

IOA — 2019 — ACBR

AFRICA COUNTRY BENCHMARK REPORT



Comoros Profile



Rising above a small port of fishing vessels in Moroni, the Ancienne Mosque de Vendredi (the old Friday mosque) is the islands' most famous landmark.



Image courtesy of Daryl Wallace

COMOROS

#32

COMOROS



OVERVIEW ANALYSIS

The archipelago is burdened by environmental challenges and few natural resources, which limit economic growth and require new thinking on sustainability. The islands are densely populated, averaging 356 people per km². The resulting environmental strain is evidenced by deforestation and soil erosion as hillsides are used for food cultivation. Comoros is inhabited by a diversity of ethnic groups. The most recent elections, held in 2016, were peaceful, and political co-operation is required to face the Comoros' most daunting environmental challenge: rising oceans due to global warming that will flood the country. Comoros' overall final ranking in ACBR 2019 is 32nd place, down five positions from 27th in 2017. The drop is more of a reflection of better relative performance of other countries.

KEY OPPORTUNITIES

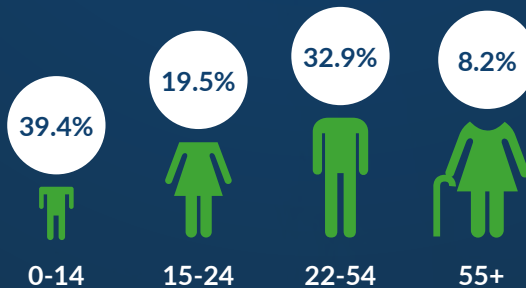
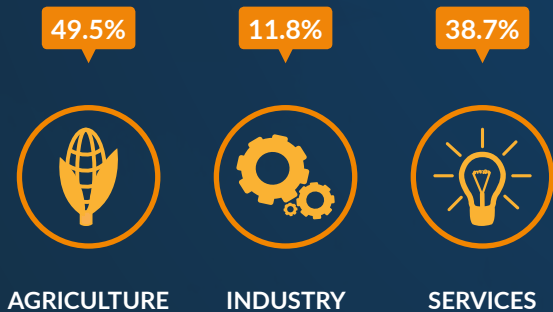
- Spices are the main export and can be cultivated locally to a greater degree
- Tourism can take advantage of the beaches and tropical waters
- Agricultural technology will boost food production required to meet local needs

KEY CONCERNS

- Few natural resources and environmental challenges
- Global warming has increased the frequency and power of devastating cyclones
- The islands' infrastructure is incapable of meeting social and economic needs

COUNTRY HIGHLIGHTS

PREDOMINANT RELIGION <p>Islam</p>	PREDOMINANT LANGUAGE <p>French</p>	POPULATION WITHOUT ELECTRICITY <p>22.2% (#12) —</p>	LITERACY RATE <p>77.8% (#20) ▼¹</p>	PRIMARY ELECTRICITY SOURCE <p>Oil</p>
IMPORT/EXPORT <p>Textiles/ Vegetable</p>	EXTERNAL DEBT <p>US\$ 0.0131 billion (#53) —</p>	ACTIVE CONFLICT <p>No</p>	LAND SIZE <p>2,235 km² (#51)</p>	INTERNET PENETRATION <p>7.9% (#43) ▼⁴</p>



Term:
27/04/1999 - present
5 years (2 term limit)

Political Party:
National Liberal Front

Recent Electoral Information:
17/04/2014
8 332 598 Votes
81.5%
Voter turnout: 51.7%



