INTEGRATED SDG INSIGHTS
EQUATORIAL GUINEA

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.

HOW TO READ THIS REPORT

Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).

It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).

Combined, these insights are mapped against SDG interlinkages to define policy choices the accelerate SDG progress, tailored to national context (**SDG Interlinkages**).

These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).
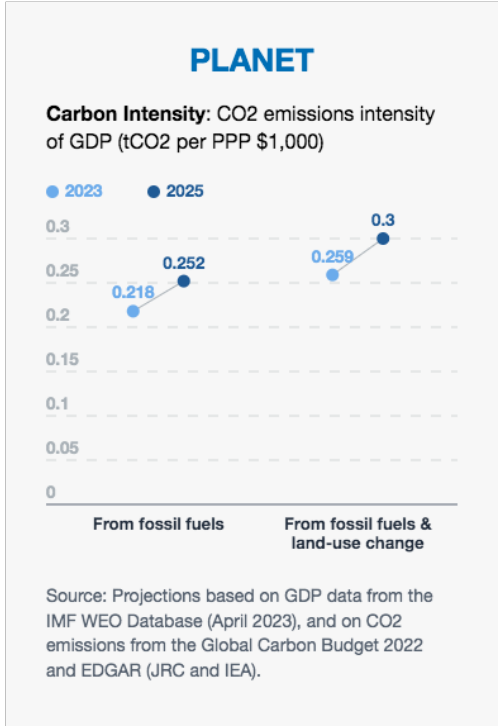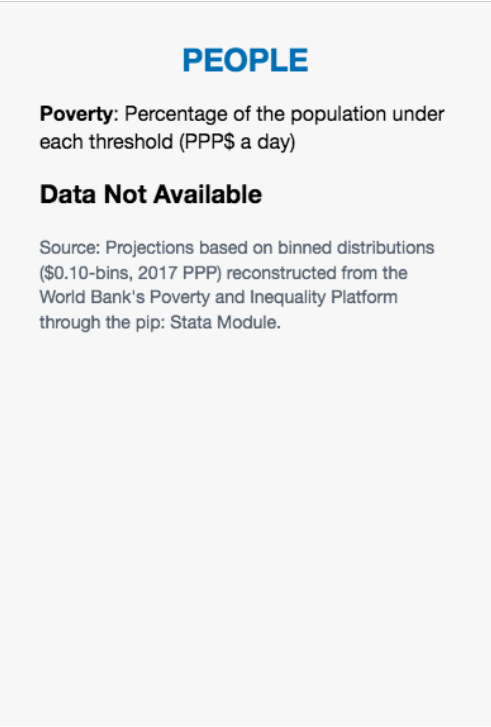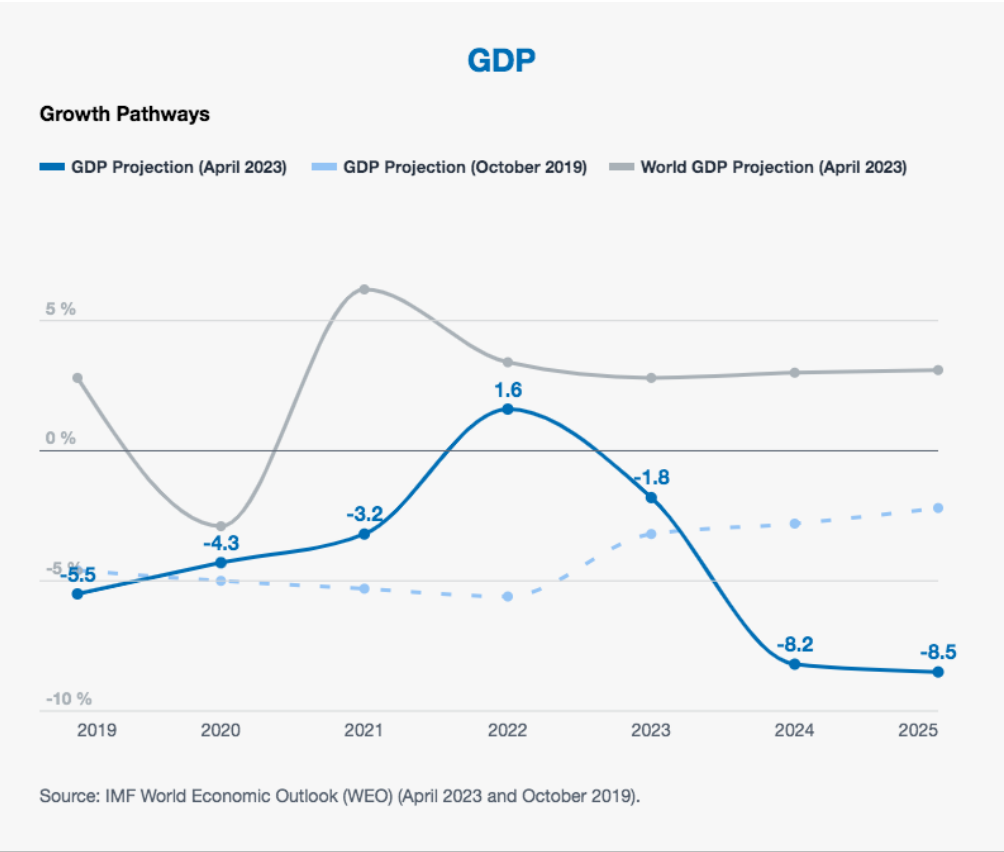
SDG MOMENT:
EQUATORIAL GUINEA

