

IOA — 2019 — ACBR

AFRICA COUNTRY BENCHMARK REPORT



Mauritania Profile



Donkey carts and elaborately carved paddle-powered boats are the principal land and sea transportation for many Mauritians. The country was the last in the world to abolish slavery, and pockets of slavery persist today.





Image courtesy of Mark Fischer



MAURITANIA



OVERVIEW ANALYSIS

The Islamic Republic of Mauritania is a traditional country that retains political and social customs that are both serious human rights abuses in today's world and are inhibiting needed economic modernisations and social progress. Old malpractices in Mauritania, from authoritarian rule to human slavery, are obstructing the West African country's 3.8 million people from truly advancing into the 21st century. The harsh desert environment is a geographic impediment to economic growth, with 90% of the country within the Sahara Desert. The desert forces much of the population southwards towards the border with Senegal, where conditions are more suitable for human habitation. With no score improvements relative to other countries, Mauritania dropped three positions in ACRB 2019, from 32nd in 2017 to 35th place currently.

KEY OPPORTUNITIES

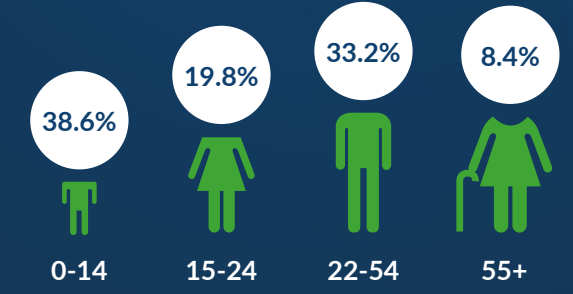
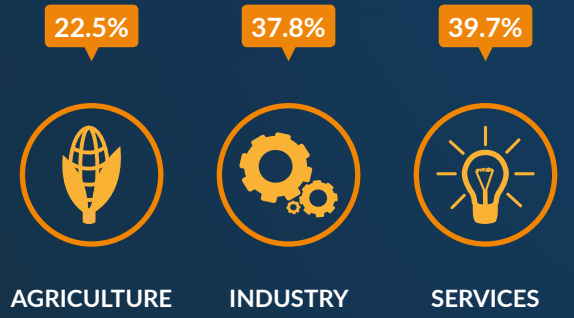
- Inadequate infrastructure is being improved through donor funding
- Cultural experiences and an unexploited Atlantic coastline offer tourism possibilities
- Proven oil reserves exist, comprising a majority of exports

KEY CONCERNS

- Persistent drought impedes agricultural development and a water supply for industrial growth
- Slavery still exists, although officially outlawed and denied by government
- A poor, illiterate population offers small domestic markets for goods

COUNTRY HIGHLIGHTS

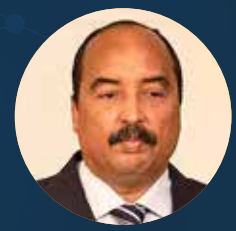
PREDOMINANT RELIGION Islam	PREDOMINANT LANGUAGE Arabic	POPULATION WITHOUT ELECTRICITY 58.3% (#29) ▼ ¹	LITERACY RATE 52.1% (#41) ▼ ¹	PRIMARY ELECTRICITY SOURCE Oil
IMPORT/EXPORT Machinery/Iron Ore	EXTERNAL DEBT US\$ 4.117 billion (#27) =	ACTIVE CONFLICT No	LAND SIZE 1,030,700 km ² (#11)	INTERNET PENETRATION 18% (#29) ▲ ¹



Term:
05/08/2009 - present
5 years (2 term limit)

Political Party:
Union for the Republic

Recent Electoral Information:
21/06/2014
409,100 Votes
52.58%
Voter turnout: 61.51%