President
Azali Assoumani

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

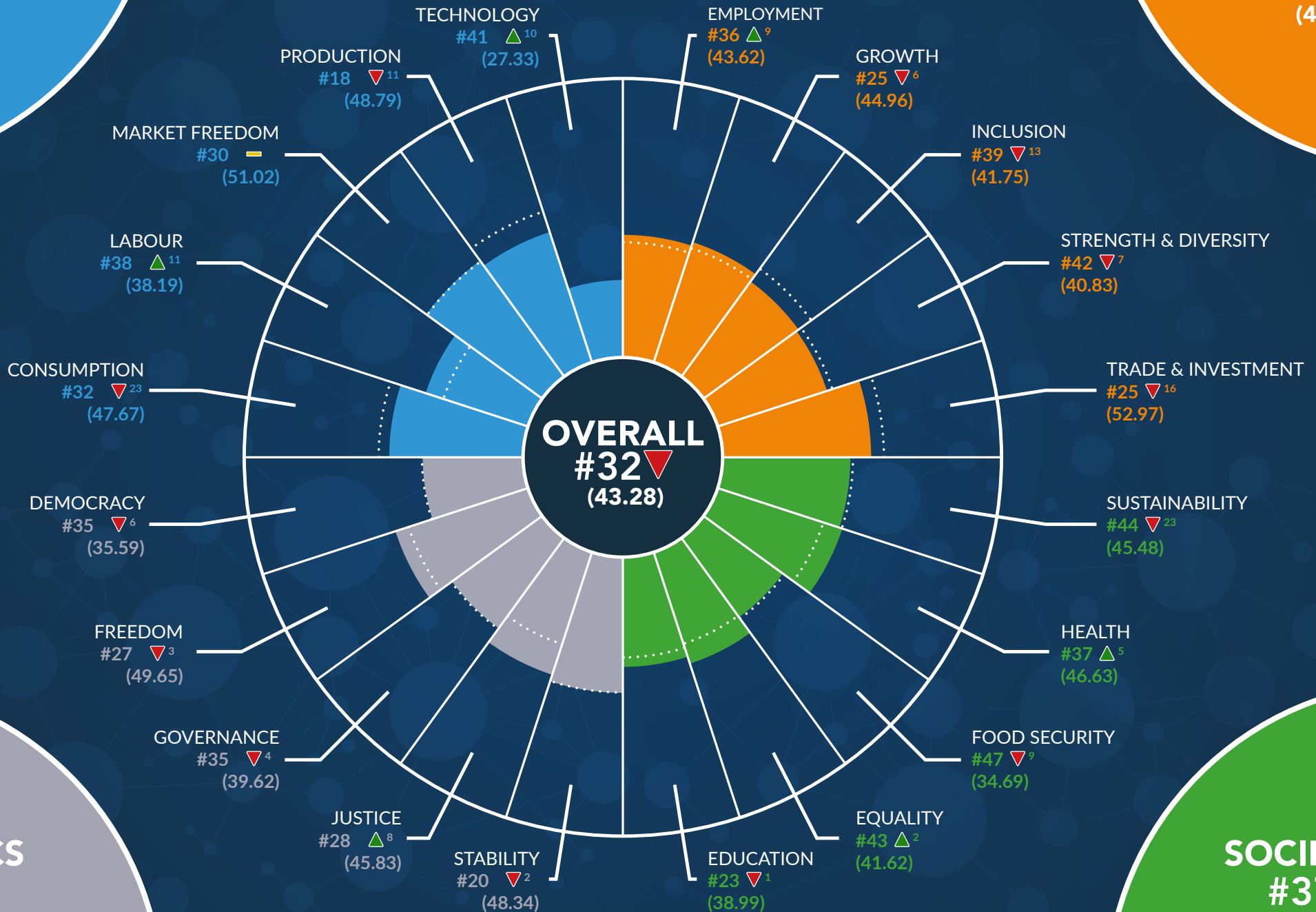
BUSINESS

#27
(42.60)

COMOROS PERFORMANCE OVERVIEW

ECONOMICS

#33
(43.69)



POLITICS

#29
(43.03)

SOCIETY

#37
(43.81)