While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Equatorial Guinea's economy is projected to remain trapped in a cycle of contraction, which would have occurred even in the absence of the pandemic and subsequent crises, and it is expected to worsen in the next couple of years: the annual rate of contraction will increase from -1.8% in 2023 to more than -8% during 2024-2025[1]. Accordingly, Equatorial Guinea's commitment to achieving the SDGs is focused on forging a path towards prosperity, progress and peace.
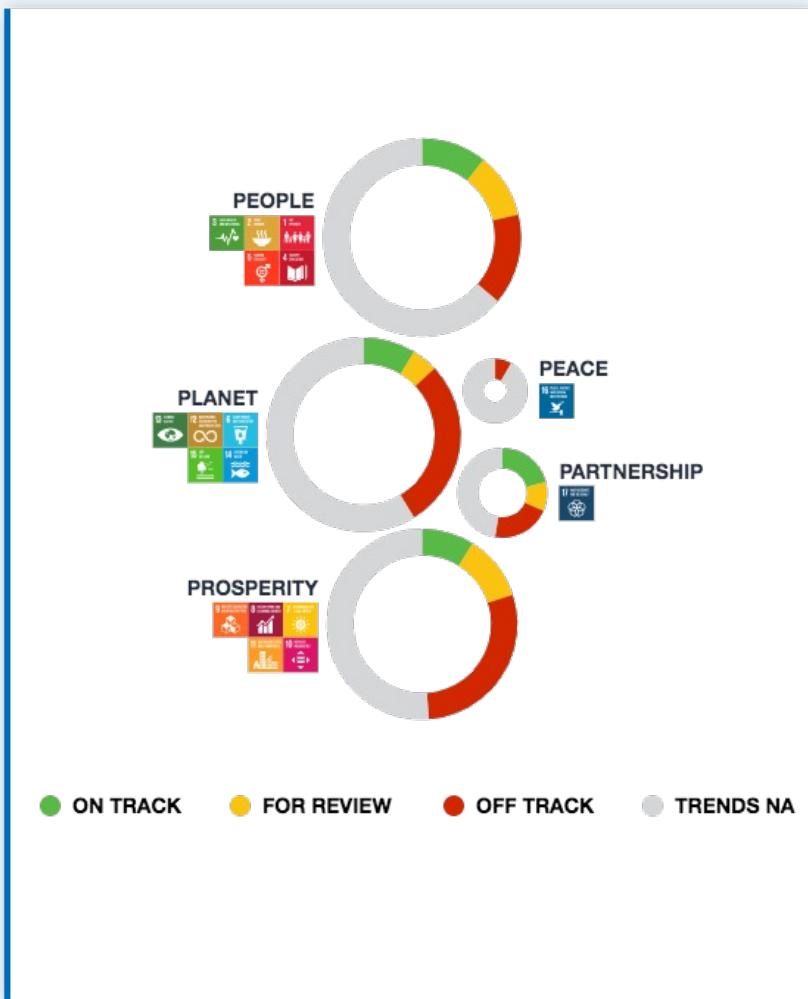
Furthermore, the country's efforts to boost economic activity occur at the expense of the environment, as Equatorial Guinea's carbon emissions intensity of GDP is expected to increase at an annual rate of 8% due to both fossil fuel usage and land-use change[2] .

[1] The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.
[2] CO_2 emissions intensity of GDP is computed as tonnes of CO_2 per $1,000 (2017 PPP).

GDP

Growth Pathways

— GDP Projection (April 2023)   — GDP Projection (October 2019)   — World GDP Projection (April 2023)

Source: IMF World Economic Outlook (WEO) (April 2023 and October 2019).

PEOPLE

Poverty: Percentage of the population under each threshold (PPP$ a day)

Data Not Available

Source: Projections based on binned distributions ($0.10-bins, 2017 PPP) reconstructed from the World Bank's Poverty and Inequality Platform through the pip: Stata Module.

PLANET

Carbon Intensity: CO2 emissions intensity of GDP (tCO2 per PPP $1,000)

● 2023   ● 2025

From fossil fuels: 0.218, 0.252
From fossil fuels & land-use change: 0.259, 0.3

Source: Projections based on GDP data from the IMF WEO Database (April 2023), and on CO2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

SDG TRENDS

Understanding how Equatorial Guinea performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](link) standards and [methodology](link), and is aligned with country profiles.

Legend:
● ON TRACK ● FOR REVIEW ● OFF TRACK ● TRENDS NA

Trends in detail:

https://data.undp.org/sdg-push-diagnostic/GNQ/sdg-trends

SDG PRIORITIES

Equatorial Guinea's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.

