

IOA | 2017 | ACBR

AFRICA COUNTRY BENCHMARK REPORT



The Gambia Profile



Gambian wrestling, an adaptation of the traditional wrestling styles, is an important aspect of the national culture, where the victor is able to obtain a respected status regardless of social caste. Many historic Gambian chiefs were prolific wrestlers in their youth.



Image courtesy of Official U.S. Navy Page/Flickr



THE GAMBIA

#18

THE GAMBIA



OVERVIEW ANALYSIS

The new, democratically-elected President of The Gambia, Adama Barrow, returned to his country on 26 January 2017 to a hero's welcome from Gambians, eager to renew their nation after decades of suffering under dictator Yahya Jammeh. Barrow had fled to Senegal when Jammeh rejected the results of an election in which the voters chose Barrow over him. Senegalese forces headed a military intervention when the Economic Community of West African States (ECOWAS) forced out Jammeh, who accepted the hospitality of Equatorial Guinea's dictator Teodoro Obiang. Jammeh left behind a looted treasury and an economy that had to be rebuilt "from scratch," as Barrow told Gambians at his inauguration on 18 February 2017.

The small sliver-shaped country, extending from the Atlantic into the heart of Senegal, is full of optimism and enjoys the full support of the international community in its transition to democracy. The new government has an immense task of providing basic services and boosting employment. The agricultural sector can be revived from its previous foundation as a peanut exporter, and tourism can further utilise spectacular white sand beaches. As officials who abused human rights during the Jammeh regime are being arrested, the destructive policies of the former government are being overturned. These include Jammeh's decision to leave the International Criminal Court and discriminate against LGBT persons.

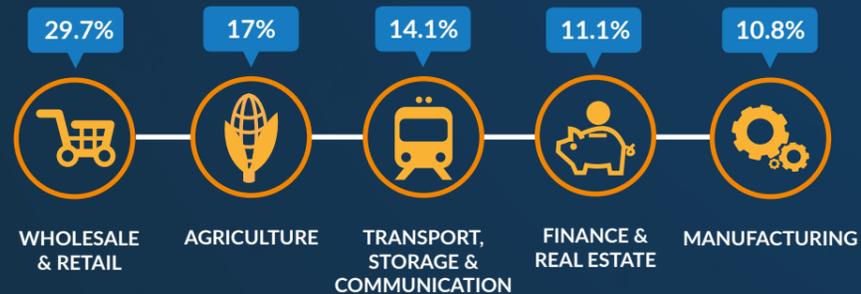
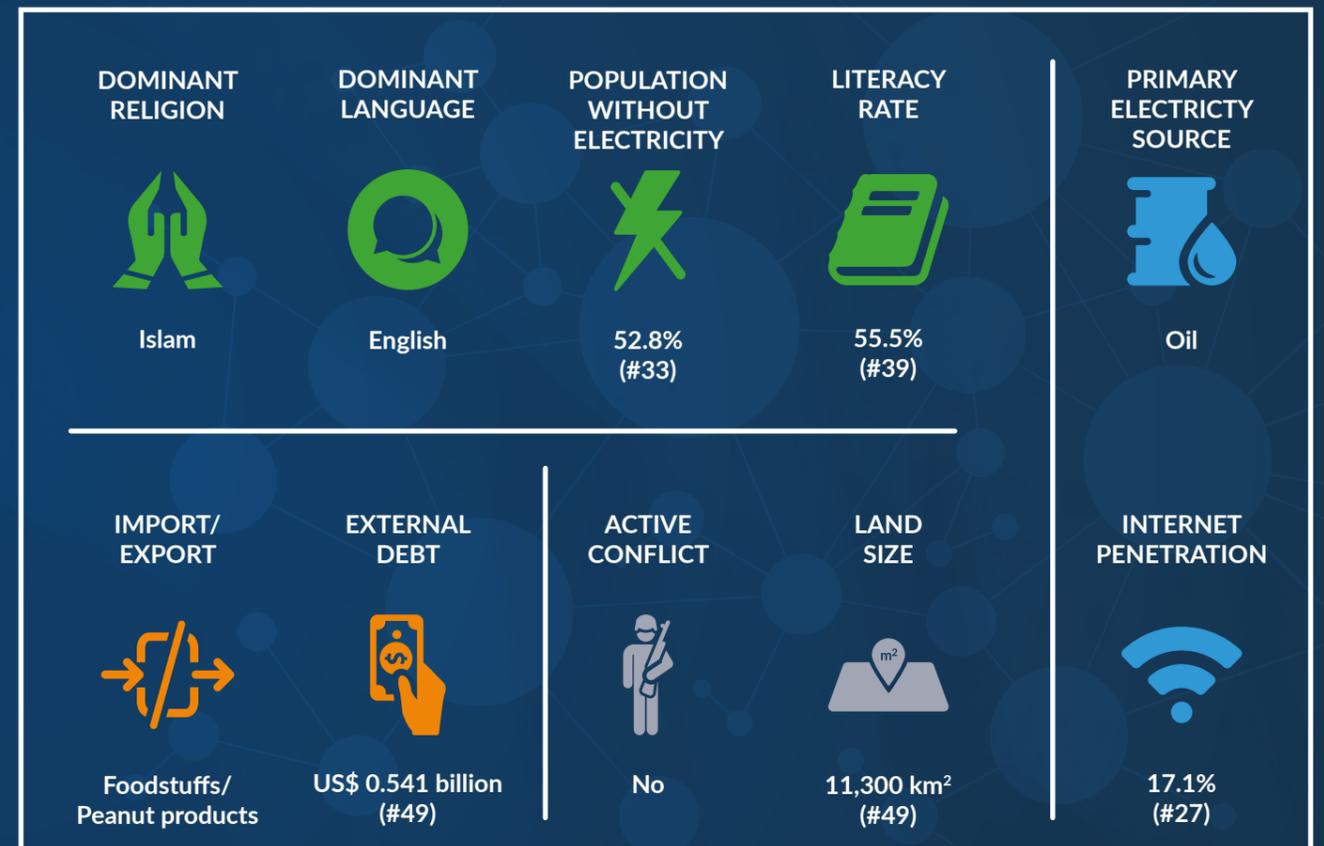
KEY OPPORTUNITIES