▲ Increase from 2017

▼ Decrease from 2017

■ No change

..... 2017 Score

COMOROS BUSINESS ANALYSIS



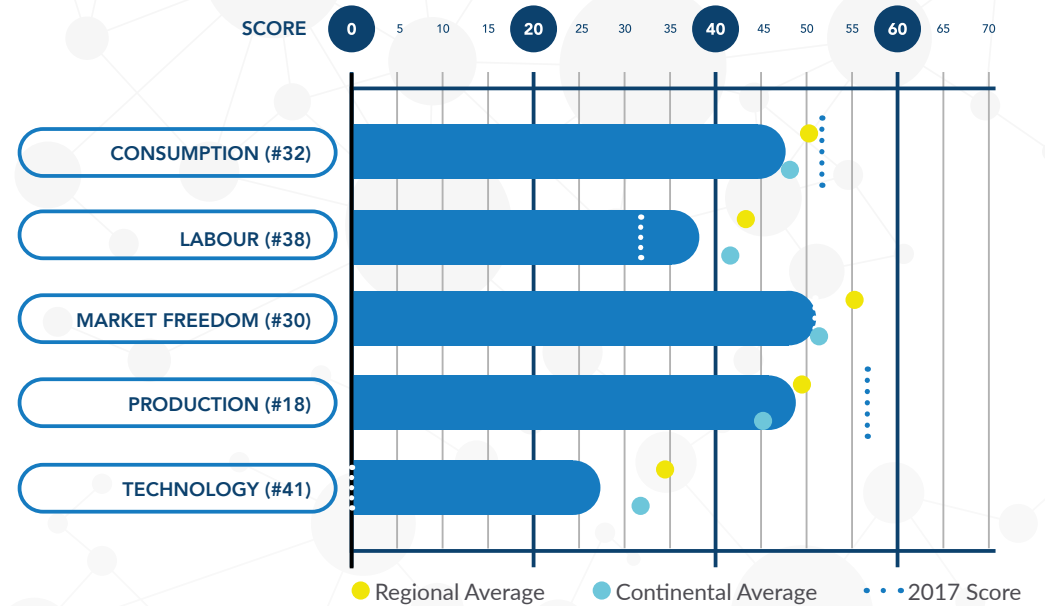
BUSINESS OVERVIEW

Comorians are among the world's poorest people because the volcanic islands have limited natural resources. Spices are the main export. The islands' physical isolation from the African mainland presents challenges to businesses, particularly in terms of communications and transportation. Links between the country's main islands are inadequate, and high shipping prices are the cost of doing business. The local market is limited, and there are few exported products. Regulatory reform is required to alleviate the restrictions on doing business, such as facilitating contract enforcement.

Government has established technical institutions to train local students and ensure a skilled labour force in a country

whose population is skewed heavily towards youth. In the agriculture sector, fishing and forestry have potential for growth as export industries. The country imports most of their food and requires investment in food production to serve the domestic market. Comoros suffered a significant drop in ranking in the Business quadrant from ACBR 2017, from 14th to 27th. This plunge of 13 reflects a business environment facing a challenging economic situation. The principal reason for a lower business score is the islands' drop in the Consumption segment, down 23 positions from 9th to the current 32nd place. The lack of economic expansion and limited purchasing power of the domestic market led to this decline.

BUSINESS SCORES & RANKINGS



BUSINESS DATA COMMENTARY

<p>Comoros data availability 49.45%</p>	<p>REGIONAL AVERAGE 87.41%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #47</p>
	<p>The overall score for business data availability in Comoros stands at 49.45%, thus ranking 47th continentally. This compares quite unfavourably with both the regional average of Southern Africa, which currently stands at 87.41%, as well as the continental average of 77.78%. With a relatively small economy spread across four islands, extensive business data coverage faces many impediments. However, international multilateral institutions such as the World Bank provide trustworthy data.</p>		

BUSINESS STATISTICS

<p>% POPULATION IN URBAN CENTRES</p> <p>29% (#43)</p>	<p>LABOUR FORCE IN MILLIONS</p> <p>0.28 million (#50)</p>	<p>INDUSTRIAL PRODUCTION GROWTH</p> <p>0.8% (#47)</p>	<p>PRIME LENDING RATE</p> <p>10.5% (#16)</p>
<p>% ADULTS WITH A BANK ACCOUNT</p> <p>N/A (#N/A)</p>	<p>ANNUAL AIR PASSENGERS</p> <p>N/A (#N/A)</p>	<p>MOBILE SUBSCRIPTIONS</p> <p>57.11 per 100 (#38)</p>	<p>NATIONAL 3G COVERAGE</p> <p>60% (#25)</p>

COMOROS ECONOMIC ANALYSIS



ECONOMIC OVERVIEW

Comoros' economy is driven by the diaspora of Comorians who have left the limited employment opportunities of their archipelago to seek work overseas. Their remittances to their families not only ensure the survival of their relatives but also lift the overall economy. This can be accounted for by the country's small local population of about 800,000 versus the 200,000 Comorians who live abroad, whose combined remitted earnings make such an impact economically. Of the Comorians still in the country, six out of 10 live in poverty, thus limiting customers for the services and in other sectors. The economy is also nowhere near self-sufficiency. Comoros imports are 10 times greater than their exports. This is a normal condition for small island countries,