Key documents for analysis:

1. National Strategy for Sustainable Development 2035

Priorities in detail:

https://data.undp.org/sdg-push-diagnostic/GNQ/current-priorities

SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Equatorial Guinea to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Equatorial Guinea's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Equatorial Guinea:

- Target 8.5: Full employment and decent work with equal pay
- Target 9.2: Promote inclusive and sustainable industrialization
- Target 11.2: Affordable and sustainable transport systems
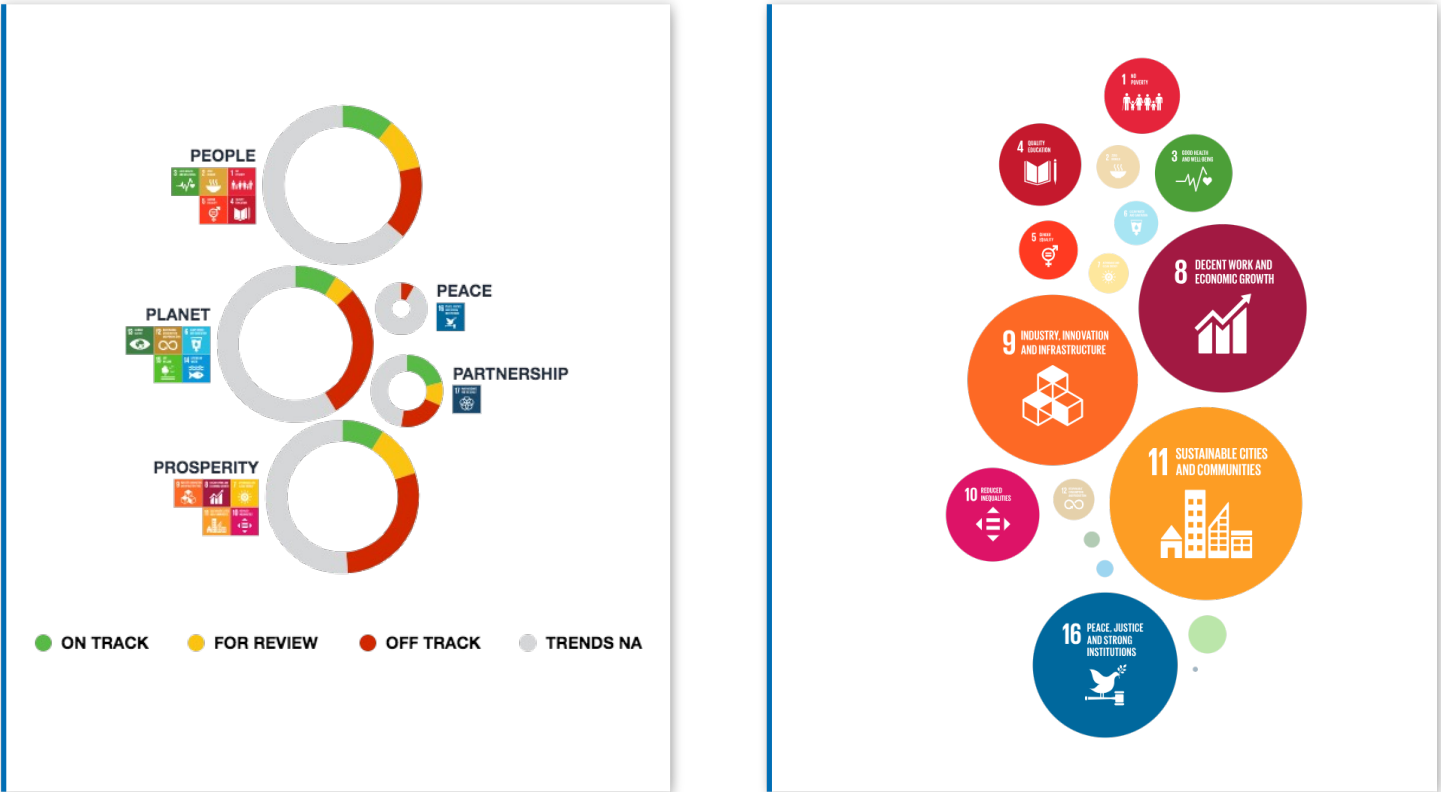
ACCELERATION PATHWAYS

SYNERGIES

TRADE-OFFS

SDG INTERLINKAGES

8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

Equatorial Guinea's prioritization of the creation of decent work for all is intended to address several key challenges facing the economy: reducing unemployment (SDG 8), reducing poverty (SDG 1) and improving people's living conditions (SDG 11) - particularly in urban areas. The government's ambition to promote access to productive, decent and sustainable employment for all men and women is reflected in the Agenda Equatorial Guinea 2035. In addition, the government has committed to diversify the economy and is prioritizing the Blue Economy, services, digitalization and innovation, sustainable tourism and culture, and human capital, including health and education.

