (quasi-) monopolies can be mentioned in this regard. Formal protectionist measures and limited market access resulting from non-tariff measures do not apply. In principle, both people and goods can travel freely across borders within the ECOWAS zone, of which Guinea-Bissau was a founding member in 1975. However, in practice, cross-border trade was time-consuming and costly, according to the World Bank's Doing Business 2019 and 2020 reports. Merchants can be exposed to bribe demands at borders. According to the WTO, the simple average of the most favored nation status applied was, in total, 14.43% in 2018.

In socialist times, Guinea-Bissau's banking system was monopolized by the state; it was liberalized in the 1980s. However, only in the 2000s and 2010s have commercial banks become increasingly active in the Bissau-Guinean market. This development has also been prompted by the government's decision to switch from cash payments to bank transfers, including for paying the salaries of civil servants. In practice, there appears to be little supervision effected by the state. According to the Heritage Foundation, the financial sector remains underdeveloped and continues to provide a very limited, somewhat costly range of services. Many people rely on informal lending and have no bank accounts, although the number of account holders has increased in recent years, and the presence of banks in the interior has much improved. Currently, there are several commercial banks present in the country: Banco da África Ocidental, Banco da União, Orabank (formerly Banque Régionale de Solidarité), Banque Atlantique Guinée-Bissau, and Ecobank. A great deal of economic activity remains outside the formal banking sector, including, for instance,

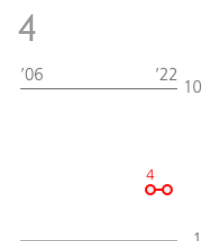
#### Competition policy



#### Liberalization of foreign trade



#### Banking system



rotating savings and credit associations, as well as money transfer companies (Western Union, MoneyGram) and informal money transfer services. Thus, both the banking system and capital markets are poorly differentiated. Currently, no data for the ratio of bank non-performing loans and the bank capital to assets ratio are available, according to the World Bank.

## 8 | Monetary and fiscal stability

On May 2, 1997, Guinea-Bissau abolished its own currency, the Bissau-Guinean Peso (GWP), in favor of the CFA franc (XOF). The Peso had been devalued by high inflation. Since then, the Central Bank of the West African States (BCEAO) serves as the country's central bank. The exchange rate is pegged to the euro (€1 = XOF 655,957). Since the introduction of the CFA franc, inflation has been generally low. In 2019, the inflation rate was estimated at 0.2%, while the forecast for 2020 was 2%. Lower rates throughout 2019 were apparently due to under-performing cashew exports – the country's main cash crop and revenue source.

The Central Bank of the West African States is independent of political interference. In 2010, the bank assigned its monetary policy to the Monetary Policy Committee (MPC). Stability is expressed by the BCEAO's interest rates: the minimum bid rate is 2.5% (since September 2013), marginal lending is 4.5% (since September 2016). Its communication with actors in the financial markets is comparatively transparent. The COVID-19 pandemic has also affected monetary issues in Guinea-Bissau. As early as April 2020, the BCEAO took steps on behalf of the West African Economic and Monetary Union (WAEMU) to satisfy banks' demands for more liquidity and to mitigate the negative impact of the pandemic on economic activity.

Previous democratically legitimate governments attempted to promote fiscal stability (via expenditure controls and increases in tax revenues) and debt relief in cooperation with international partners. Nonetheless, the country has continued to rely on international financial assistance. The overall fiscal deficit increased from 4.9% of GDP in 2018 to 5.2% in 2019. This was due to higher recurrent spending on wages, transfers to the public utility company (water and electricity) and interest payments. Tax revenues increased slightly from 9.4% of GDP in 2018 to 9.7% in 2019. It was expected that revenues would decline in 2020 given reduced economic activities. A pandemic-related slump in international prices and the expected halving in exports of cashew kernels (the country's main export product) may restrict liquidity, lower revenues and negatively affect the private sector. The fiscal deficit was expected to increase to 8.2% of GDP in 2020, given lower tax revenues and higher government expenditure caused by the pandemic. Domestic debt levels will also increase.

According to the World Bank, the current account balance was -3.7% of GDP in 2018; data for 2019 and 2020 is not yet available. Owing to successful debt restructuring in the past, the total public debt, after peaking at more than 500% of

### Monetary stability



### Fiscal stability



GDP in 1998, declined to 49.2% in 2017 – but surged to 67.6% of GDP in 2019, from 60.2% in 2018. This increase was driven by external loans to finance public infrastructure projects. Correspondingly, external debt decreased from 15.1% of GDP to 12.4% in 2017, according to the IMF. According to the World Bank, total debt service in 2019 amounted to 1.174% of the gross national income (GNI). Government consumption was estimated at 9.1% for 2020, according to the World Bank. Current data on the cash surplus/deficit and total reserves were not available.

In April 2020, Guinea-Bissau was among 25 beneficiary countries of IMF debt service relief provided through the Catastrophe Containment and Relief Trust (CCRT). Owing to the pandemic, the government increased spending on the purchase of medicines, food, services and medical equipment. A set of five controversial new taxes were introduced in January 2021 that affect the vast number of poor people in Guinea-Bissau, which has provoked popular unrest.