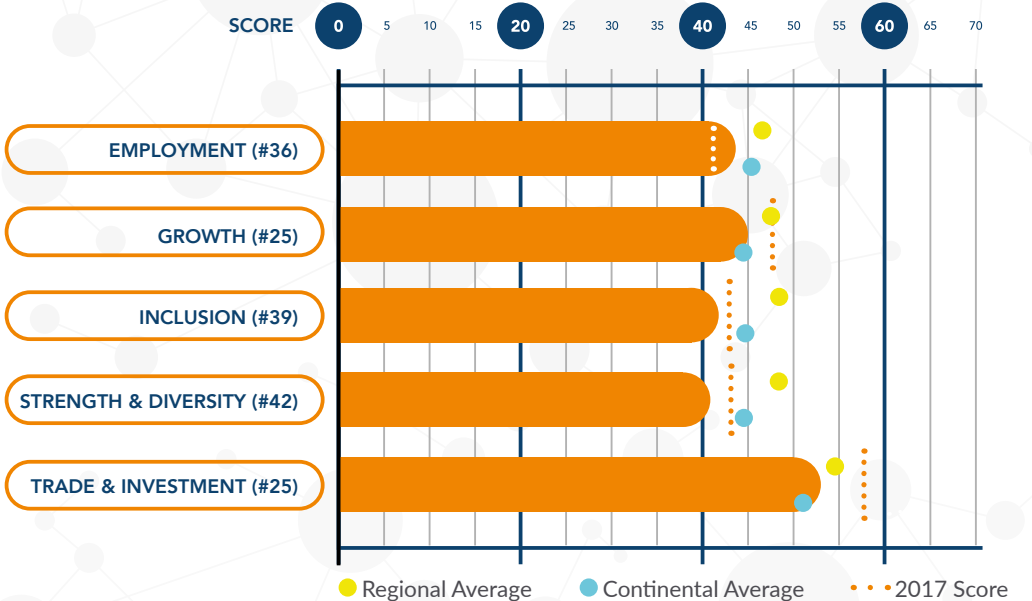
whose domestic markets are so limited that manufacturing and other enterprises cannot profit from serving local needs alone and would require export customers overseas.

These factors, and a continuing stagnant economy, have led to a precipitous drop in Comoros' ranking in the Economics quadrant. The country has descended nine positions, from 24th in the previous period of review to 33rd. An examination of Economics segments explains the decline, led by a 16-position drop in Trade & Investment. Again, the islands' small domestic market and yet-to-be developed trade links have inhibited trade and discouraged investment in enterprises faced with a small domestic market and no export customers.

ECONOMIC DATA COMMENTARY

<p>Comoros data availability 47.86%</p>	<p>REGIONAL AVERAGE 87.18%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #48</p>
	<p>As with the previous quadrant, economic data availability in Comoros is also quite poor, with a current score of 47.86% and a corresponding continental rank of 48th. Once again, this compares quite unfavourably with the respective regional and continental averages of 87.18% and 77.78%. As of present, the national statistical system is severely hampered in terms of data collection, processing and dissemination. However, concerted regional and multilateral efforts are currently being made to improve this.</p>		

ECONOMIC SCORES & RANKINGS



ECONOMIC STATISTICS

<p>GDP PER CAPITA</p> <p>US\$ 1,600 (#42)</p>	<p>UNEMPLOYMENT RATE</p> <p>4.3% (#15)</p>	<p>TRADE BLOC MEMBERSHIP</p> <p>AFTZ, COMESA</p>	<p>INFLATION RATE</p> <p>2% (#13)</p>
<p>GDP AT PPP</p> <p>US\$ 1.3 billion (#53)</p>	<p>CURRENCY AND GOLD RESERVES</p> <p>N/A (#N/A)</p>	<p>FDI NET INFLOWS</p> <p>US\$ 8 million (#51)</p>	<p>BUDGET SURPLUS (+) OR DEFICIT (-)</p> <p>-5.2% (#34)</p>