President
Mohamed Ould
Abdel Aziz

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

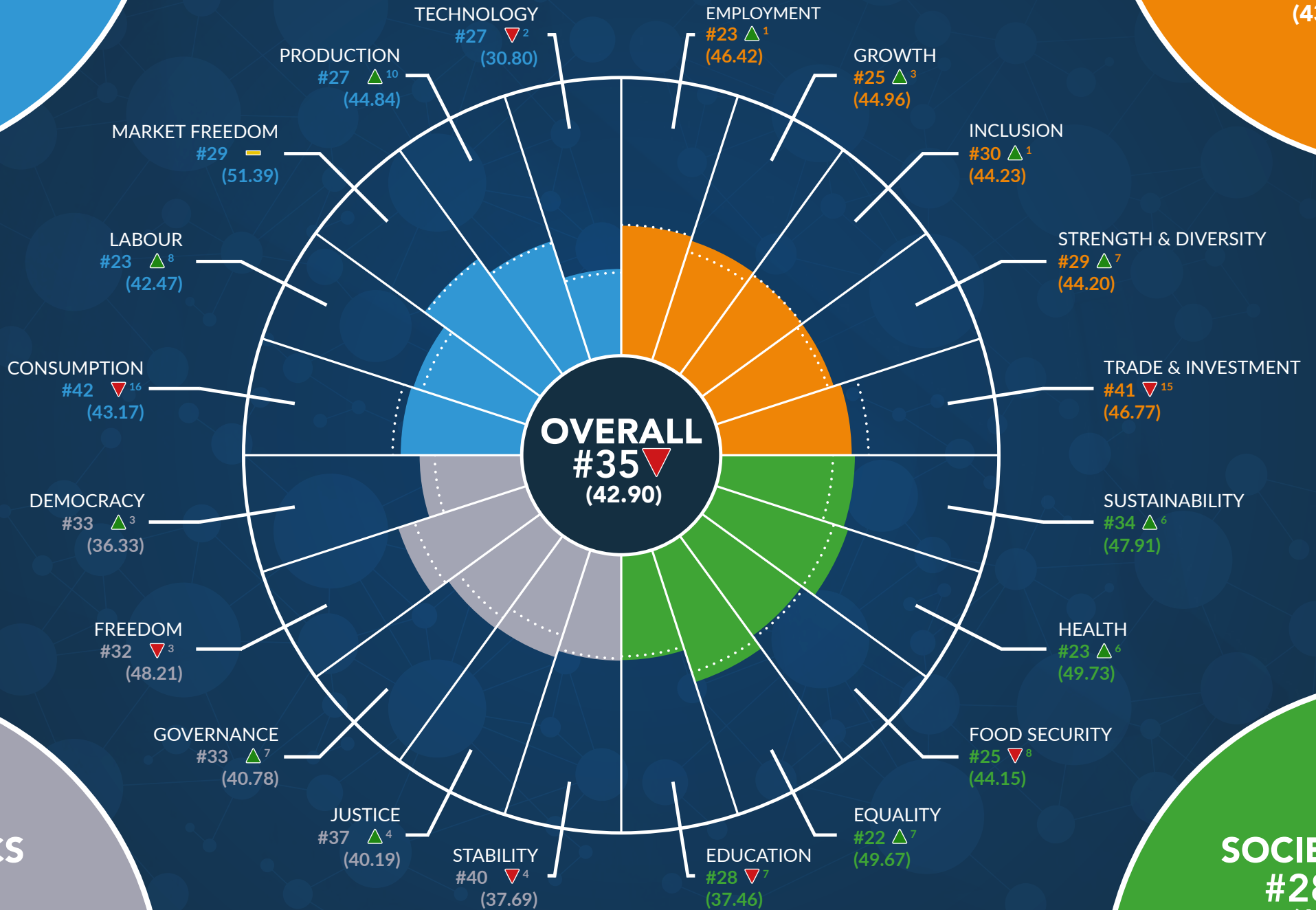
BUSINESS

#28
(42.53)

MAURITANIA PERFORMANCE OVERVIEW

ECONOMICS

#30
(43.86)