## 9 | Private Property

Property rights regulations (including acquisition, benefits, use, sale, and registration) are well defined legally, but the protection of property rights in Guinea-Bissau is generally weak, according to the Heritage Foundation. After independence, property owned by foreigners was nationalized. Some of these nationalized assets were later appropriated by politically influential actors. All land belongs to the people of Guinea-Bissau, that is, in practice, to the state, ruling out private property rights. This only allows the state to grant concessions to individuals and groups. According to the World Bank's Doing Business 2020 report, it took 48 days to register property, five procedures were necessary, and the costs to do so amounted to 5.4% of the property value – whereas the quality of the land administration index was low at only 3.0. A corrupt, nontransparent, and inefficient legal and administrative system hampered registration and ownership of property.

In Guinea-Bissau, private companies are legally allowed and can in principle operate in the country. However, private companies are often seen primarily as mere providers of employment, not first as profit-oriented enterprises that compete for tenders and contracts. This is consistent with widespread expectations of a strong state that is supposed to provide welfare, even though its capacities are very limited in various ways – which negatively affects the population's human development. Earlier privatization processes as part of economic liberalization in the 1980s were often not conducted in a transparent manner and were inconsistent with market principles. Furthermore, foreign enterprises might further marginalize domestic private entrepreneurs. The legal protection of private enterprise is generally low, and thus depends on personal contacts and/or corruption.

### Property rights



### Private enterprise



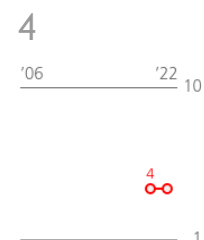
## 10 | Welfare Regime

The vast majority of Guinea-Bissau's population is at risk of poverty. Most people are forced to rely on extended networks of family, friends, colleagues, and neighbors as well as private charity for social security. Despite some improvements (e.g., life expectancy has risen from 45.9 years in 1980 to 58 in 2018, and health care expenditure has been increased from 4.9% of GDP in 1980 to a high of 9.5% in 2014, dropping to 7.2% in 2017), social security remains highly precarious. The public Instituto Nacional de Segurança Social da Guiné-Bissau (INSS; National Institute of Social Security of Guinea-Bissau) is nominally responsible for providing social welfare (notably medical assistance and pensions). However, it is incapable of doing so in an adequate way. In theory, all employees and employers must be registered with the INSS – but not all do so outside the state sector and in the large informal sector. In principle, both employees (8%) and employers (14% of the income) – citizens and non-citizens alike – are obliged to pay monthly social security contributions to the INSS. In 2018, only about 4,000 retirees received pensions (out of a total population of about 1.8 million). To counter the effects of the COVID-19 pandemic, the government has increased spending on medicines, food, services and medical equipment in order to ease the situation particularly of disadvantaged parts of the population.

Profound gender inequalities continue to prevail in Guinea-Bissau. Serious differences concern the literacy rate. According to figures provided by UNESCO, while 71.3% of young men (15–24 years old) were literate in 2014, only 49.8% of young women in the same age group were literate. No current data were available to compare the ratio of female to male school enrollments; however, according to UNICEF, the primary school gross enrollment ratio was 118 (males) to 110 (females) in 2010 to 2014. No figures for enrollment rates at secondary schools were available for the same period. However, whereas the net attendance ratio at primary schools came to 62% for both sexes in 2010 to 2014, numbers for secondary schools were significantly lower and unequally divided between the sexes: males 27% and females 20% (in 2009–2014). The female labor force participation rate (15–64 years old) was estimated by the ILO to be 67.2% (in contrast to 78.8% for men) in 2020. Although there is some discursive ethnic and religious stereotyping, there is no ethnic violence as isolated conflicts in villages usually occur, not for ethnic, but rather for other reasons (e.g., property, access to land). However, favoritism based upon kin and ethnic grounds may occur.

As the U.S. State Department reports, no laws criminalize sexual orientation. However, anti-discrimination laws do not apply to lesbian, gay, bisexual, transgender or intersex (LGBTI) individuals. Yet, the U.S. State Department has not reported any grave human rights abuses of individuals based on sexual orientation or identity.

Social safety nets



Equal opportunity



## 11 | Economic Performance

Guinea-Bissau has experienced a steady and very positive growth of GDP in recent years. After negative annual GDP growth in 2012, GDP grew 3.3% in 2013 and only 1% in 2014, before accelerating to 6.1% in 2015, 6.2% in 2016 and 5.9% in 2017, before decelerating to 3.8% in 2018 and 4.6% in 2019.

GDP per capita (PPP) increased from \$616.40 in 2012 to \$778.00 in 2018, before decreasing to \$697.80 in 2019, according to the World Bank. GDP per capita growth was 3.6% in 2016, 3.3% in 2017, only 1.2% in 2018 and 2.1% in 2019. Real GDP growth was projected to be -1.7% for 2020 (due to the pandemic) recovering to 4% in 2021 by the IMF and the World Bank in late 2020. Mainly because of the country's dependence on natural resource exports, the pandemic has hit the country hard.