COMOROS POLITICAL ANALYSIS

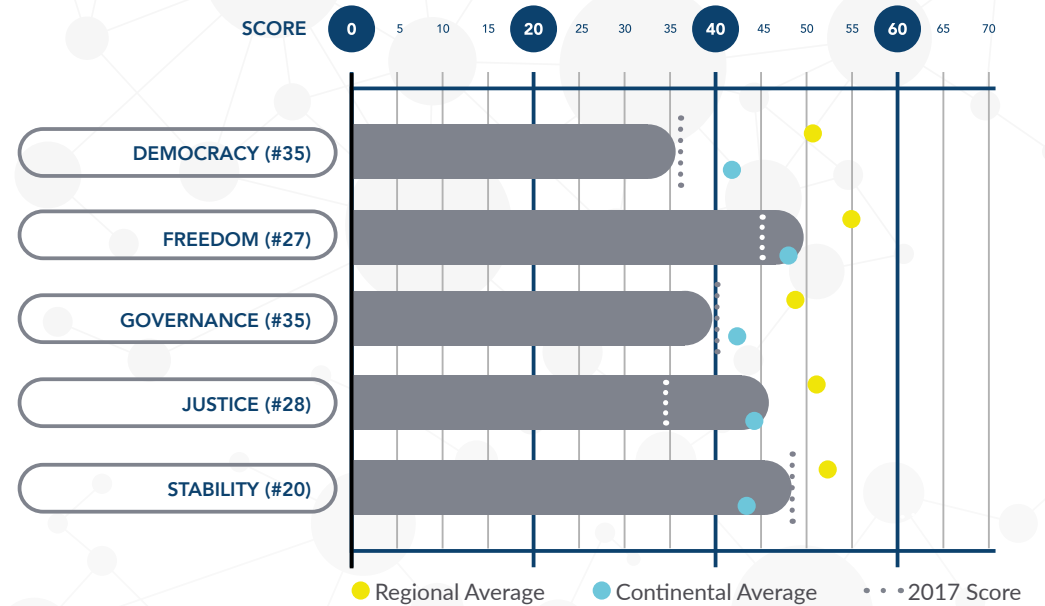


POLITICAL OVERVIEW

Comoros experienced their worst political upheavals in years, when armed combat broke out between opposition groups and security forces. Opponents of President Azali Assoumani are incensed over his plan to amend the constitution to stay in power for an additional 11 years. The crisis was temporarily averted, after five days of clashes that claimed three lives, with an amnesty given to the rebels. Supported by the African Union, Comoros is resisting France's continuing claim of ownership of the island of Mayotte, which is valued by Paris for their strategic position in the Mozambique Channel. Paris has no possessions so close to the Southern Africa mainland, yet Paris also lays claim to a reef, Banc du Geysier, that both Comoros and Madagascar say

are their own. Comoros is a member of the Southern African Development Community, which offers government significant political support and potential economic trade links. Comoros has signed but never ratified a host of United Nations environmental treaties. This is an oversight in need of correction as global warming raises oceans that may eventually engulf the country, relegating Comoros to the history books. Comoros dropped one position, from 29th to 30th, in the ACBR 2019's Politics quadrant. However, on individual Politics segments, the decline in the country's placements was larger: there was a drop of six places in both Democracy and Governance; there was less of a drop in Freedom and Stability; but the country did see gains recorded in Justice.

POLITICAL SCORES & RANKINGS



POLITICAL DATA COMMENTARY

<p>Comoros data availability 57.45%</p>	<p>REGIONAL AVERAGE 88.82%</p>	<p>AFRICAN AVERAGE 82.86%</p>	<p>CONTINENTAL RANK #48</p>
	<p>Already suffering from a severe lack of statistical capabilities, Comoros is further subject to widespread corruption and legal degradation prone to political interference. This is reflected in the political data availability score, which currently stands at 57.45%, thus ranking 48th continentally. As with the previous quadrants, this too compares very poorly with the respective regional and continental averages.</p>		

POLITICAL STATISTICS

<p>NUMBER OF POLITICAL PARTIES</p> <p>7 (#37)</p>	<p>MILITARY EXP AS % OF GDP</p> <p>N/A (#N/A)</p>	<p>REFUGEE INFLOW</p> <p>N/A (#N/A)</p>	<p>NUMBER OF RIGHTS</p> <p>23 (#53)</p>
<p>DATE OF INDEPENDENCE</p> <p>07/06/1975</p>	<p>NET OFFICIAL DEVELOPMENT ASSISTANCE</p> <p>US\$ 55 million (#49)</p>	<p>WOMEN IN PARLIAMENT</p> <p>6.1% (#53)</p>	<p>CAPITAL PUNISHMENT</p> <p>Special Cases</p>

COMOROS SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

Despite the island's poverty and lapses in vital infrastructure – one out of four Comorians do not have electricity – life expectancy of 64.2 years is among the highest in Sub-Saharan Africa. Illiteracy remains a problem due to an inadequate education system, but environmental factors present the islands' most challenging concerns. While small, the population densely inhabits the islands, compromising the ecology by practicing environmentally damaging agriculture. Illegal migration to Mayotte, claimed by France, as an escape from overpopulation in Comoros' three other large islands is worsening the diplomatic situation with Paris. Illegal human trafficking also exists, worsened by government's lack of compliance on their treaty obligation