- With irrigation and other technical improvements to agriculture, the peanut industry is a productive exporter
- The Gambia's Atlantic coastline has potential for tourism, fishing and natural resources exploration
- Creation of services to supply the Senegal market has yet to be exploited

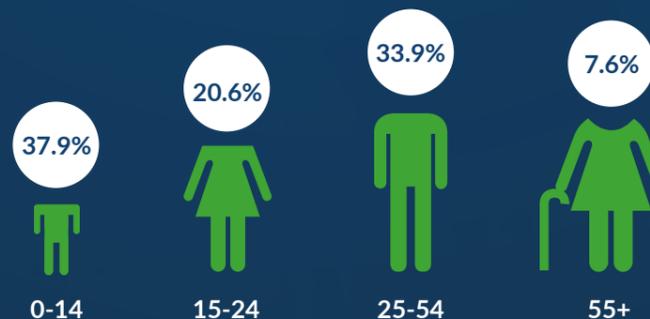
KEY CONCERNS

- Dictatorial government left a moribund economy and looted treasury
- The people's trust must be restored in the security forces
- The small Gambian population offers a small domestic market

COUNTRY HIGHLIGHTS



LARGEST SECTORS BY GDP



POPULATION AGE BREAKDOWN

Term:
01/12/2016 - present
5 years (no term limits)

Political Party:
Coalition 2016

Recent Electoral Information:
12/01/2016
263 515 Votes
45.50%
Voter turnout: 59.35%