▲ Increase from 2017

▼ Decrease from 2017

■ No change

..... 2017 Score

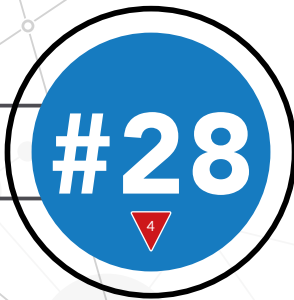
POLITICS

#35
(40.64)

SOCIETY

#28
(44.57)

MAURITANIA BUSINESS ANALYSIS



BUSINESS OVERVIEW

Mauritania is a difficult place for businesses to operate and presents a problematic environment to start a business in. Dealing with the bureaucracy for permits and with government companies for utility connection is complicated. Obtaining credit is also difficult, and when loans are secured, the Commercial Bank prime interest rate of 17% deters investors. Moving goods across the large country is cumbersome because only a third of the 10,628 km of roads are paved. The two seaports need upgrades. The country's only deep water port was built in 1986 and requires renovation. Cross-border trade to neighbouring countries can be facilitated by improved rail links. Businesses have forged markets largely overseas, with China as the largest purchaser of Mauritanian exported minerals, which have wide international

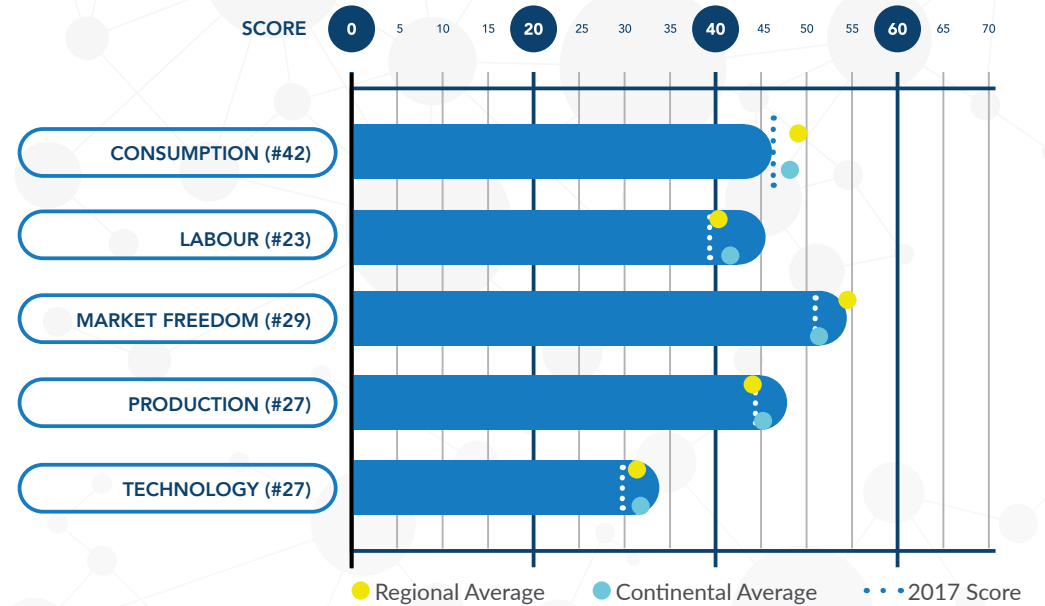
appeal. China buys 31.2% of Mauritanian exports; Switzerland purchases 14.4%, Spain 10.1%, Germany 8.2% and Japan 8.1%. No African country is a significant buyer of Mauritanian exports.

Investors who show interest in Mauritania are attracted by extensive mineral reserves of copper, gold, gypsum, iron ore and phosphate. Exploration is underway for crude oil, natural gas and uranium. Minerals comprise 26% of the country's economy. Iron ore makes up half of Mauritania's total exports, and extractive commodities comprise 75% of exports. Due to the above reasons weighing down the business environment, Mauritania has fallen four positions in the Business quadrant, to 28th place.

