

Republic of Gabon

Poverty in a Rent-Based Economy

(In Two Volumes) Volume II: Main Report

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Africa Region



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Currency Equivalents

Currency Unit = CFA Franc (CFAF)

US\$1 = 264.7 CFAF in 1992
 US\$1 = 283.2 CFAF in 1993
 US\$1 = 555.2 CFAF in 1994
 US\$1 = 499.1 CFAF in 1995
 US\$1 = 514.0 CFAF in 1996
 US\$1 = 585.9 CFAF in 1997

List of Acronyms

| | |
|--------|--|
| AfDB | African Development Bank |
| AGETIP | <i>Agence d'exécution des travaux d'intérêt public</i> [Public Works Executing Agency] |
| ANFPP | <i>Agence nationale de formation et de perfectionnement professionnels</i> |
| BNCR | <i>Banque nationale de crédit rural</i> |
| CFAF | CFA franc |
| CHL | <i>Centre hospitalier de Libreville</i> |
| CNGS | <i>Caisse nationale de garantie sociale</i> |
| CNSS | <i>Caisse nationale de sécurité sociale</i> |
| DAS | <i>Direction de l'assistance sociale</i> |
| DGSEE | <i>Direction général de la statistique</i> |
| DHI | Human Development Index |
| DHS | Demographic and Health Survey |
| FAC | <i>Fonds d'aide et de coopération</i> |
| FAO | United Nations Food and Agriculture Organization |
| FIR | <i>Fonds d'aide à l'insertion et la réinsertion</i> |
| FODEX | <i>Fonds d'expansion et de développement</i> |
| GDP | Gross Domestic Product |
| GPC | General Population Survey |
| HES | Household Expenditure Survey |
| IFAD | International Fund for Agricultural Development |
| ILO | International Labor Office |
| ILO | International Labor Organization |
| IMF | International Monetary Fund |
| LSMS | Living Standards Measurement Survey |
| MEN | <i>Ministère de l'éducation nationale</i> |
| MSPP | <i>Ministère de la santé publique et de la population</i> |
| NGO | Non-Governmental Organization |
| OCSG | <i>Observatoire du changement social au Gabon</i> |
| ONE | <i>Office national de l'emploi</i> |
| OZI | <i>Opérations zonales intégrées</i> |
| PDG | <i>Parti démocratique gabonais</i> |
| PPA | Participatory Poverty Assessment |
| PPP | Purchasing Power Parity |
| SMI | <i>Santé maternelle et infantile</i> |
| UDEAC | Central Africa Customs and Economic Union |
| UN | United Nations |
| UNDP | United Nations Development Program |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNFPA | United Nations Fund for Population Activities |
| UNICEF | United Nations Children's Emergency Fund |
| US | United States |
| WHO | World Health Organization |