Deepening investment in creation of more productive work directly serves as a multiplier for progress in women's empowerment (target 5.5), youth empowerment (target 4.4). When advanced with integrated policy planning, it build resilience to shocks and disasters, particularly for vulnerable groups. Decent job creation also has positive impact on technology and innovation, areas that are critical and require advancement in Equatorial Guinea's priorities around expanded health coverage and attaining affordable energy and water sanitation.
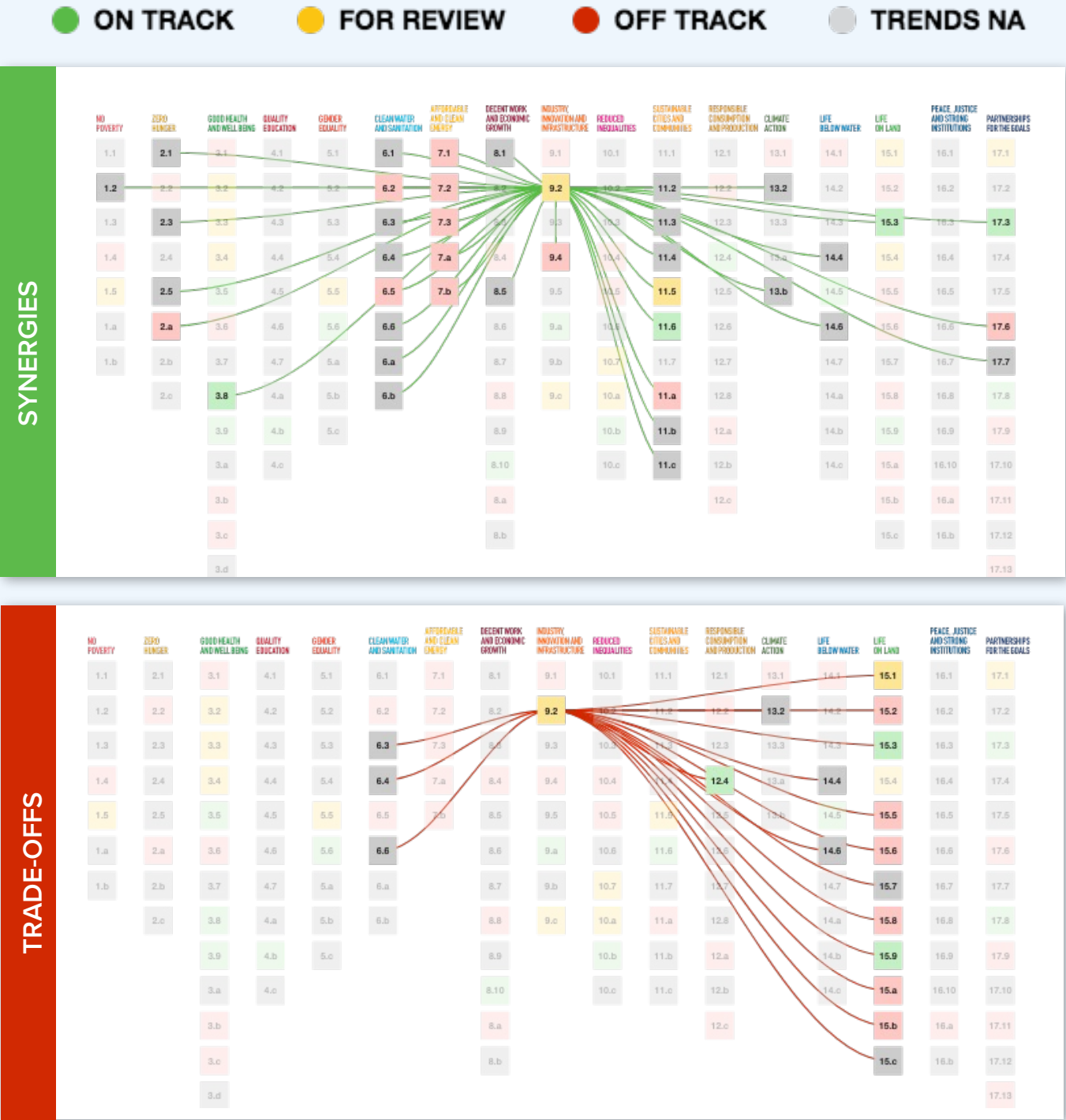

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/GNQ/synergies-and-tradeoffs

SDG INTERLINKAGES

9.2: Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.

Over recent years, Equatorial Guinea's economic growth has been hampered by a shrinking hydrocarbon sector and external and domestic shocks. The economy has been in recession for seven consecutive years. The hydrocarbon sector has declined at an average rate of 7.2 percent per year between 2015 and 2021 amid maturing oil fields and multiple incidents at both gas and oil production sites. Considering the secular decline in hydrocarbon production, policy priorities include changing the current development model to promote economic diversification.

Agenda Equatorial Guinea 2035 sets the commitment for the diversification of the economy by integrating the country into new global value chains. The government is prioritizing the Blue Economy, services, digitalization and innovation, sustainable tourism and culture, and human capital, including health and education. Equatorial Guinea is also seeking to extend incentives to the maritime sector to make it profitable (e.g., ports, tourism, energy, shipping, boat repair).