BUSINESS DATA COMMENTARY

<p>Mauritania data availability 73.63%</p>	<p>REGIONAL AVERAGE 79.53%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #33</p>
	<p>As of present, the prevailing score for business data availability in Mauritania is 73.63%, thus ranking 33rd continentally. Comparatively speaking, this falls short of both the regional average for Western Africa, which currently stands at 79.53%, as well as the continental average of 77.78%. Commerce in Mauritania is currently racked with many ills, including institutionalized slavery, and in addition to this, the Mauritanian government currently lacks electronic databases for basic indicators.</p>		

BUSINESS SCORES & RANKINGS



BUSINESS STATISTICS

<p>% POPULATION IN URBAN CENTRES</p> <p>53.7% (#18)</p>	<p>LABOUR FORCE IN MILLIONS</p> <p>1.44 million (#39)</p>	<p>INDUSTRIAL PRODUCTION GROWTH</p> <p>0.7% (#48)</p>	<p>PRIME LENDING RATE</p> <p>17% (#37)</p>
<p>% ADULTS WITH A BANK ACCOUNT</p> <p>20.87% (#37)</p>	<p>ANNUAL AIR PASSENGERS</p> <p>0.42 million (#21)</p>	<p>MOBILE SUBSCRIPTIONS</p> <p>84.03 per 100 (#23)</p>	<p>NATIONAL 3G COVERAGE</p> <p>41% (#37)</p>

MAURITANIA ECONOMIC ANALYSIS



ECONOMIC OVERVIEW

Overseas interests in Mauritania's mining sector drive the economy. Exploration for oil and uranium are ongoing and likely to lead to the discoveries of these deposits. The UK sent its first ambassador to Mauritania in 2018, showing their interest in the country's natural resources. To help diversify the economy away from mining, the World Bank issued a US\$ 10 million aid package to Mauritania in 2016, aimed at funding a development initiative called the Nouadhibou Project. This project sought to attract foreign investors. However, the bulk of foreign investment remains in the extractives industry.

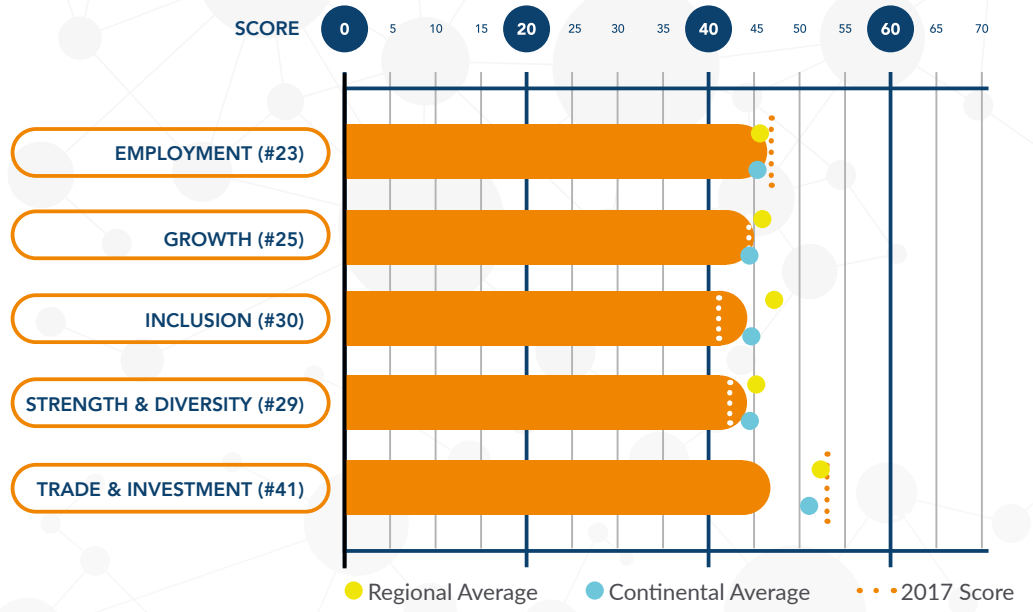
Coastal waters host one of the world's richest fishing areas, with 20% of government revenue coming from fishing. Catches and revenue are compromised