| | |
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SOCIAL INDICATORS

| | 1980 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | Sub-Saharan Africa (1993)1/ |
|--|-------|-------|-------|-------|-------|-------|-------|--------------------------------|
| Macroeconomic indicators | | | | | | | | |
| GNP per capita (\$US) 1/ | 4,070 | 4,520 | 5,070 | 5,040 | 4,960 | 3,550 | 4,150 | -- |
| Population (in millions) 1/ | 0.81 | 0.96 | 0.97 | 0.99 | 1.01 | 1.04 | -- | -- |
| Urban population (%) 3/ | -- | -- | -- | -- | 73 | -- | -- | 30.9 |
| Education | | | | | | | | |
| Illiteracy rate (> 15 years) | | | | | | | | |
| Women (%) 3/ | -- | -- | -- | -- | 34 | -- | -- | 68 |
| Men (%) 3/ | -- | -- | -- | -- | 21 | -- | -- | 45 |
| Primary school 1/ | -- | -- | -- | -- | -- | -- | 87 | -- |
| Secondary school 1/ | -- | -- | -- | -- | -- | -- | 17.6 | -- |
| Pupil/teacher ratio (primary) 5/ | -- | -- | -- | -- | 48 | -- | -- | 40 |
| Repeater rate (primary) (%) 5/ | -- | -- | -- | -- | -- | -- | 33 | -- |
| Repeater rate (secondary) (%) 5/ | -- | -- | -- | -- | -- | -- | 32 | 24 a/ |
| Preventive health | | | | | | | | |
| Access to potable water (% of population) 3/ | -- | -- | -- | -- | 66 | -- | -- | -- |
| Urban (%) 4/ | -- | -- | 78 | -- | -- | -- | -- | -- |
| Rural (%) 4/ | -- | -- | 40 | -- | -- | -- | -- | -- |
| HIV prevalence in Libreville (°/100)2/ | -- | -- | 2.8 | -- | -- | -- | -- | -- |
| Vaccination coverage (%) 2/ | -- | -- | -- | -- | 51.5 | -- | -- | -- |
| Life expectancy | | | | | | | | |
| Mortality rate, children <5 years (°/100) 2/ | 172.4 | -- | -- | -- | 155 | -- | -- | 172 |
| Infant mortality rate (°/100) 2/ | 109.4 | -- | -- | -- | 99 | -- | -- | 93 |
| Gross mortality rate (°/100) 2/ | 18.7 | -- | -- | -- | 15.6 | -- | -- | 14.8 |
| Maternal mortality rate (per 100,000) 2/ | 500 | -- | -- | -- | 190- | -- | -- | 573 |
| Life expectancy at birth 3/ | 48.7 | -- | -- | 54 | 600 | -- | -- | 52 |
| Nutrition | | | | | | | | |
| Underweight at birth (%) 2/ 1/ | -- | -- | 11.3 | -- | 14.5 | -- | -- | 14 |

Sources: 1/ World Bank; 2/ UNICEF; 3/ General Population Census 1993; 4/ UNDP; 5/ Ministry of National Education
a/ 1980

Foreword

The Gabon Poverty Assessment was prepared in close collaboration with the Government of Gabon and the donors active in Gabon. The Government established an Inter-Ministerial Technical Committee to monitor the work. The committee reported to the Ministry of Planning, and included representatives of the principal ministries and donors, and the civil society. The Committee first met in December, 1994, to discuss the broad directions of the study, and again in December 1995 and in November 1996 to comment on the draft versions (white and green covers).

The present version takes account of views expressed at the technical meetings as well as written comments received from the Ministries of Planning, Health, Education, Labor, Social Affairs and National Solidarity, the Economics Department, the Economic and Social Council, the UNDP and the French Cooperation office. It also reflects the general lines of a draft poverty reduction strategy drawn up by the General Planning Commission in March 1996. The study has benefited from discussions with many people encountered during the World Bank's preparatory missions. The Statistics Department, with the French Government's support, assisted in preparing the poverty profile.

To learn more about how poor people themselves view their situation, a Participatory Poverty Assessment (PPA) was conducted in June 1995. The team of Gabonese researchers was composed of Fidèle Nzé-Nguema (coordinator, preliminary analysis), Adrien Paul Ivanga (field operations), Armand-Colyn Abessolo, Odette Mbui-Allogo, Daniel Mve Engonga and Marie-Pauline Ada Mezui (interviewers). Franklin Larthey Mbiboy (information processing) prepared the results in tabular form.

The study received financial support from the French government (FAC - safety nets; compilation and analysis of the participatory survey results), from UNDP (labor market analysis), the Belgian government (urban environment) and the Swedish government (institutional aspects).