Acknowledging the increasing importance of services in supporting countries' diversification efforts, it would be beneficial for Equatorial Guinea to develop new "deep trade agreements" (with respect to the African Continental Free Trade Area and the Economic Community of West African States), including in the broad category of services and digital services (e.g., eservices, ecommerce). Such trade policies involving services could lead to higher labour, overall positive productivity multiplier effects on 7 SDGs (SDGs 1,2 ,6, 7, 8, 11 and 12). Policy design and implementation needs to be cognizant of potential negative impact across water and climate goals. Equatorial Guinea's development priorities include goal 16, which could support the legislative and regulatory foundation for effective safeguards.
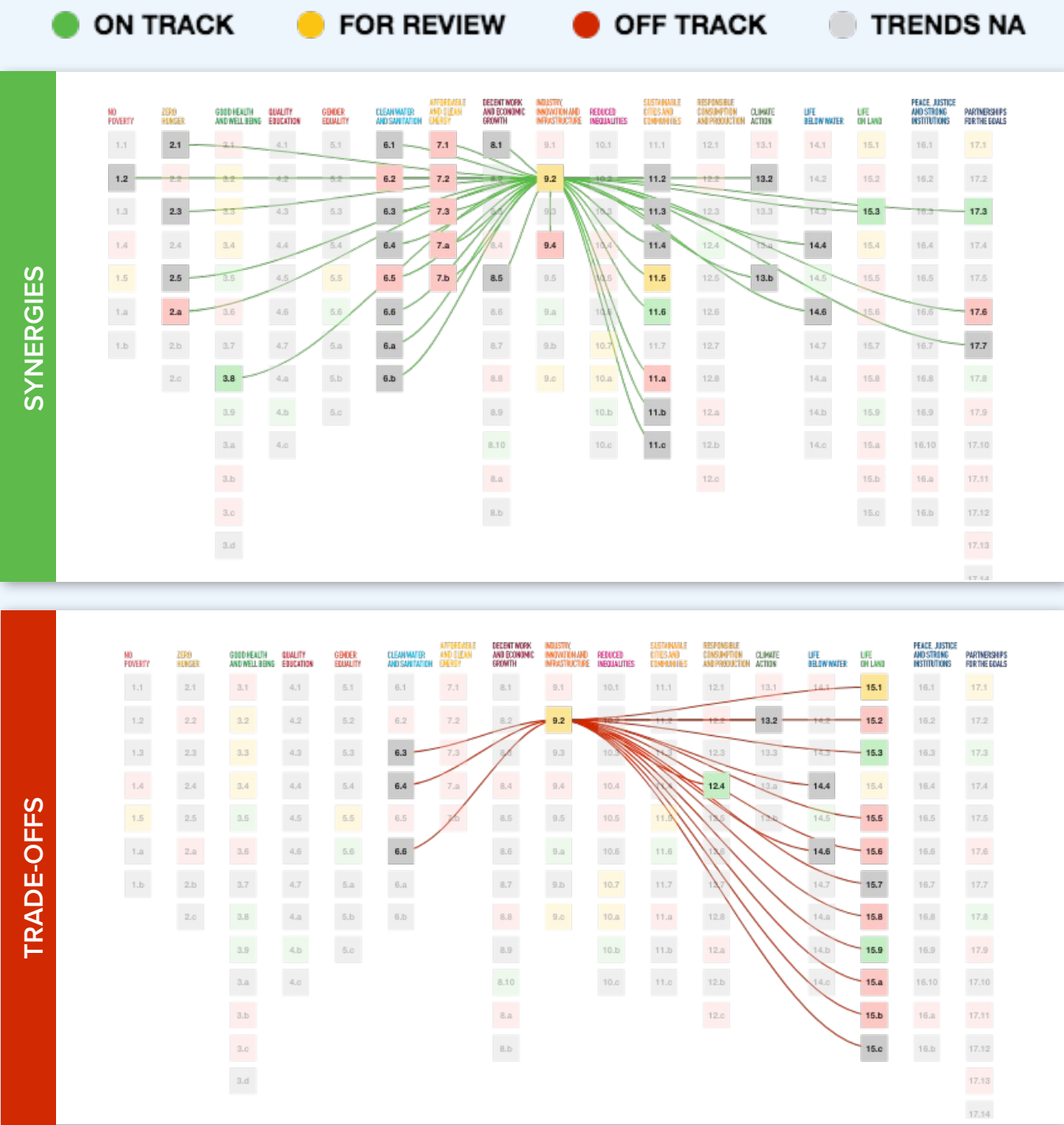

Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/GNQ/synergies-and-tradeoffs

SDG INTERLINKAGES

11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

The development of infrastructure and its intersection with urbanization remains one of the main levers of Equatorial Guinea's development progress across other SDGs. The availability and quality of infrastructure, as part of an integrated package of policy choices, can contribute to improving living standards and accelerate Equitorial Guinea's development process. The equitable distribution of infrastructure across the country will help to reduce spatial inequalities and promote opportunities, particularly for vulnerable groups.