Output has been quite strong in terms of inflation. Inflation measured by consumer prices (period average) in Guinea-Bissau has been low (2.1% in 2012, 0.8% in 2013, -1.0% in 2014, 1.5% in 2015, 1.5% in 2016, 1.1% in 2017, 1.4% in 2018 and 2.0% in 2019), according to the IMF.

In recent years, the official unemployment rate has reported unrealistic figures (6.1% in 2018 and 2.5% in 2019) – the actual rate is certainly much higher. Foreign direct investment (net flows as a percentage of GDP) is positive: starting from a low of 1.2% in 2016, 2017 and 2018, it increased to 2.3% in 2019, according to the World Bank.

According to the IMF, the public debt amounted to 52.4% of GDP in 2015, 53.9% in 2016, 50.8% in 2017, and surged to 60.2% in 2018 and 67.7% in 2019. The World Bank figures showed that revenue (as a percentage of the GDP) developed positively, increasing from a low in 2010 of 13.3% to 13.9% in 2012, 14.7% in 2017 and 14.9% in 2018, according to World Bank statistics.

Current statistics on the cash surplus/deficit and total reserves were not available. The most recent data on the current account balance dates from 2018 (-\$54.1 million).

Output strength

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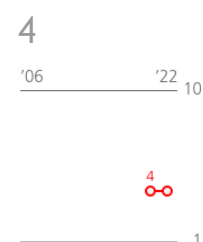


## 12 | Sustainability

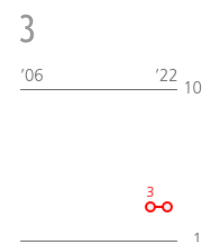
Ecological awareness is not very pronounced in Guinea-Bissau, as politics and the general public primarily focus on socioeconomic issues. There is no special ministry concerned with environmental issues. Responsibility for the environment is shared between the Ministry of Fisheries, the Ministry of Energy, Industry and Natural Resources, and the Ministry of Agriculture and Rural Development. Nonetheless, the government made an attempt to reduce public littering by prohibiting plastic bags in 2013; however, this prohibition is rarely observed. Guinea-Bissau is a member of the Organisation pour la Mise en Valeur du fleuve Gambie (OMVG), the projects of which cover, among others, the construction of dams both in Guinea-Bissau and neighboring countries (Guinea, Senegal, and Gambia) to produce renewable electricity. Guinea-Bissau holds shares in the Kaleta hydroelectric dam in Guinea. Recent years have seen both legal and illegal timber logging in many parts of Guinea-Bissau. The country continues to possess one of the richest fishing grounds in the region that is, however, threatened by illegal fishing vessels. Illegal activities are facilitated by corrupt practices and an incapable state administration. Although agriculture and the extraction of wood have contributed to degradation, Guinea-Bissau continues to possess a rich, biodiverse natural heritage of worldwide relevance. Supported by the International Union for Conservation of Nature (IUCN), Guinea-Bissau founded in 2004 the Instituto da Biodiversidade e das Áreas Protegidas (IBAP), which oversees the parks of Cantanhez, Cufada, Cacheu as well as those in the Bijagós archipelago. Phosphate mining was expected to start shortly, while the extraction of bauxite and oil may begin in the future, possibly affecting the country's natural environment.

Guinea-Bissau does not deliver high-quality public education. Many teachers are poorly trained, schools are badly equipped, and teachers are often unpaid or underpaid. This leads to frequent strikes in the school sector and the loss of many school days and even the cancellation of entire school years. Private schools exist and provide a far better standard of education. Tertiary education has been only established quite recently. The only public university (Amílcar Cabral University) was founded in 2003, restructured in 2010 to 2013, and opened to private capital after it had been closed in 2008 for quality and financial reasons. Additionally, a number of private universities exist (Jean Piaget, Lusófona, Universidade Católica, and Colinas do Boé Universities). Guinea-Bissau's government expenditure on education was 2.1% of GDP in 2013 (compared to 1.9% in 2010 and 5.3% in 1999), according to UNESCO. The percentage of primary school teachers trained to teach was 39% in 2009 to 2017. The inequality-adjusted education index for 2018 was 0.23, according to the World Bank. The literacy rate of 45.6% (females: 49.8%; males: 41.3%) in 2006 to 2016, according to UNICEF, reveals a high discrepancy between sexes. The

Environmental  
policy



Education policy /  
R&D



gross enrollment ratio in primary schools was 118.7 (males) to 110 (females), indicating a moderate gender imbalance. Current figures for enrollment rates in secondary schools, at the tertiary level, and for research and development expenditures were not available. The general low quality of education is mirrored by a low U.N. Education Index score of 0.402 in 2018 (an improvement from 0.361 in 2010).