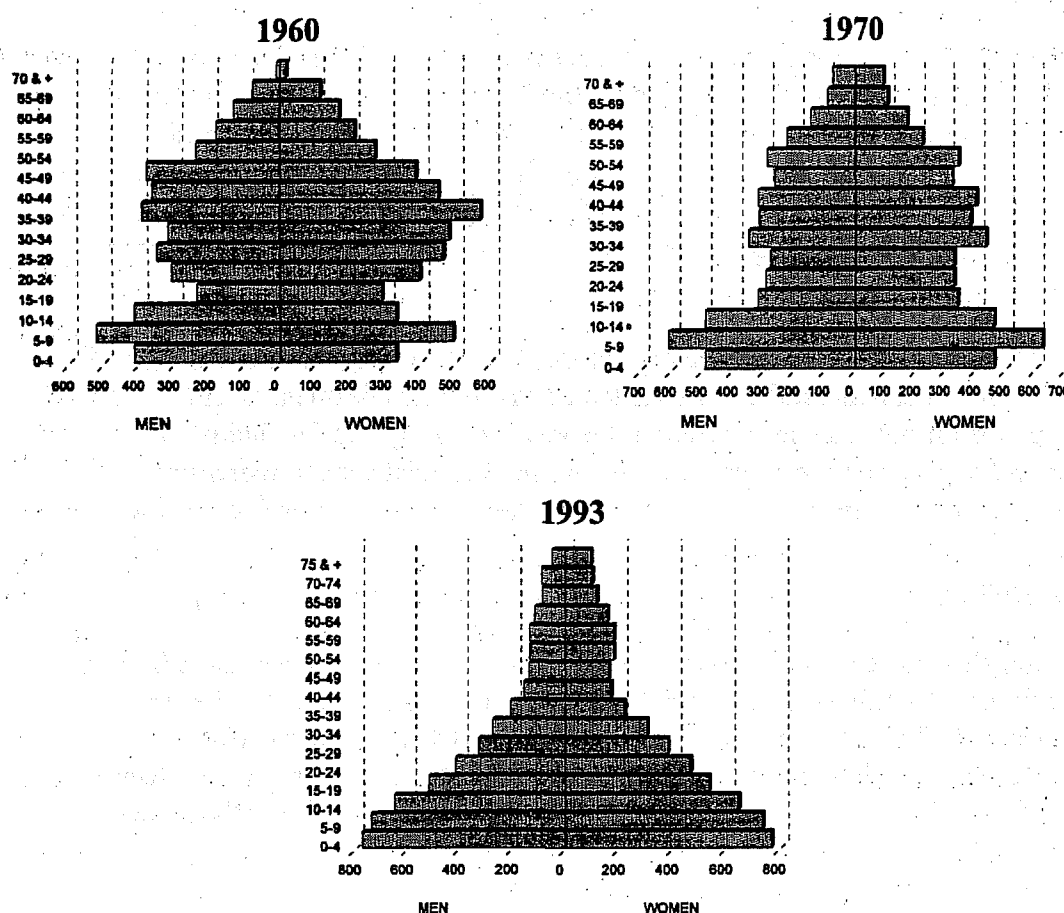
This report was prepared by a team led by Nadine Poupert (Task Team Leader), and composed of Ghislaine Delaine and Gilles Grenèche (Poverty profile); Boniface Essama-Nssah (Poverty trends and determinants), Herbert Bergmann (Education), Malonga Miatudila (Health), and Jocelyne Durany-Jakob (Survival mechanisms, safety nets and participatory survey). Contributions were made by Jean Negrel (Labor market, employment and regulatory framework), Serge Bouniatian (Urban environment), Peter Gisle (Institutional aspects) and Aimé Mianzenza (Rural poverty). Marlynne Hopper, Elsa Pilichowski and Sahondra Rabenarivo (Research Assistants) worked on the drafting. The report was edited by Vincent Fruchart and was formatted by Anne Anglio. Comments were received from Emmanuel Akpa, Menahem Prywes; from members of the country team (Nichola Dyer Cisse, Patrick Canel, Philippe de Naurois, Alassane Sow, Demba Ba, Lionel Laurant and Connie Luff) and from Michael T. Hadjimichael (International Monetary Fund). Serge Michailof was the Lead Advisor. Jack van Holst Pellekaan, Maurizia Tovo were the Peer Reviewers. Andrew Rogerson and David Berk are the former and Acting Country Directors for the Republic of Gabon and the Technical Manager is Ok Pannenberg.

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Graph 1. 1: Population Structure by Age and Sex from Various Censuses

Source: "Main Results" of the General Population and Housing Census, Statistics and Economic Studies Department, July 1993.

Rapid Urbanization

1.7 Gabon is unusual among the countries of Sub-Saharan Africa in that 73% of its population lives in urban areas. The urban population is very unevenly distributed: the two major cities, Libreville, the administrative capital (419,596 inhabitants) and Port Gentil, the country's economic and business capital (79,225 inhabitants), account for 49% of the total.