by foreign poachers. Despite harsh desert conditions in most places, commercial crops include corn, dates, rice and sorghum. Livestock are an important traditional livelihood and contributes to agriculture's 28% share of GDP. Mauritania's public debt has likely reached 100% of GDP. According to the International Monetary Fund and the World Bank, the debt ratio has risen steadily, from 96.75% of GDP in 2017 to 97.51% of GDP in 2018. The currency depreciation of Mauritania's ouguiya and government's external borrowing to finance spending are responsible for the debt crisis. Poor economic fundamentals and a crippling public debt have contributed to Mauritania's four-position fall in the Economics quadrant, to 30th place.

ECONOMIC DATA COMMENTARY

<p>Mauritania data availability 72.65%</p>	<p>REGIONAL AVERAGE 80.88%</p>	<p>AFRICAN AVERAGE 77.78%</p>	<p>CONTINENTAL RANK #34</p>
	<p>Faring slightly better than the previous quadrant, Mauritania's score for economic data availability stands at 72.65%, thus ranking 34th continentally. This too falls below the respective regional and continental averages of 80.88% and 77.78%. At present, the national statistical apparatus, the Republique Islamique de Mauritanie Office National de la Statistique, provides limited macroeconomic coverage, with more reliable data being retrievable from regional and international financial institutions.</p>		

ECONOMIC SCORES & RANKINGS



ECONOMIC STATISTICS

<p>GDP PER CAPITA</p> <p>US\$ 4,500 (#20)</p>	<p>UNEMPLOYMENT RATE</p> <p>10.2% (#38)</p>	<p>TRADE BLOC MEMBERSHIP</p> <p>AMU</p>	<p>INFLATION RATE</p> <p>2.1% (#15)</p>
<p>GDP AT PPP</p> <p>US\$ 17.3 billion (#39)</p>	<p>CURRENCY AND GOLD RESERVES</p> <p>N/A (#N/A)</p>	<p>FDI NET INFLOWS</p> <p>US\$ 588 million (#20)</p>	<p>BUDGET SURPLUS (+) OR DEFICIT (-)</p> <p>-1.1% (#5)</p>

MAURITANIA POLITICAL ANALYSIS



POLITICAL OVERVIEW

Mauritania's post-independence history has been marred by frequent coups d'état. Stable if not good economic and human rights policies have characterised the administration of President Mohamed Ould Abdel Aziz, who has announced that he will not run for a third term in the 2019 presidential election. Aziz came to power as leader of a 2008 military coup d'état. The former general had the army crackdown on Mauritians who had taken to the streets during the Arab Spring democracy calls in 2011. Subsequent government policies have been similarly authoritarian. Aziz's government is run like a secretive regime that carries out human rights abuses, such as the torture of political detainees and criminal suspects, according to Amnesty International. The international community