## Governance

### I. Level of Difficulty

For a long time, Guinea-Bissau's government performance has been limited by several structural constraints that cannot be easily overcome and originate in the country's eventful history. Deep poverty, a very poor primary and secondary education sector, insufficient tertiary education, and an almost nonexistent training sector have resulted in a poorly skilled labor force. This is complemented by a deficient infrastructure (e.g., roads, sea routes/ports, communication, health care service provision, and water and electricity supply), a large subsistence economy sector, and an undeveloped processing industry. Dependence on foreign assistance and cash crops as the backbones of the export economy prevails. HIV/AIDS is a severe issue, along with international drug-trafficking and the outmigration of both skilled and unskilled labor. It can be assumed that the COVID-19 pandemic has also had an effect on the country's political and economic transformation, although the extent of the impact is difficult to assess at the time of writing. In 2018, the inequality-adjusted education index score was calculated to be 0.23 and the Gross National Income per capita at purchasing power parities (in 2019) was \$1,996 (U.S. dollars, constant prices of 2011), making Guinea-Bissau one of the poorest countries in the world. The political role and dysfunctional structure of the military, which still draws upon its independence struggle credits, also present a challenge. The separation of civil and military power is still incomplete.

Although Guinea-Bissau had multiple experiences with autocratic rule, both in colonial and postcolonial times, the country has developed a vibrant and diverse civil society, with some organizations showing long-term engagement since the early 1990s. Civil society has also stood up against anti-democratic developments in politics. However, many organizations depend upon foreign support and assistance. Some non-governmental organizations are only created with the aim of tapping foreign money. In addition, many Bissau-Guineans are active in various traditional civic associations, some of them dating even back to colonial and precolonial times. Trust in the state and its governance is quite weak, but trust – understood as national consciousness – among Bissau-Guineans is very high: citizens usually emphasize their national identity, their pride in their country. Ethnicity and religious affiliation are subordinate to national identity. This consciousness can be also attributed to the still-powerful integrative national ideology developed by the PAIGC. The civil war of 1998–1999 fostered a high degree of solidarity among Bissau-Guineans – something that is also promoted by some traditional organizations and networks.

Structural  
constraints

8



Civil society  
traditions

6



For decades, the armed forces have repeatedly intervened in politics. Despite selective outbursts of violence, including the assassination of politicians, politics have remained to a large extent nonviolent, although the potential for open conflict and thus polarization has increased in recent years. This has become evident in politically motivated mass demonstrations that have repeatedly occurred in recent years. Some of these protests were prohibited by the authorities, while in some cases the security forces used limited violence against protesters who had remained peaceful. In contrast to the past, large segments of the population could be mobilized, signaling to those in power that their rule is not unlimited. Simultaneously, political polarization has increased since 2015, which has affected large segments of the population, especially in the capital. The use of violence by police forces is not generalized, while demonstrators defend the peaceful nature of their activities. Although isolated communal clashes occur in the countryside, they remained very limited in both scope and number. Both ethnic rhetoric and the ethnicization of politics remain limited, although occasional attempts have been made to mobilize people along ethnic (or religious) lines. Yet, mobilization and politico-economic alliances along ethno-religious lines have become more important in recent years. Some Muslim countries have granted subsidies and scholarships for religious studies, which could contribute to the spread of a very conservative interpretation of Islam in Guinea-Bissau, which has heretofore been comparatively moderate. The spread of evangelical churches and sects may also contain potential for future conflicts and intolerance. It is difficult to assess if and to what extent the COVID-19 pandemic has influenced the confrontational nature of politics.

Conflict intensity



## II. Governance Performance

### 14 | Steering Capability

The democratically legitimate government led by Domingos Simões Pereira (PAIGC), which ruled between July 2014 and August 2015, developed, in cooperation with donors, the Terra Ranka program that was presented in 2015. To achieve fundamental social progress, the program intended to focus on sustainable and diversified economic development, drawing on agriculture and the agro-industry; the fishing, tourism and mining sectors; improvements in governance and infrastructure; and the streamlining of the business environment. Terra Ranka was welcomed both by the international community and Bissau-Guinean society as a strategic vision for Guinea-Bissau's development. However, the political capability and strategic capacity of subsequent governments remained restricted, as they lacked legitimacy due to the political crisis that largely paralyzed the country, hampered international cooperation, and prevented the adoption of a state budget from 2015 to 2018. Despite these obstacles, all governments have claimed to be committed to the strategy established in the Terra Ranka plan. Successive governments followed the

Question  
Score

Prioritization



path agreed upon with international institutions like the IMF, which recommended strengthening investment planning in 2018. However, President Vaz was often regarded as a defender of paternalistic clientelism and the status quo. He even developed a counter program, the agriculture-focused *Mon na Lama*, thus challenging the government's executive prerogative. Regarding the Embaló government, which has been in power since early 2020, no clear strategic, programmatic priorities have been elaborated (including in response to the COVID-19 pandemic), except from statements of intent regarding reform of the inconsistent constitution and security surveillance. Constitutional inconsistencies have been blamed for political crises by most political actors for years. Furthermore, thoughtful reforms of the security and justice sectors, the health care and education sectors, as well as in the fight against corruption have shown mixed results.