1.8 In Libreville as in Port-Gentil, only one in five Gabonese household heads is a native of the city; most have moved from the interior. In the capital, nearly one in five Gabonese household heads arrived there between 6 and 15 years of age (to attend school). In Port Gentil, the ratio is one in seven. Migration of professional people is higher there than in Libreville, thanks to the presence of the oil industry. In both cities, internal immigration is twice as important as foreign immigration.

Secondary Urban Centers Retain a Rural Lifestyle

1.9 The urban population as defined by the census is far from uniform. It embraces small towns, essentially provincial seats³, that function more like large rural villages than urban centers. These secondary cities serve as "stop-overs" en route to the major urban centers. Their population is drawn largely from the rural hinterland of their provinces. Most secondary towns have relatively few inhabitants (from 1,000 to 4,000) and support themselves for the most part in primary occupations⁴. As in the villages, the provincial seats often lack basic infrastructure and social services.

1.10 Secondary towns in Gabon include a high proportion of farming families who grow food for themselves: many inhabitants still depend for their nutritional needs on garden plots within the town limits. Apart from subsistence agriculture, the local economy has few industrial establishments and depends on the presence of government officials, small merchants and artisans (carpenters, masons, repairmen etc.), who earn the bulk of local purchasing power.

Geographic Distribution

1.11 The country's population distribution is very uneven. The province of Estuaire in the northwest, which includes Libreville, holds 47% of the total. It is followed by the province of Haut Ogooué, which includes Franceville, and accounts for 10% of the total (104,301 inhabitants⁵). Gabon's population density is less than 5 p/Km² for most provinces other than Estuaire (22.3 p/km²). Nyanga, Ogooué Ivindo, and Ogooué Lolo have fewer than 2 p/Km² (Table 1.1).

³ Provincial seats are considered to be cities, regardless of their population size or their infrastructure endowment.

⁴ Seventy percent of the country's active population works in agriculture, while the rural population itself accounts for only 27% of the national total.

⁵ Followed by Ogooué Maritime (Port Gentil) and Woleu N'tem with 97,913 and 97,271 respectively, and Ngounié with 77,781 inhabitants. The remaining provinces have fewer than 50,000 inhabitants each. The least populous province is Nyanga, with 39,430 inhabitants.

Table 1. 1: Demographic Characteristics by Province

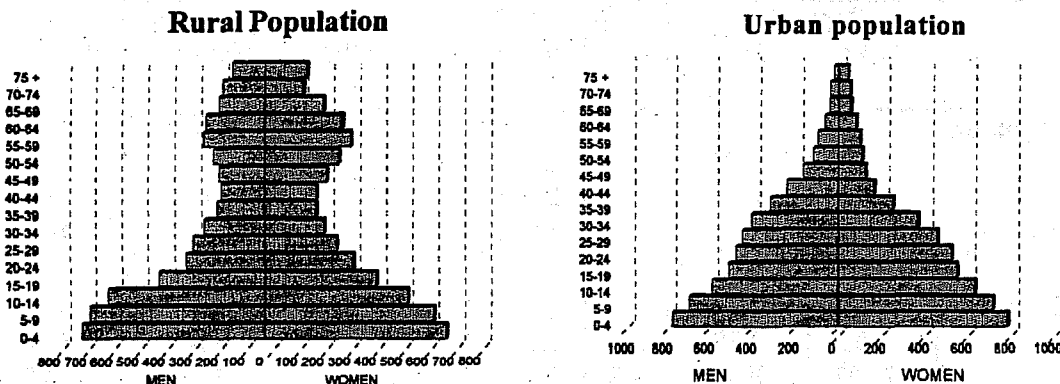
| Province | Population | | Density | | Overall Growth 60/93 (%) | Women/ 100 men | Rural Pop. (%) |
|-------------------------|----------------|------------------|------------|------------|--------------------------|----------------|----------------|
| | 1960 | 1993 | 1960 | 1993 | | | |
| Economic centers | | | | | | | |
| Estuaire | 61,52 | 463,187 | 3.0 | 22.3 | 37 | 97 | 7.6 |
| Haut-Ogooué | 42,274 | 104,301 | 1.2 | 2.8 | 12.8 | 108 | 26.8 |
| Ogooué Maritime | 42,322 | 97,913 | 1.8 | 4.3 | 11.5 | 98 | 10.5 |
| Others | | | | | | | |
| Moyen-Ogooué | 34,193 | 42,316 | 1.8 | 2.3 | 6.3 | 105 | 54.5 |
| Ngounié | 79,01 | 77,781 | 2.1 | 2.1 | 5.2 | 114 | 51.8 |
| Nyanga | 37,503 | 39,43 | 1.8 | 1.9 | 5.6 | 116 | 44.7 |
| Ogooué Ivindo | 36,126 | 48,862 | 0.8 | 1.1 | 6.9 | 105 | 63.6 |
| Ogooué Lolo | 36,792 | 43,915 | 1.4 | 1.7 | 6.2 | 110 | 55.9 |
| Woleu Ntem | 78,124 | 97,271 | 2.0 | 2.5 | 6.5 | 108 | 63.9 |
| TOTAL | 448,564 | 1,014,976 | 1.7 | 3.8 | 11.4 | 102 | 26.9 |