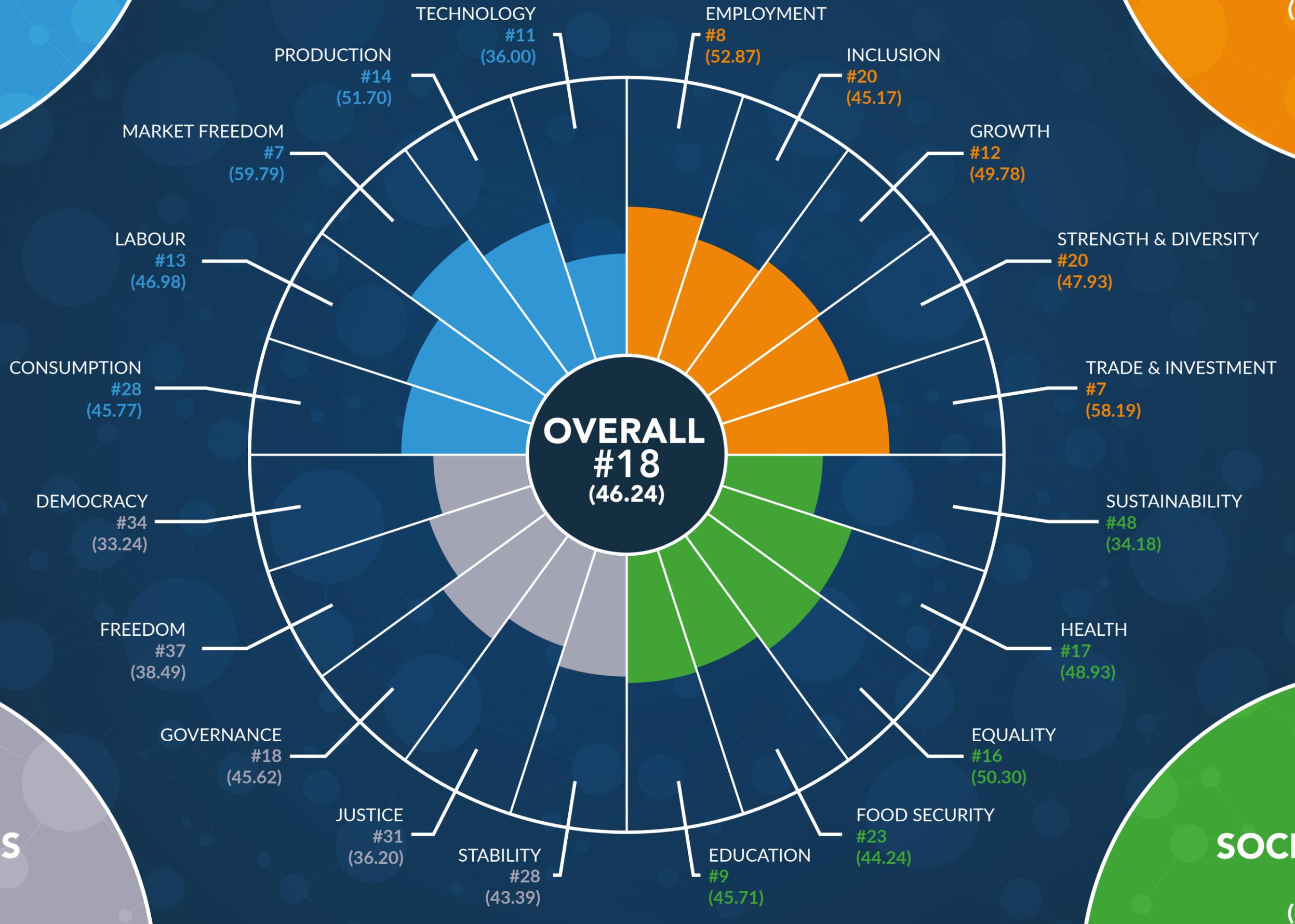
President
Adama Barrow

NATIONAL GOVERNANCE

PERFORMANCE OVERVIEW

BUSINESS
#12
(48.05)

ECONOMICS
#13
(50.79)



POLITICS
#33
(39.07)

SOCIETY
#17
(47.05)

THE GAMBIA BUSINESS ANALYSIS



BUSINESS OVERVIEW

The smallest country on continental Africa, occupying the banks of the Gambia River for which it is named, The Gambia received an oversized amount of publicity at the start of 2017. This was positive publicity as the international community joined Gambians in welcoming the ouster of a dictator that had retarded the country's growth since 1994. Investors are investigating Gambia's business opportunities with assurance that the new, democratically elected government will do all it can to facilitate fair investment. While the population has surpassed two million, half live in poverty and job creation should be a primary objective for government.

All the poor business indicators that have plagued Gambia's reputation and discouraged investment may now be thrown out the window as a new administration sweeps clean corrupt officials, cutting unresponsive bureaucracy and reforming regulations and other encumbrances to ease of doing business. Cross-border trading, which must be done through Senegal, will become easier after Gambia and Senegal announced a positive "new dynamic" in their relations in March 2017.

The services industry is the largest segment of the economy and is expected to expand, particularly as tourism grows.

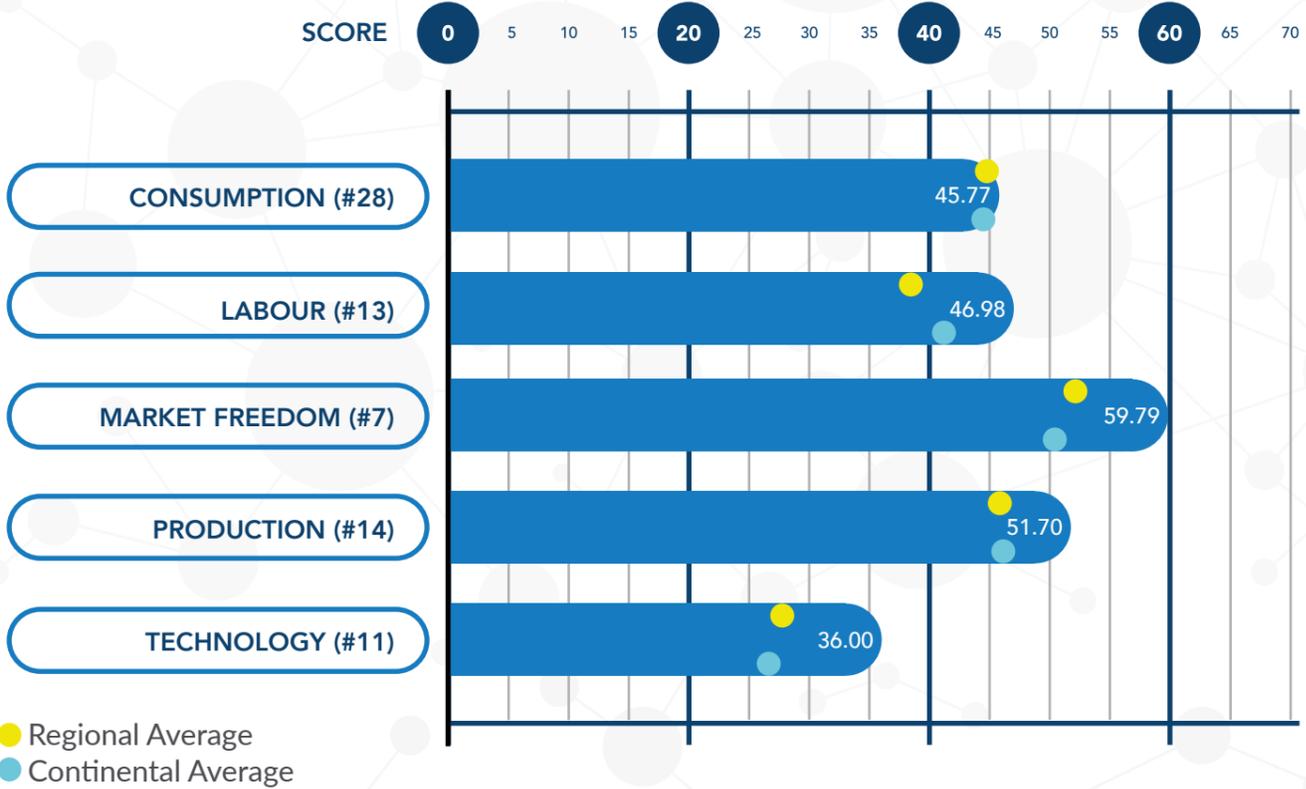
Only 723 km of the nation's road system is paved, inhibiting car ownership and road freight transport. Roads are part of the infrastructure rebuilding that must be prioritised if the economy is to rebound. 28% of land is arable, and when this area is cultivated for agricultural production, roads will be required to bring the product to market. Given Gambia's tropical climate, a transportation and storage cold chain will be required for perishable products, which could be the bulk of agricultural exports. Without such a cold chain, agricultural production at present that is done primarily by small scale farmers and fishermen today features less perishable items like cattle hides, fish and peanuts. The industrial sector contracted in 2016 and requires an imagining of new industrial enterprises for the country.