The government of Domingos Simões Pereira, which ruled the country until August 2015, was well underway to implementing its own policies and needed reforms. The government's good performance was rewarded at an international donors' roundtable in Brussels in March 2015, where high financial pledges were made to support the *Terra Ranka* program. In collaboration with the European Union, the government articulated a plan for achieving mid- and long-term goals, which would benefit from the support of donor countries and institutions. Subsequent power games, political instability and paralysis, driven by the president, resulted in a decline of political will and thrust, and eventually in the non-resumption of cooperation by the European Union, suspended in 2012 (except for cooperation programs with civil society), for example. Nonetheless, policies as agreed upon with international institutions continued to be implemented – and this at least partially applies to the *Terra Ranka* program. The political instability that has prevailed since late 2015 was not halted – as previously hoped – by the elections that took place in 2019. Instead, the political crisis and power plays have continued under the new Embaló regime, which has exacerbated the lack of implementation of systematic, programmatic priorities. Policies in 2019–2020 have, therefore, not led to the formation or implementation of any systematic or sustainable government program, except for largely short-sighted policies. The COVID-19 pandemic has underlined the government's limited steering capability.

After 2015, much of the euphoria around the developmental opportunities inherent to Guinea-Bissau's political situation, which was widely regarded as an awakening after years of transitional rule, has vanished. During the review period, Guinea-Bissau's political elites (embodied by former President Vaz and current President Embaló) have shown little innovation or flexibility – apart from self-centered, power-oriented considerations and short-term “flash in the pan” projects (e.g., the planned installation of a public surveillance system in the capital, the highly controversial confiscation of buildings also in the capital city or the proposed construction of a new, externally funded international airport). Improvements have not begun to show since President Embaló assumed office.

#### Implementation

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4

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#### Policy learning

4

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4

1

Internally, they often followed old routines, paid little attention to effective monitoring and evaluation of their politics, and have not engaged in best practices. Cooperation with international institutions and regular evaluations/reviews as part of the IMF's extended credit facility arrangement continued. This shows how international cooperation contributed to the adoption of new financial and macroeconomic measures and perspectives, despite the prevailing, internal political conflict. At the same time, past governments allowed democratic norms to come under increasing pressure.

## 15 | Resource Efficiency

Government administrative personnel are used efficiently to a limited extent only. Many civil servants earn very little. Often, they are not paid on time. This leads to a low quality of services while, in comparison to the services offered, parts of the bureaucracy are bloated. In the past, “phantom officials” have been reported that were paid, but had already left service, were retired or deceased. Repeatedly, public servants are appointed (and dismissed) for political or clientelist reasons. Recruiting procedures often lack transparency. Depending on grants and loans (in 2018, the net lending/borrowing rate was -1.6% of GDP, public debt was \$64.3 million and external debt was \$420.7 million), as well as on revenues from the exportation of cash crops, the government budget (\$514.5 million in 2020, -5% of GDP in 2019) has consistently been in deficit over recent years. Given enhanced revenue mobilization and expenditure control, the country's public debt as a percentage of GDP has continued to grow from 50.7% in 2017 to 67.4% in 2019, according to the IMF. Debt has been manageable since Guinea-Bissau reached the completion point under the Heavily Indebted Poor Countries (HIPC) initiative, with \$1.2 billion in debt canceled by the IMF and the World Bank in 2010 – but has since increased again. Auditing has improved in recent years but remains deficient. Budget planning has also become more transparent although past budgets were not formally approved by parliament due to the crisis. Deviations of actual expenditures from planned ones are moderate. Nevertheless, public administration remains largely ineffective, especially in the country's interior – which is also due to lack of decentralization and local self-government. There have been ongoing discussions on reforming and modernizing the public administration, notably concerning decentralization. Due to the COVID-19 pandemic, the government had to increase spending on medicines, food, services and medical equipment. Both the BCEAO and the IMF provided assistance to the government in order to counter the impact of the pandemic.

Efficient use of assets



Both vertical and horizontal coordination within state administration are limited and so is the trade-off between different policy goals. Further, there are few or no consequences for failing to deliver results. Often, responsibilities within various parts of the public administration are not defined in transparent ways. Also, coordination with many sectors is a mix of hierarchical bureaucracies, usually highly centralized, informal and personalized, as, for instance, in the security forces. Policies are rarely, if at all, implemented in a coherent fashion and are complicated by political infighting. This concerns education, health care and security policies. For instance, the police and the military repeatedly reveal conflicting interests and partly see each other as competitors. Concerning the armed forces, policies have not been congruent, oscillating between the recruitment of new, young soldiers, on the one hand, and the intention to downsize the oversized, overage officers' corps (by introducing a long retirement scheme, discussed internationally for more than a decade) and to consolidate the military budget, on the other.