Source: GPC 1993. Institutionalized population included.

1.12 The more rural provinces also have the fewest people. Five provinces may be classed as rural, since more than half their inhabitants live in rural areas. Vast areas are practically uninhabited, especially in the center of the country, and in the east and northeast. The rural population is only 27% of the country's total, but it is scattered among some 2,000 relatively small and widely spaced villages that have, on average, 135 inhabitants each, although nearly one-third of them have fewer than 50 people. Although they may be located along access roads or water courses, these villages in fact see few visitors and are for the most part cut off from the outside world. Due to the gradual shrinking of the rural population and the difficulties of clearing land in forested areas, the average size of farming plots fell from 1.5 hectares in 1960 to 1.1 ha per farmer in 1984.

Rural Decline

1.13 *A shrinking rural population.* Over the past 30 years, the average rate of demographic growth in the provinces (0.5% in 1993) has been below the national average of 2.5%, except in the provinces with the strongest economies. The provinces of Estuaire (including Libreville), Haut-Ogooué (including Franceville-Moanda), and Ogooué Maritime (including Port Gentil) have seen higher growth, while the population of the remaining provinces has stagnated or even fallen (as in the case of Ngounié). Heavy migration to centers of economic activity is the chief cause for this drop in rural population.

Graph 1. 2: Rural and Urban Population Structure in 1993

Source: GCP, 1993

Box 1.2: The Changing Demographic Structure of the Rural Areas

The aging of the rural population, and the increasing proportion of women, are viewed with alarm by people who have no choice but to remain in their village. Old people or women have difficulties tending the fields or growing food for themselves, when they have only the most rudimentary tools and no way of paying (or even of finding) hired help: older people are concerned as crop plantings decline and their villages shrink to vanishing point. Women who are left alone with their children feel overwhelmed by the physical strain of farm work, which they must cope with on top of their domestic and "maternal" chores; they are obliged to give up any idea of expanding their crops, when there is no one to help them clear the land.

Similar concerns are felt in the secondary urban centers: some of the poorest families consist of one or two elderly parents, their unmarried, single parent daughters, and their children. Others consist of elderly couples and their grandchildren whose parents live elsewhere. One problem that merits further study is the living conditions of these children whose elderly relatives are often ill and depend on parcels from sons or daughters living in Libreville or gifts of food from other relatives in the village. Poor children who were asked to write stories about poor families or children often included a "child living along with old folks," drawn from their life stories.

Another phenomenon observed during the study that should be further studied concerned families where the husband loses his job in Libreville; his wife and younger children are forced to return to their village, where they can at least keep themselves alive by growing food.

Source: PPS, June 1995

1.14 An increasingly old and female rural population. The mass migration of the younger generations has led to a disproportionate number of elderly people and women among the rural population. About 43% of the rural population is under 18 years of age, compared with 48% in urban areas. There are only 91 men for every 100 women in the rural areas, while the men-to-women ratio in the cities is 99.5%. Despite this aging trend, the rural population pyramid shows a high proportion of children under 10 years (see Graph 1.2). This may be a sign of the high fertility of the rural population, but it is more likely to reflect the presence of children who have been sent by their city-dwelling parents to live with their extended families in the villages. This phenomenon was cited as an important factor during the participatory survey (Box 1.2).