Tourism is already established in the country and has both the greatest potential to reap foreign revenue earnings immediately and the greatest need for better road and air infrastructure improvements to facilitate tourist travel. The tourism sector began in 1965 when 300 visitors arrived from Sweden to discover a destination close to Europe where people from Northern European countries can escape harsh winters for a tropical holiday in an authentic African environment. Tourist numbers have risen into the hundreds of thousands in recent years. Freed from the guilt of having a holiday in a country whose people were suppressed by a cruel dictator, vacationers will be drawn to new resorts, when these are developed.

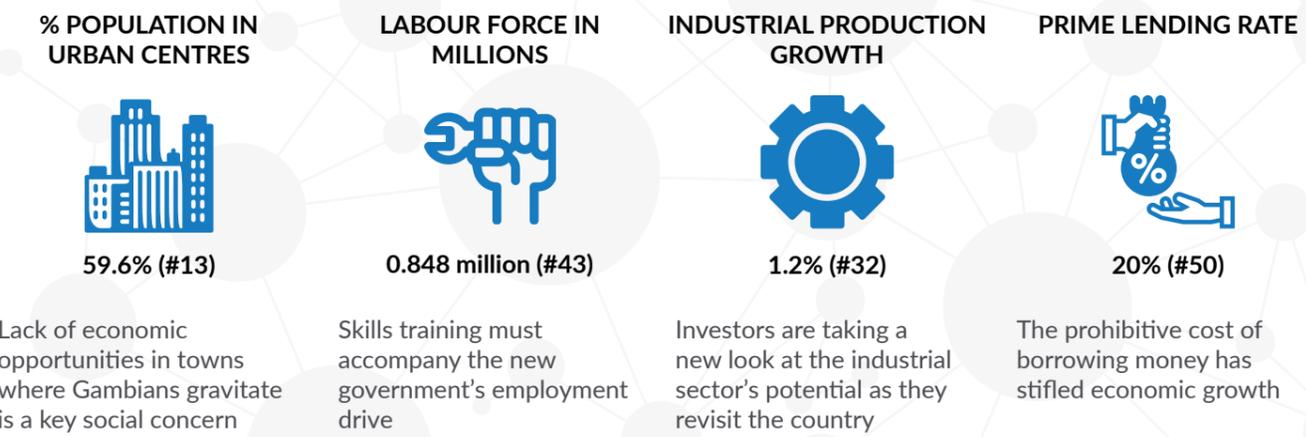
PERFORMANCE HIGHLIGHTS

- The Gambia records some very surprising results in the ACBR, including an overwhelmingly positive Business quadrant evaluation of 48.05, ranked in twelfth place, which surpasses regional competitor Ghana.
- This impressive result relies on a phenomenal Market Freedom score of 59.79, which makes The Gambia the seventh-most open market in Africa, undoubtedly a boon as the changeover of leadership occurs.
- In relation to the country's comparatively small population, Consumption records the lowest placement within the Business quadrant, where a score of 45.77 puts them one place below halfway in 28th.
- The Ease of Doing Business Report scores The Gambia's ability to trade across borders at 65.27, which is an integral function of business in such an import-dependent nation.
- Apart from the Consumption score, The Gambia places second in their region in every Business segment, repeatedly ousting Ghana and coming second to Cape Verde.

BUSINESS SCORES & RANKINGS



BUSINESS STATISTICS



THE GAMBIA ECONOMIC ANALYSIS



ECONOMICS OVERVIEW

Although the small country has few resources, its small population has managed to generate significant income from abroad. With few opportunities for employment in The Gambia, Gambians who secure work overseas send money back to their families. Still, half of Gambians live below the poverty line, and three-quarters of the population engage in low-earning agricultural work. This poverty has not allowed a modern consumer culture to take root and accounts for retail sector and non-tourism services being in their infancy. The services sector comprises only 6% of the economy. Industry accounts for 19% of GDP, but exports are largely rudimentary, agricultural products, like fish, peanuts, cotton lint and palm kernels.

The country's recent dictatorship showed little interest in boosting industry or other economic sectors and was content to skim off profits from existing businesses. Gambia receives poor grades in economic freedom from the Heritage Foundation and Wall Street Journal Index of Economic Freedom. However, regulatory reform and action against corruption would push the economy into a ranking more beneficial to enticing investment. Already, investors are returning to scout opportunities in all sectors, with tourism the leading attraction.