Between now and 2035, the government's ambition (as outlined Agenda Equitorial Guinea 2035) is to amplify the effects of structural and social transformation by revitalizing the transport services, the sustainable mobility of people and goods; by promoting internal and intra-regional trade and intra-regional trade; and by consolidating the foundations for strong growth and for sustainable development.

Investing in effective low-cost public transportation makes cities more inclusive, safe and sustainable. Effective and low-cost public transportation reduces urban poverty and inequalities and enhances inclusive growth through access to jobs, health care, education services and other public goods when adequately supported by environmental and social safeguards that protect small scale farmers and support a sustainable transition to renewable energy sources (target 7.2)


Explore the interlinkages at:
https://data.undp.org/sdg-push-diagnostic/GNQ/synergies-and-tradeoffs

FUTURES SCENARIOS

Achieving the SDGs is possible.

The 'SDG Push' is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating 'SDG Push' accelerators into development interventions in Equatorial Guinea can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	54,000	23,000
With the SDG Push	43,000	3,000

POVERTY <$1.90 PER DAY (NUMBER OF PEOPLE)

● Without SDG Push
● With SDG Push
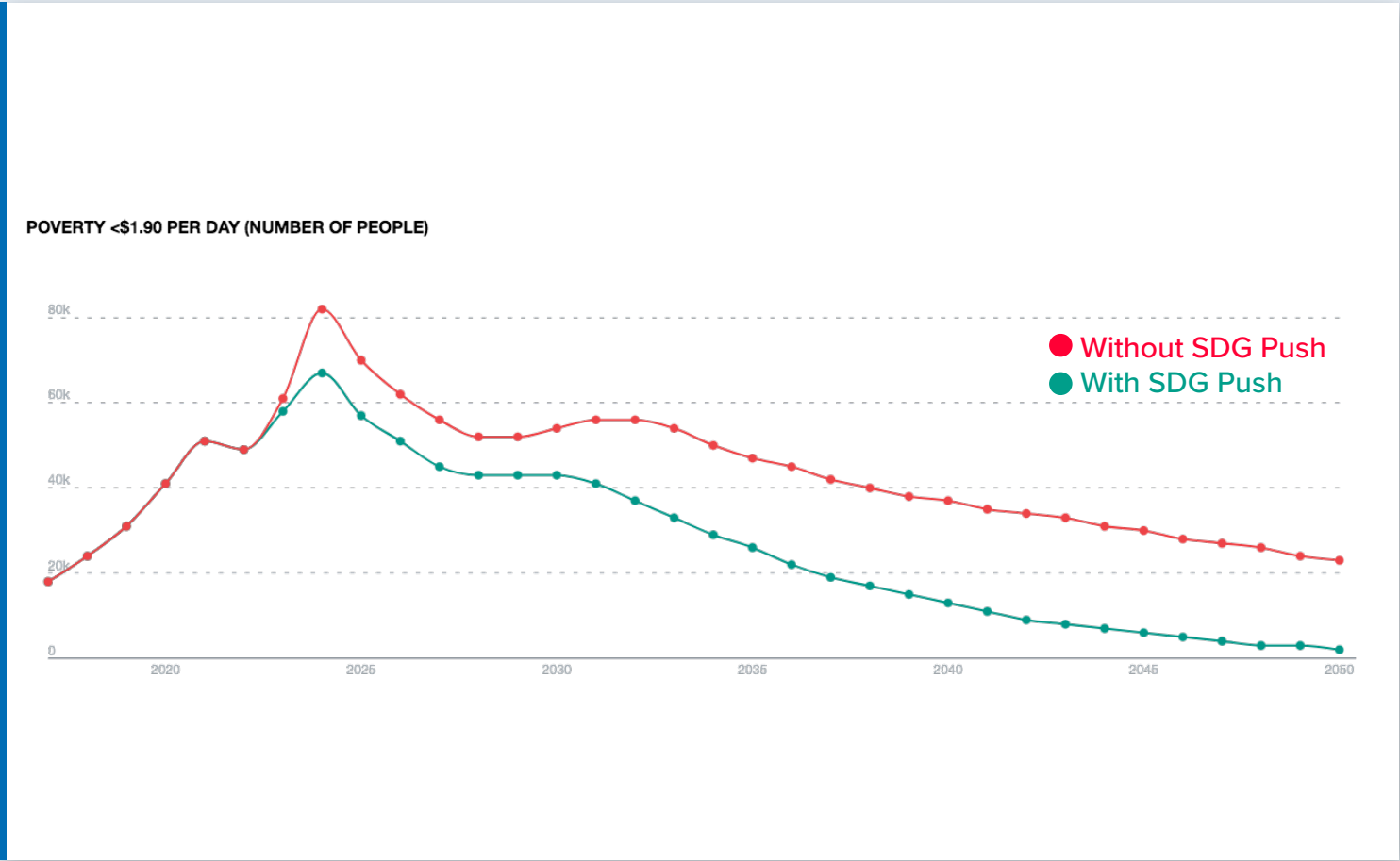
Explore SDG Futures Scenarios at:
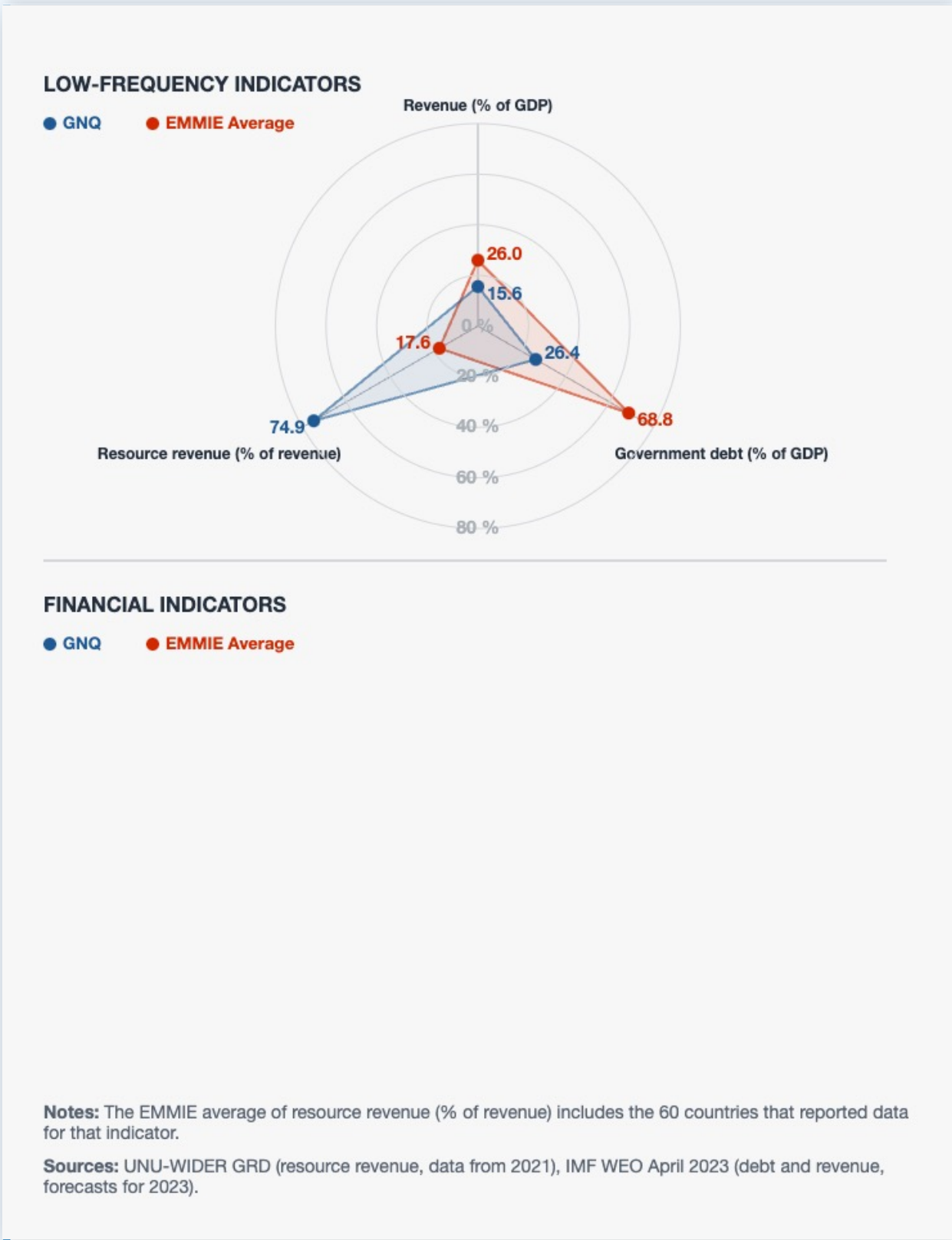*https://data.undp.org/sdg-push-diagnostic/GNQ/future-scenarios*

FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP and the natural resource share of total revenue. No data are available for Equatorial Guinea for the selected financial indicators.

Equatorial Guinea's gross government debt, projected at 26.4% of GDP in 2023, is 42.4 percentage points (pp) below the emerging market and middle-income economies (EMMIE) group's figure of 68.8%.

The country is expected to collect 15.6% of GDP in revenue this year, which is more than 10 pp below the EMMIE average of 26%. Natural resources account for close to three-fourths of Equatorial Guinea's revenue, which is more than four times the EMMIE average.

LOW-FREQUENCY INDICATORS

● GNQ   ● EMMIE Average

Revenue (% of GDP)

26.0
15.6
17.6
26.4
0 %
20 %
40 %
74.9
68.8
60 %
80 %

Resource revenue (% of revenue)   Government debt (% of GDP)

FINANCIAL INDICATORS

● GNQ   ● EMMIE Average

Notes: The EMMIE average of resource revenue (% of revenue) includes the 60 countries that reported data for that indicator.