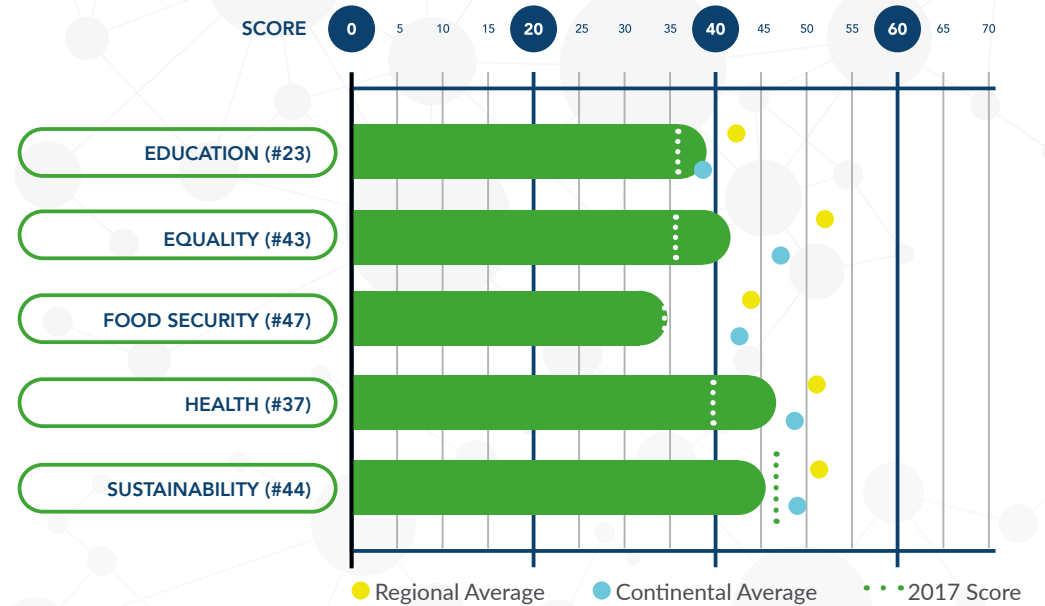
to combat this, Human traffickers use Comoros to ship East African women to the Middle East, where they are enslaved as domestic servants. Comoros is also known to be a source of child sex workers and forced labourers.

Comoros has their lowest rank of 37th in the Society quadrant, declined by two positions from ACBR 2017's position of 35th. The Sustainability segment is the primary reason for the decline, registering a sheer 23-position drop from 2017, from 21st to 44th. Sustainability, both environmentally and socially, is the most pressing challenge, begging the question of how they can maintain a population on islands with insufficient resources already pushed to the limit.

SOCIETAL DATA COMMENTARY

<p>Comoros data availability 36.73%</p>	<p>REGIONAL AVERAGE 84.54%</p>	<p>AFRICAN AVERAGE 75.28%</p>	<p>CONTINENTAL RANK #48</p>
	<p>The lowest of all four quadrants, societal data availability is severely limited in Comoros, with a current score of 36.73% and a corresponding continental rank of 48th. Not only is this the result of a poor and outdated national statistics apparatus, but it also contributes to a self-reinforcing spiral of deficiency preventing targeted social development efforts. With regional and continental averages of 84.54% and 75.28% respectively, Comoros is in severe need of improved data collection.</p>		

SOCIETAL SCORES & RANKINGS



SOCIETAL STATISTICS

<p>POPULATION SIZE AND GROWTH RATE</p> <p>808,080 at 1.64% p.a (#50) (#14)</p>	<p>LIFE EXPECTANCY</p> <p>64.6 years (#15)</p>	<p>HIV PREVALENCE</p> <p>0.1% (#46)</p>	<p>SEXUALITY TOLERANCE</p> <p>Illegal</p>
<p>ACCESS TO DRINKING WATER</p> <p>90.1% (#13)</p>	<p>HEALTH EXPENDITURE (% OF GDP)</p> <p>8.05% (#10)</p>	<p>PRIMARY EXPENDITURE (% OF EDU. TOTAL)</p> <p>54.61% (#7)</p>	<p>SOCIAL MEDIA PENETRATION</p> <p>10% (#23)</p>

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