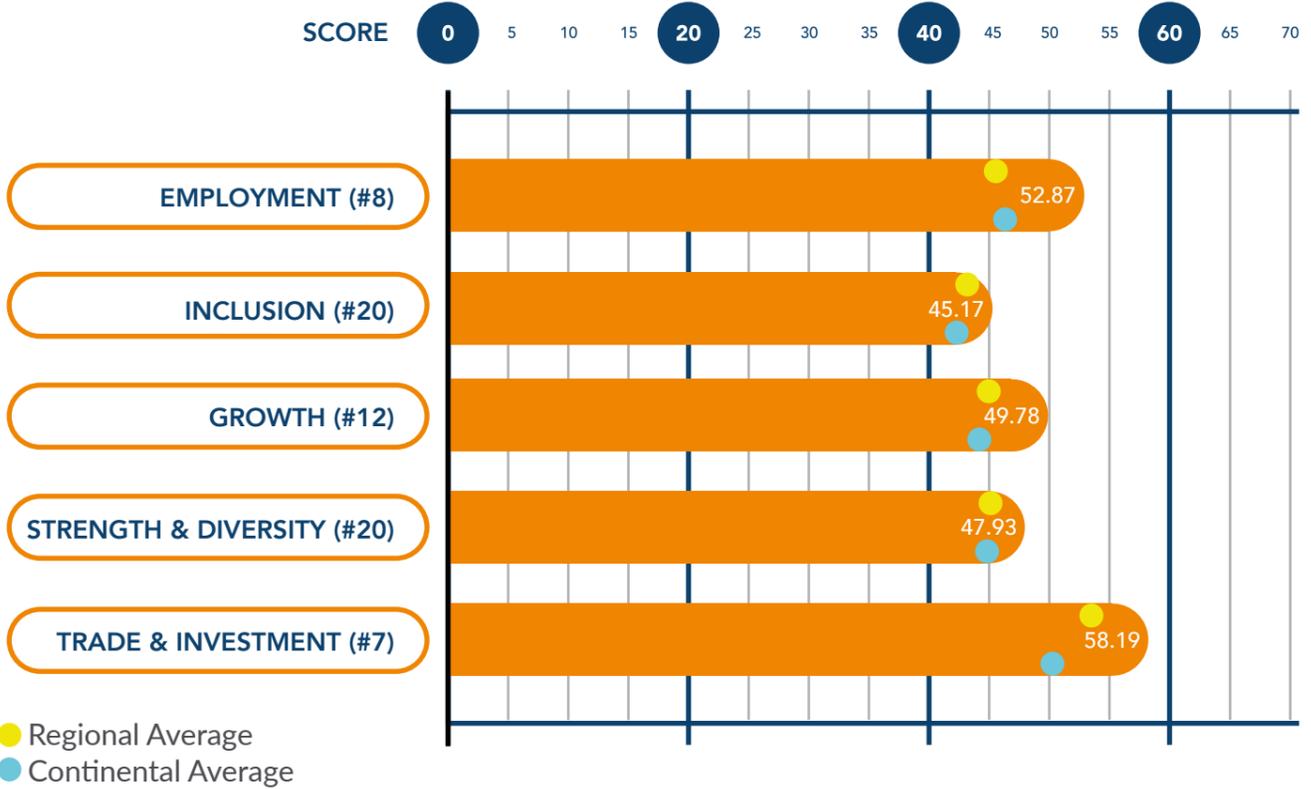
Trade links with African and in overseas markets are established and can be used for boosting exports. 39% of Gambia's exports go to India and 16% to the UK, while Indonesia receives 8% and France 7%. China is the source for a quarter of imported goods, while Senegal and Côte d'Ivoire account for 20%. Gambia's membership with the Economic Community of West African States (ECOWAS) can be exploited for access to lucrative regional markets. ECOWAS troops, led by Senegal, entered Gambia in January 2017 to liberate Gambians from the Jammeh dictatorship. Jammeh had stalled his departure from office after losing the election to buy more time to ship out his personal fortune. By pushing him out, ECOWAS set the stage for Gambia's economic revival that will benefit the entire region's economy.

The move in 2017 away from Jammeh's erratic, sometimes command economy and toward a market-based economy will be led by government fiscal and monetary policy reform. This will impact the value of the national currency, the dalasi, which has lost more than a third of its value against the US dollar since 2013. Income inequity will also be addressed by the new government. Under Jammeh, economic data was unreliable or unavailable. However, one estimate has the lowest 10% of the country's income earners in possession of 1.8% of the country's wealth, versus the 38% owned by the top 10%.

PERFORMANCE HIGHLIGHTS

- The Gambia places 13th in the evaluation of their economic environment, with regional competitor Ghana inching ahead of them by a mere 0.13 points.
- In association with their Market Freedom score, The Gambia's Trade & Investment result exemplifies their open ties with third parties, scoring 58.19, placing seventh and attaining the highest grade in their West African region.
- The lowest-ranked segment of The Gambia's Economics quadrant is shared between Inclusion and Strength & Diversity but scores of 45.17 and 47.93, respectively, remain encouraging.
- The Global Gender Gap Report considers The Gambia's ratio of women-to-men in the economic environment, which is quantified at a rating of 69.7.
- The Gambia effectively challenges those in their West African region, comprehensively beating their encapsulating neighbour, Senegal, by an average of 2.46 points across all Economics segments.