Anti-corruption laws exist but were rarely respected during the period under review. An independent audit court was established in 1992 but has been inactive due to a lack of funding for most of its existence. Only in 2015 did the court produce a report in which it critically assessed government spending for 2009 to 2010. In 2018, it released reports about several public companies. Although a national public procurement agency (Agência Nacional de Aquisições, ANAP) has existed since 2012, the implemented public procurement system is not transparent, and documents are not accessible to the public and the media. According to the World Bank, ANAP intends to centralize processes and competes with the Procurement Directorate (responsible for controlling) which wants to decentralize procurement. Although, in recent years, both the president and various administrations have expressed their commitment to effectively fighting corruption, results have been meager: in September 2017, the government blocked the salaries of about 4,000 “phantom” civil servants. President Vaz dismissed in 2015 the attorney general known for his impartial fight against corruption. Sometimes, politicians reveal conflicting interests between the political positions they hold and their private businesses, and often they are not held accountable. Officials have not disclosed their personal finances before the Audit Court, as demanded by law, and the court is not authorized to impose sanctions. Since President Embaló assumed office in early 2020, the situation has not improved. Instead, rumors of money-laundering stemming from shady foreign sources and increased narco-trafficking have circulated. In February 2020, the president of the Audit Court accused the Supreme Court of obstructing audits that aimed verify court receipts. In August 2020, the Audit Court qualified the level of corruption in public administration as “concerning” and demanded that action should be taken urgently. Since 1991, a legal framework exists that regulates the financing of political parties. However, in practice, since the first multiparty elections in 1994, parties have not received any of the foreseen subsidies. They have neither reported expenditures to the Supreme Court, nor have they released and submitted any

### Policy coordination

3

'06 '22 10

3

1

### Anti-corruption policy

3

'06 '22 10

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financial status reports as required by law. Individuals supposedly involved in drug-trafficking and other illicit activities carry on with impunity, suggesting incapacity, intimidation, and corruption within the responsible government bodies.

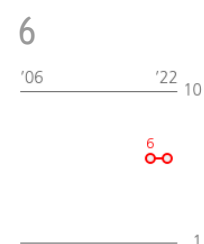
## 16 | Consensus-Building

While all major political actors (e.g., parties, leading government officials) and other stakeholders in society (e.g., civil society, entrepreneurs and intellectuals) support democracy and a capitalist market economy in principle, there are differing interpretations of democracy. Some politicians conceive of democracy in a rather patriarchal and clientelist fashion; others regard it as an all-or-nothing affair. While some may consider it as a self-service institution, others highlight the consensus character of democracy. Still others advocate for the model of democracy attributed to the Global North. Many Bissau-Guineans complain that democracy has not improved their lives. However, while most Bissau-Guineans verbally complain about corruption as something undemocratic, they nonetheless often take part in corrupt practices.

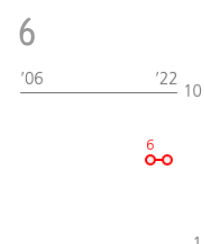
Similar observations can be made with regard to the market economy. Major actors agree on the surface, but beneath that disagreement exists. Some elder Bissau-Guineans remember socialist times as negative, with a lack of basic consumer goods. At the same time, they bemoan the decline of social cohesion and the advent of capitalist egoism and the lack of financial means to afford many of the products available on the market. Experiences with economic liberalization since the 1980s are thus mixed, as many were excluded from the blessings of the open market economy.

In Guinea-Bissau, various definitions and imaginings of democracy exist. Key actors openly arguing against democracy could not be identified during the review period. Instead, politicians often reveal attitudes and traits that could be characterized as anti-democratic, although they take actions as if doing so based on democratic grounds. Sometimes, politicians from different backgrounds accuse each other of engaging in anti-democratic behavior, transforming “anti-democratic” into a category of mutual accusation. Even members of the military, which has in past decades repeatedly intervened in politics, often presented themselves as “democratic” as they claimed to defend the country’s independence, the people’s interests and the ideals of the independence war against colonial rule. However, it appears that in recent years the conviction has grown among members of the military that direct interventions in politics may not serve their best interests – although this growing conviction did not prevent sections of the army from enforcing President Embaló’s takeover in early 2020. Since Embaló assumed office, he has repeatedly called into question the separation of powers and has proceeded against political opponents. According to rumors, high-ranking officials and politicians have been “bought” in order to ensure

Consensus on goals



Anti-democratic actors



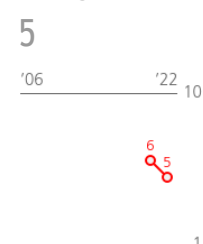


support for the president's politics, with the money coming from shady sources. Reform-oriented politicians, in collaboration with the international community, have contributed to restraining anti-democratic sentiments in the armed forces – although other politicians may continue to manipulate army factions. Often, citizens complain that they feel excluded from political participation. This holds especially true for people in the country's interior, as, to date, no form of democratically elected, autonomous, local self-government exists as part of the state structures.