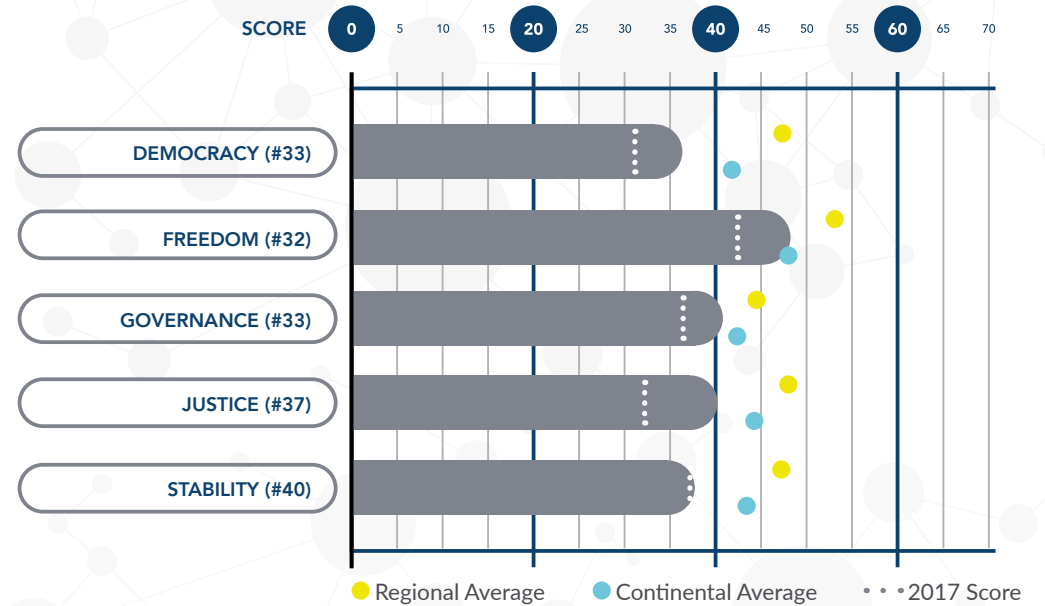
sanctioned Aziz's regime for the 2008 coup d'état. However, foreign interest in the country's minerals and potential oil deposits prompted negotiations that led to two elections, won by Aziz, that while flawed gave the international community a cover to resume business activities.

One presidential candidate announced for 2019 is Biram Dah Abeid, who has been jailed numerous times in his fight against slavery. He accuses Western governments of ignoring slavery in the country because of their interest in Mauritania's natural resources and the country's importance in global anti-terrorism efforts. As a result of upward political scores of other countries while its own political developments have been stagnant, Mauritania dropped by one rank to 35th place in the Politics quadrant.

POLITICAL DATA COMMENTARY

<p>Mauritania data availability 73.76%</p>	<p>REGIONAL AVERAGE 87.10%</p>	<p>AFRICAN AVERAGE 82.86%</p>	<p>CONTINENTAL RANK #40</p>
	<p>Due to ongoing political instability coupled with widespread corruption and administrative inefficiency, reliable political data for Mauritania is relatively scarce, thus resulting in a political data availability score of 73.76%, along with a corresponding continental rank of 40th. This too falls considerably short of the respective regional and continental averages of 87.10% and 82.86%, a deficit further exacerbated by highly repressive absolutist laws, which tend to constrain political transparency.</p>		

POLITICAL SCORES & RANKINGS



POLITICAL STATISTICS

<p>NUMBER OF POLITICAL PARTIES</p> <p>17 (#12)</p>	<p>MILITARY EXP AS % OF GDP</p> <p>N/A (#N/A)</p>	<p>REFUGEE INFLOW</p> <p>82,491 (#18)</p>	<p>NUMBER OF RIGHTS</p> <p>31 (#51)</p>
<p>DATE OF INDEPENDENCE</p> <p>28/11/1960</p>	<p>NET OFFICIAL DEVELOPMENT ASSISTANCE</p> <p>US\$ 291 million (#34)</p>	<p>WOMEN IN PARLIAMENT</p> <p>25.2% (#17)</p>	<p>CAPITAL PUNISHMENT</p> <p>Special Cases</p>

MAURITANIA SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

Cattle herders and subsistence farmers form half of the population. Mauritania's failure to eliminate slavery has made the country one of the world's busiest human trafficking transit points. Officially, slavery was abolished in 2007, when Mauritania reluctantly became the last country in the world to do so. However, slavery remains widespread. The anti-slavery law is mere window-dressing by a government that has no intention in seriously deterring the practice. Some human rights groups place the number of Mauritians who are slaves at up to 20% of the population.