ECONOMIC SCORES & RANKINGS



ECONOMICS STATISTICS

GDP PER CAPITA	UNEMPLOYMENT RATE	TRADE BLOC MEMBERSHIP	INFLATION RATE
<p>US\$ 1,700 (#37)</p> <p>Under the Jammeh regime, Gambians saw little of the nation's wealth</p>	<p>29.7% (#52)</p> <p>The official rate does not relate to actual unemployment, which the new government is addressing</p>	<p>ECOWAS</p> <p>ECOWAS did the ultimate service to Gambia's economy by sending in troops to route Jammeh out</p>	<p>7.4% (#39)</p> <p>A moribund economy would normally keep pressure on prices down</p>

THE GAMBIA POLITICAL ANALYSIS



POLITICS OVERVIEW

Gambians were upset but fearful and the world was appalled when former dictator Yahya Jammeh rejected December 2016 election results in which the people voted him out of power. Gambians and the international community were relieved and happy by the swift and peaceful resolution of the crisis, which was done without bloodshed. The Gambian military chose not to defend Jammeh and stepped aside for the troops of West African states united in their opposition to the tyrant.

ECOWAS's forthrightness in the crisis was hailed as a model for other African regional communities. ECOWAS mission to secure Gambia is exactly the type of international support the country requires to succeed in its rebirth. The first British Foreign Minister to ever visit Gambia, Boris Johnson, arrived on 14 February 2017 to entice the country back into the British Commonwealth. The visit ended with Barrow's announcement that the country would again be a Commonwealth nation. Perhaps even more importantly, from a continental point of view, Barrow's administration notified the UN of its reversal of Jammeh's dictate that Gambia would leave the International Criminal Court (ICC). The ICC can be used to prosecute Jammeh for his crimes while in office.

Ensuring a credible, independent court for Gambia was Barrow's next challenge and was swiftly met.

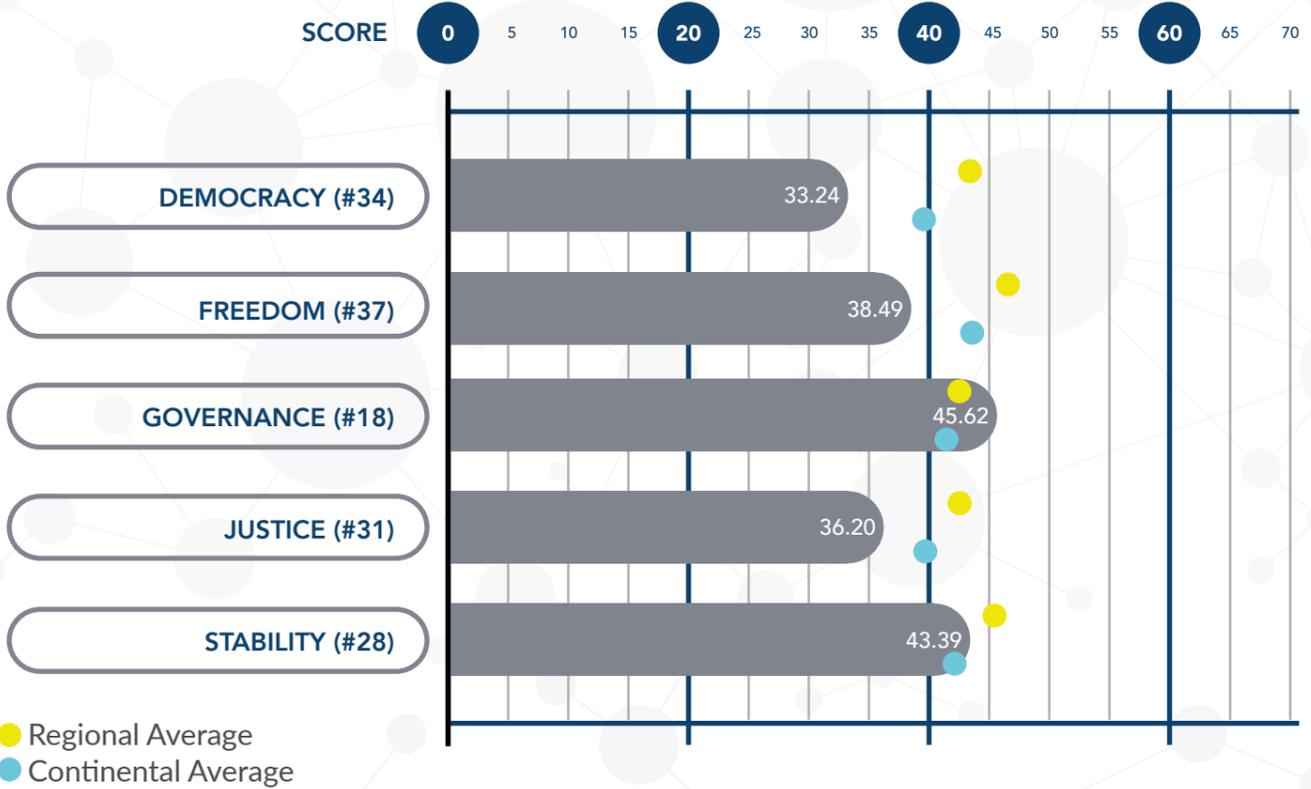
After a succession of Chief Justices, who had been Jammeh's lackeys, the highest judicial office required legitimacy. Barrow chose Hassan Bubacar Jallow, whose independence was demonstrated as a prosecutor with the UN. Sworn-in on 14 February, Jallow bookended the Jammeh dictatorship, having served as Chief Justice under President Dawda Jawara, who was overthrown by Jammeh in a 1994 coup d'état. "We shall do our utmost to ensure that the justice system meets the expectation of the community and of the required international standards," Jallow said.