At present, the main political cleavages in Guinea-Bissau separate forces that often act as “reformers” (e.g., leading members in the PAIGC around former Prime Minister Domingos Simões Pereira, as well as allied parties and societal groups) and those who support President Embaló and his political supporters (e.g., the PRS, MADEM-G15, parts of APU-PDGB and leading military officials). This polarization has increased considerably in the last few years. Yet, despite deep differences, political actors – pressured by international actors – in the past found peaceful ways to resolve their differences and find a political solution. As the country is very small and generally very poor, social segregation is not very pronounced. Ethnic and religious cleavages exist but are not prominent to such an extent that Guinea-Bissau could be described as an ethnically or religiously divided country. In sharp contrast, national cohesion across ethnic and religious boundaries is repeatedly pronounced, both by politicians and the general public, and this contributed to depolarizing differences. Nevertheless, some politicians have repeatedly made appeals, especially during election campaigns, meant to mobilize voters on ethnic and/or religious grounds. In addition, local cleavages and their management appears to be largely disconnected from the political arena in Bissau, and in the arena of religious and civil society actors. The activities of the Fórum de Paz reveal many examples of successful civil society engagement in the management of these local conflicts.

Civil society in Guinea-Bissau is able to participate in political processes to a limited degree and concentrated in a restricted number of political fields. At present, the space for dialogue between the state and citizens continues to be highly centralized. This is also due to the fact that the government in general does not possess a vision or strategy that would allow for the coordination of actions between the state and civil society. Nevertheless, collaboration between the state and civil society has improved in past decades. In specific political fields, government departments have worked together with civil society, international organizations, and members of parliament in working groups. Yet, the government has not invited civil society organizations to co-develop policies or to participate in high-level decision-making. However, human rights groups in particular are firmly established and collaborate with international partners, non-governmental organizations and foreign donor institutions (e.g., the United Nations, the European Union, foreign governments/embassies). In recent decades, journalists have increasingly gained ground and – despite financial constraints and political pressures – attempted to fulfill their role as the fourth estate, although the government is not particularly supportive of the press. Intellectuals –

Cleavage /  
conflict  
management



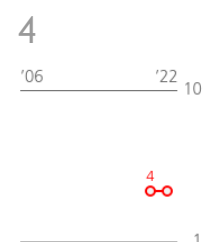
Civil society  
participation



some of whom simultaneously play important roles in civil society organizations – frequently comment on political issues in local media and some, via their work with international organizations, contribute to politics by writing technical reports and assessments.

Since independence, various governments and heads of state, as well as the military, have committed serious human rights violations against citizens, which includes military coups, the civil war, executions, assassinations and the disappearance of political key actors. Since the end of the military conflict in 1999, both national and international actors have repeatedly raised the issue of implementing a reconciliation process. However, results have been meager. A dialog process known as Estados Gerais para a Guiné-Bissau, advocated by civil society in 2006 to 2007, was discontinued. A bottom-up reconciliation process initiated by the United Nations Integrated Peacebuilding Office in Guinea-Bissau (UNIOGBIS) in 2010 was not completed: although some regional conferences were held, the national conference planned for 2011 did not take place. The establishment of a truth and reconciliation commission has never been seriously pursued. The deaths of President João Bernardo “Nino” Vieira and General Chief of Staff Batista Tagme Na Waie in 2009, as well as of the politicians, Helder Proença and Baciro Dabó, in 2012, inter alia, have never been properly investigated by the judiciary; nor have any charges been filed. Instead, proceedings in the cases of Vieira and Na Waie were conducted behind closed doors, presumably because prosecutors had been subject to threats or intimidation. Instead of coming to terms with the past, silence on these sensitive issues and impunity prevail. Problems such as weak governance, interpersonal conflicts and the unresolved constitutional problems (semi-presidentialism) further hinder a sound reconciliation process.

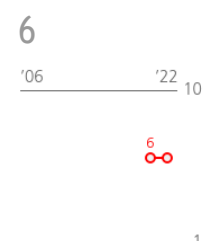
Reconciliation



## 17 | International Cooperation

Guinea-Bissau has made use of international assistance since independence. Projects have involved both technical and personal cooperation. After independence, the country followed a socialist development agenda, encompassing nationalization to build a state-centered economy. To this end, the government received assistance from socialist, non-aligned and capitalist countries. After the shortcomings of this system became evident, Guinea-Bissau opted for structural adjustment and economic liberalization in the 1980s, as recommended by the World Bank. To date, the leadership accepts external advice regarding domestic realities; in the past two decades, it has adopted several strategies (e.g., the Poverty Reduction Strategy Papers and 2005–2011 and 2011–2015, the Istanbul Program of Action for the Least Developed Countries for the Decade 2011–2020), albeit with mixed results. With the help of donors, the government integrated in 2015 its own visions and recommendations by external actors into the long-term strategy document Terra Ranka (which is as of this writing in a dormant state). This roadmap ties in with

Effective use of support



previous poverty reduction strategies and covers the years 2015 to 2025. It focuses on development in various areas (e.g., the economy, public administration, social and ecological development, security, agriculture, health care, education, infrastructure, tourism) and has been endorsed by various governments since being implemented. Various projects, as listed in the operational plan (first phase: 2015–2020), have already been implemented or prepared. Yet, inconsistencies prevail among many of Guinea-Bissau’s politicians and officials, as many continue to focus on short-term rent-seeking. In addition, the capacity of the country’s authorities to devise strategies and roadmaps with autonomy remains limited.