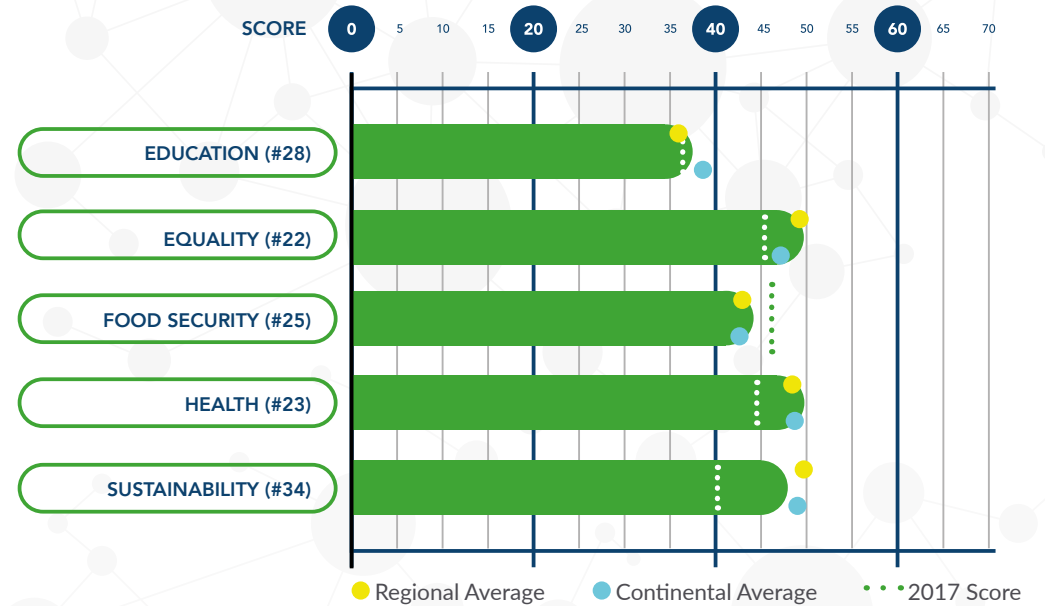
Racism is institutionalised in the country, rooted in the same traditional beliefs that still allow slavery to be practiced. The black Moors and other black ethnic groups, like the Fulah and Soninke people, who

comprise a majority 70% of the population, have been discriminated against since independence by the white Moors who represent 30% of the population and include Aziz and his government officials. The white Moors traditionally have a hold on government power and use the national army to buttress this power. Some black Moors are slaves, while all are denied civil servant jobs, loans from state-owned banks and vocational training. Due to this endemic problem, there are still tens of thousands of black Mauritians in Senegal who fled political violence in the 1980s. Primarily because the country is at peace, Mauritania recorded their only placement rise in the Society quadrant, moving upwards from 30th in 2017 to their current rank of 28th place.

SOCIETAL DATA COMMENTARY

<p>Mauritania data availability 68.37%</p>	<p>REGIONAL AVERAGE 81.63%</p>	<p>AFRICAN AVERAGE 75.28%</p>	<p>CONTINENTAL RANK #38</p>
	<p>The lowest of all quadrants, the current score for societal data availability in Mauritania is a rather low 68.37%, thus ranking 38th continentally. This compares quite poorly with the respective regional and continental averages of 81.63% and 75.28%, thus reinforcing the general lack of reliable data coverage across all quadrants. At present, the most comprehensive and reliable source for societal data pertaining to Mauritania is UNICEF, particularly as regards the Sustainable Development Goal (SDG) indicators.</p>		

SOCIETAL SCORES & RANKINGS



SOCIETAL STATISTICS

<p>POPULATION SIZE AND GROWTH RATE</p> <p>3,758,571 at 2.17% p.a (#40) (#25)</p>	<p>LIFE EXPECTANCY</p> <p>63.4 years (#23)</p>	<p>HIV PREVALENCE</p> <p>0.5% (#40)</p>	<p>SEXUALITY TOLERANCE</p> <p>Death Penalty</p>
<p>ACCESS TO DRINKING WATER</p> <p>57.9% (#42)</p>	<p>HEALTH EXPENDITURE (% OF GDP)</p> <p>4.64% (#36)</p>	<p>PRIMARY EXPENDITURE (% OF EDU. TOTAL)</p> <p>55.9% (#5)</p>	<p>SOCIAL MEDIA PENETRATION</p> <p>11% (#22)</p>

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