Barrow has taken criticism for the composition of his cabinet, which is mostly male and old (average age is above 60) and thus does not reflect the country's population demographics that skews toward youth. Each of the seven political parties that formed the coalition to contest Jammeh in the election received a cabinet post, and Barrow's United Democratic Party has three posts. Critics said the appointments were election spoils, although this is usually how coalition governments are assembled. Such open criticism signalled that, after 22 years when Gambians were best served by silence when it came to commenting on government, normalcy has returned with the scrutiny of public officials. As other aspects of life and governance return to similar normalcy, the country is on course toward its post-dictator rehabilitation.

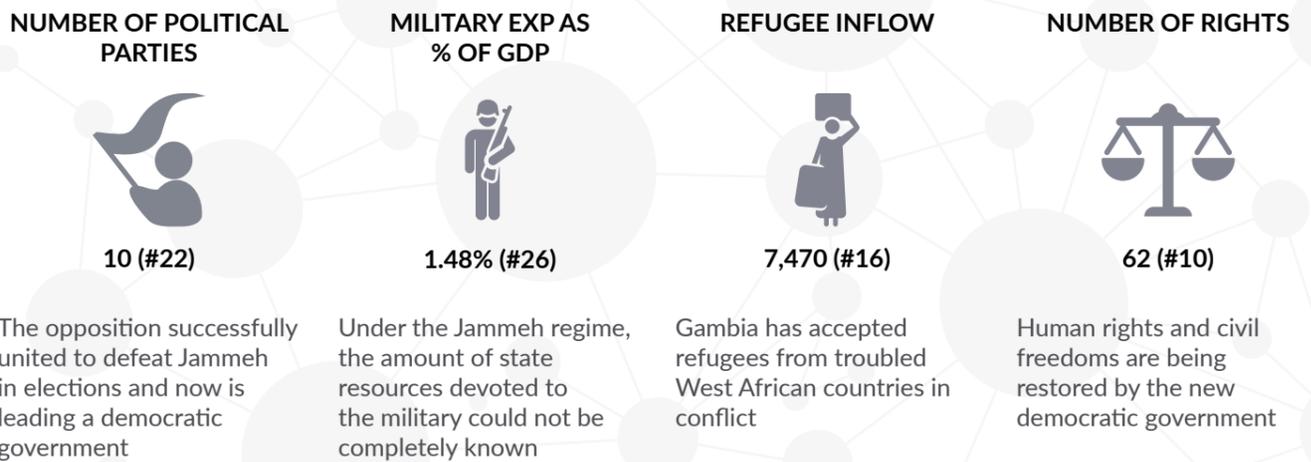
PERFORMANCE HIGHLIGHTS

- Unsurprisingly, The Gambia's political environment evaluation is drastically inferior to the other quadrants, as the nominal value of 39.07 and the associated rank of 33rd indicate the instability and autocratic tendencies of previous governance.
- While being dictatorial in nature, The Gambian government has still been able to rule and regulate quite effectively, as the score of 45.62 for Governance, ranking 18th, is the highest-placed segment of the political spectrum.
- In comparison, Freedom performs poorly, registering a nominal value of 38.49, which earns the position of 37th in Africa, a wholly concerning result.
- The Global Peace Index considers the overall state of The Gambia's militarisation and aptly graded them with a score of 61.25, potentially summing up their inferiority when compared with the Senegalese forces that assisted in leadership transition.
- The Gambia fails to register more than one result that features in the top half of the regional table and even goes so far as to be the penultimate Freedom score, only coming in ahead of Nigeria.

POLITICS SCORES & RANKINGS



POLITICAL STATISTICS



THE GAMBIA SOCIETAL ANALYSIS



SOCIETY OVERVIEW

The Gambia's population is largely young, with 44% aged 14 years or younger, and the median age of all Gambians 17 years and ten months. The country has had a history of oppression for centuries, from the time that an estimated 3 million people were enslaved and sent abroad during the 300 years when the trans-Atlantic slave trade existed. Ironically, this period can be exploited today by the tourism sector to cater to African-American interest in exploring their ancestral roots.

Upon national independence from Britain in 1966, Gambians enjoyed free elections on a regular five-year schedule, making the country the oldest existing multi-party democracy in Africa under the leadership of President Dawda Jawara. However, this status has not been continuous. Jawara was ousted in a military coup d'état in 1994, when Lieutenant Yahya Jammeh assumed power. Jammeh created democratic institutions as window dressing, confident that he could manipulate these for his own benefit. His surprise became a means to oust him when these institutions, such as political parties emerging from the national legislature, and with Gambians' euphoria at discovering their new political power. Although most Gambians never know a government other than Jammeh's, democracy had taken root before his power grab. Because much of the population is not accustomed to the burden of self-governance, Gambians must be carefully placed on