As a consequence of the protracted political conflict, which began in late-2015, much of the political process has been paralyzed and confidence in Guinea-Bissau’s governments, which was already low domestically and internationally, has eroded even further. The government of Aristides Gomes, which held power from April 2018 to February 2020, was primarily tasked with organizing fresh elections in order to overcome the political impasse. Despite these domestic conflicts, the governments worked closely together with international donor organizations, such as the IMF. The 2019 general elections did not improve Guinea-Bissau’s credibility. Despite the lip service paid to fighting narco-trafficking and to ending the impunity from prosecution enjoyed by corrupt officials, the current government headed by Prime Minister Nabiam has failed to demonstrate a greater commitment to building credibility. Instead, rumors about high-level corruption have increased.

Guinea-Bissau closely cooperates with its neighboring countries. Since 1975, it has been a member of the Economic Community of West African States (ECOWAS), which unites most West African countries. Guinea-Bissau joined the West African Economic and Monetary Union (WAEMU) in 1997, of which Senegal is also a member. Together with its neighbors, Senegal, Gambia and Guinea, it is a member of the Organisation pour la Mise en Valeur du fleuve Gambie (OMVG). Along with Cape Verde – to which it has historical ties as both countries were colonized by Portugal – it is a member of the Community of Portuguese Language Countries (CPLP). Together with Senegal and Guinea, it is member of the Organisation Internationale de la Francophonie (OIF).

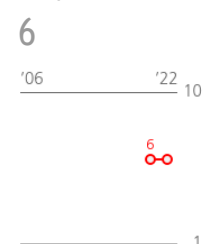
Although historically intimately connected to its neighboring countries, relationships with their (subsequent) heads of state have not always been positive. Sometimes, support for “rebel” movements in Senegal and Guinea and counterefforts by Guinea have caused friction.

However, for most of history and especially during the period under review, Guinea-Bissau maintained a good relationship with Guinea for historical reasons: Guinea’s first head of state, Ahmed Sékou Touré, supported the PAIGC’s struggle for liberation struggle in the 1960s and 1970s. In 2017, however, the relationship became tense, after leading politicians accused Guinean President Alpha Condé of partiality, while blaming ECOWAS for interference in the political crisis. Guinea-Bissau’s

#### Credibility



#### Regional cooperation



relationship to Senegal – an important trading partner – has been good. However, some politicians and segments of the population believe Senegal has attempted to keep Guinea-Bissau politically and economically dependent – these accusations specifically refer to President Macky Sall of Senegal on the one hand, and presidents Vaz and Embaló on the other, with the latter accused of selling Bissau-Guinean interests to the country’s northern neighbor.

Generally speaking, the administrations have been largely willing and able to cooperate regionally, especially in economic terms, as the country remains dependent on foreign investment, donations and lending. Political tensions continued throughout 2019, with international organizations involved in settling the conflict between the president and the majority in parliament regarding the legitimacy of the elections and the appointment of a new government. This produced some political tensions between Vaz and his followers on the one hand, and ECOWAS on the other. Following the 2019 presidential election, ECOWAS hesitantly accepted the contested election victory of Embaló. Yet, these tensions did not call into question the government’s willingness to pursue regional cooperation in principle.

## Strategic Outlook

Despite the political crisis that Guinea-Bissau has faced in recent years, the country continues to be comparatively well integrated socially. However, political antagonism, corruption and the recent interference of the army in politics has had a lasting impact on society and politics. National, regional and international actors have called upon domestic political and civil society actors to overcome an approach to politics that often serves only the short-sighted and egoistic interests of a few individuals, groups or networks. At the same time, it is up to international actors to support a democratically legitimate government. In this context, donors should support a process of rewriting the semi-presidential constitution, which is arguably at the heart of many of the political problems between the president(s) and prime minister(s) – as demonstrated in the period under review.

Furthermore, the international community should help Guinea-Bissau to improve living conditions, notably by improving education, training and health care – the outbreak of the COVID-19 pandemic has severely challenged the country’s ailing health care sector – and laying the foundations for sustainable socioeconomic development, especially for young people.

In this way, the “dividend of democracy” could eventually become a reality for a considerable number of people. To achieve this noble goal, it will be necessary for international partners to collaborate with Guinea-Bissau in order to secure dignified working conditions for qualified civil servants. It will also be vital for efforts to reform Guinea-Bissau’s security sector to be intensified. The security sector, which encompasses the military, police, judiciary and related fields, has often been politicized, and involved in corruption and narco-trafficking. However, attempts should be made by international actors to perpetuate international development cooperation: short-term project cycles with short-term objectives should be avoided. Similarly, rushed, top-down planning and implementation processes and procedures should be replaced by bottom-up ones that merit the term “local ownership.” In addition, a broad, bottom-up, long-term reconciliation process should be implemented or restarted, and complemented by participatory processes, promoted by the media, that debate socially just, democratic governance. Profound progress has been made with respect to fiscal and macroeconomic stability and development over the past decade. It is important to continue this path and to take social aspects into account to a greater extent.