Sources: UNU-WIDER GRD (resource revenue, data from 2021), IMF WEO April 2023 (debt and revenue, forecasts for 2023).
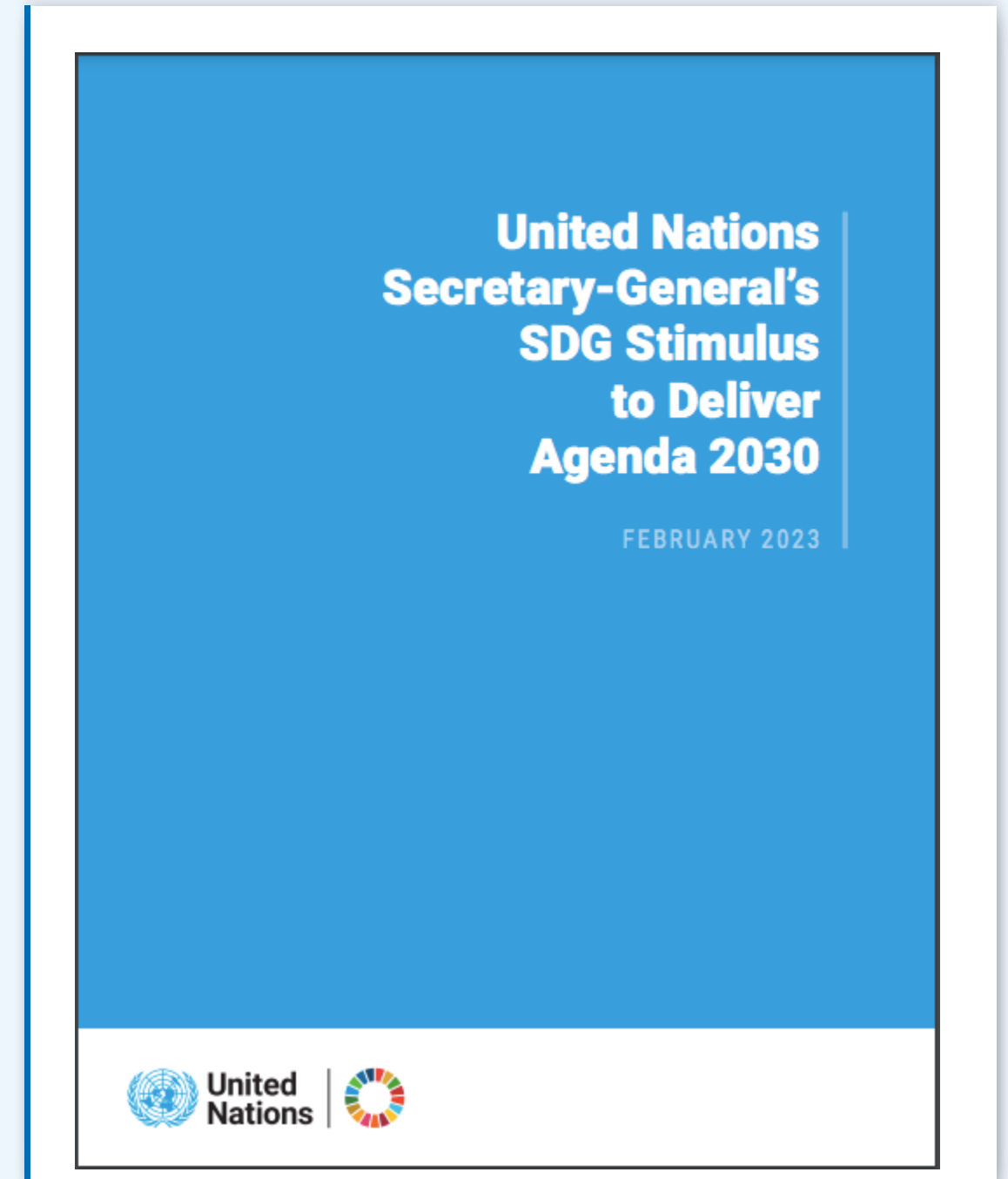
SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:
- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Equatorial Guinea, possible funding options for the investments derived from the identified interlinkages are as follows:
- Tax and revenue reform
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Impact investments
- Accessing financial markets and insurance

United Nations
Secretary-General's
SDG Stimulus
to Deliver
Agenda 2030

FEBRUARY 2023

United Nations

METHODOLOGY

Click here to view the Methodological Note for the Integrated SDG Insights

SDG MOMENT

Methodology
Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources
Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO_2 emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).

TRENDS & PRIORITIES

Methodology
SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source
Trends utilizes official UN statistics to assess SDG progress, supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.

INTERLINKAGES

Methodology
Global target-level interlinkages are drawn from the KnowSDGs Platform by European Commission. SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source
The exercise globally considered a total of 454 documents published from 2015 to August 2022. (Miola et al., 2019 updated in 2021-2022)

FINANCE & STIMULUS

Methodology
Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source
Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).