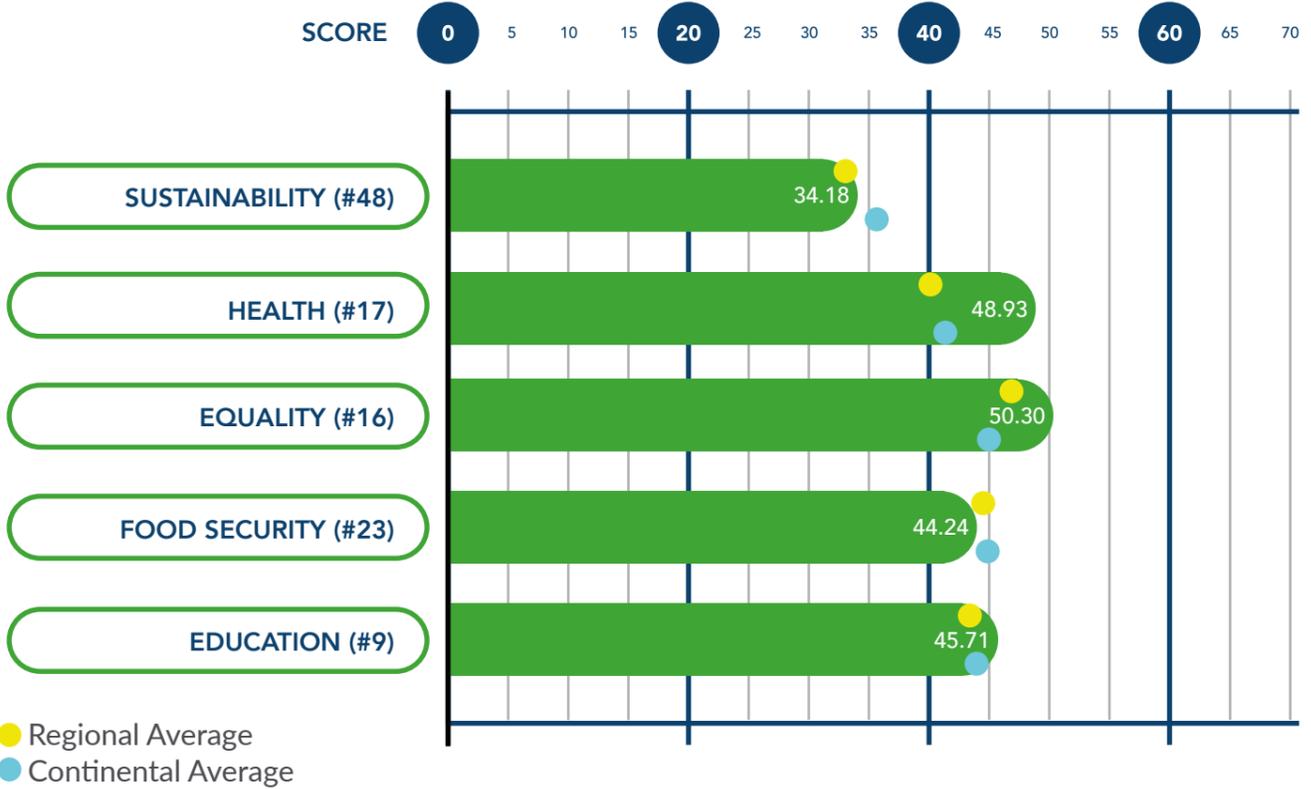
a democratic footing to restore their pre-Jammeh trust in government and security forces. Social indicators show the immensity of the job ahead to raise the population's education, health and other social welfare levels. Health care is one priority for the new government. The World Health Organisation ranks the risk of contracting infectious disease in Gambia as "very high." Malaria, Crimean-Congo haemorrhagic fever, dengue fever and yellow fever are leading diseases. HIV/AIDS is also a contributor lowering the average life-span. Education levels are low, and consequently, so is internet usage. The education and health sectors will require significant attention from the new government to create a healthy and educated population required for economic revival.

The country's environment has been negatively impacted by population growth. Deforestation is a problem, as is desertification as marginal land when exploited. Global warming is also stressing the environment. Although Gambia is a tropical country that has historically been well-watered with rainfall, climate change has reduced average rainfall by 30% in recent decades. One result is that Gambians must cope with more frequent droughts. Fortunately for rectifying social welfare shortcomings and environmental challenges, government enjoys a current window of opportunity offered by a supportive Gambian people enthusiastic about moving their country forward again.

PERFORMANCE HIGHLIGHTS

- As a result of strong business and economic environments, The Gambia records a healthy score for their societal evaluation, placed in 17th throughout Africa and third in West Africa.
- The Gambia's outright top-performing Society segment is their capacity to provide quality Education to the population, scoring a 45.71 in ninth position, and alluding to relatively high literacy figures.
- A deeply worrying figure, Sustainability scores a meagre 34.18 and brings up the rear of the regional performances with a ranking of 48th, an indicator of poor environmental longevity.
- The rights of Gambians to own property is limited and succinctly stated by the Index of Economic Freedom's grading of 25.
- The Gambia's Society figures show a large variance across segments, with apex and base scores differing by 16.12 points and 39 positions.

SOCIETY SCORES & RANKINGS



SOCIETAL STATISTICS

POPULATION SIZE AND GROWTH RATE	LIFE EXPECTANCY	HIV PREVALENCE	SEXUALITY TOLERANCE
<p>2,120,000 (#44) at 2.11% p.a (#31)</p> <p>The country's congestion, especially in urban areas, is due to a high fertility rate</p>	<p>64.9 years (#12)</p> <p>The new government has promised to provide necessary resources to improve healthcare</p>	<p>1.82% (#27)</p> <p>HIV avoidance information has not been effectively disseminated</p>	<p>Illegal</p> <p>In February 2017, government announced its intention to reverse anti-LGBT laws</p>

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