C. RECENT ECONOMIC HISTORY

1.15 Gabon's economic development has been marked by the growth of several extractive industries. Forestry, based on the plentiful supplies of *okoumé*, was once the prime economic sector; following Independence, forestry became less significant, as the production of manganese gained in importance. Later, with the leveling off of manganese and uranium output, the oil industry became the main force driving the economy.

An Oil-based Economy

1.16 Oil production expanded rapidly, from 5.4 million tons in 1970 to a peak of 11.3 million in 1976. In 1970, the agricultural sector accounted for only 1.4% of the country's exports, while the extractive industries (of which the oil sector represented 64%) and wood processing accounted for about 96%. In 1996, the structure of the economy had changed little: 79% of exports, 58% of government revenues, and some 42.5% of gross investment depend on the oil sector.

1.17 The country's growing dependence on its oil resources has had a major impact on the traditional rural economy, leading to depopulation and rising poverty. A high percentage of the economically active rural population has abandoned subsistence farming to seek work in the three centers of economic activity represented by Port Gentil (forestry, wood, oil), Moanda/Franceville (mining) and Libreville (government, commerce, banking services, etc.). During the oil boom, the cost of living rose sharply. The impact on rural living standards has been partially offset by the Government's social policy (see Chapter 8), and by the transfers that migrants have been making to family members left behind in the rural areas.

The Expansionist Period

1.18 In the wake of the 1973 oil boom, real GDP rose very rapidly (38.9% from 1973 to 1974, and 31% from 1974 to 1976). In the face of a sudden and sizable influx of revenues, policy makers decided to follow a strategy that called for rapid growth of the public and para-public sector. The public and para-public agencies became swollen with new staff. In addition, a generous wage policy was introduced in the para-public and public sectors, which allowed some redistribution of oil revenues.

1.19 The Government followed an expansionist budgetary policy from 1973 until 1985, during which time CFAF 2,500 billion were invested. Many development projects, with a particular focus on infrastructure, were launched without sufficient attention to their economic rationale. Easy access to loans through the international financial markets only intensified the proclivity to spend. The country's foreign debt soared by 62% between 1975 and 1976. This distorted the economy, raised the cost of the factors of production, and destroyed the country's competitiveness in international markets. This in turn hindered the development of agriculture and manufacturing at the Small and Medium size Enterprise (SME) level. As a result, the share of agriculture in GDP fell, from 24% in 1960 to 3% in 1994.

The Economic Crisis of 1986

1.20 After a recession between 1976 and 1981, the second oil boom allowed economic growth to recover to an average annual rate of 3.3% over 1980-85. But Gabon's oil economy collapsed suddenly in 1986, when the price of crude oil dropped by 50%. This external shock highlighted the fragility of the economy and showed the need for diversification. In fact, the economy did not recover. Employment within the formal sector dropped. Between 1985 and 1992, the number of jobs in the modern sector (including the public and para-public sectors) declined by 25%, while the number of jobs in the formal private sector fell by more than 50%, and in the oil industry by 18%. In 1994 the unemployment rate among household heads under 27 years of age in Libreville was estimated at 22%, in Port Gentil at 38% and in Moanda at 47%. The high rate of unemployment among young household heads is an especially serious problem, because these represent the most dynamic portion of the population, on which the future of Gabon depends.

1.21 Real GDP, excluding the oil sector, fell on average by 1.8% per year from 1985 to 1994. It appears that the 1986 crisis had a negative impact on the traditional agricultural sector, through the falling off of revenue transfers from city to rural areas. The informal sector has made progress over the past 20 years, and was stimulated in particular by the 1986 crisis, yet the majority of Gabonese play little part in that sector, which suggests that the Gabonese will not seek work in the informal sector except as a last resort.

Recent Economic Developments

1.22 In 1994, an entirely new approach was taken to managing the economy. On January 12, 1994, the CFA franc was devalued by 50% against the French franc, thus opening new possibilities for economic stabilization and adjustment. A new economic policy was launched. Its objective is to combine the productivity gains expected to flow from devaluation with more efficient use of resources in the oil, mining and forestry sectors, to achieve balanced and sustainable economic growth. This strategy is based on a redefinition of the role of the State and the private sector. It calls for the State to abandon direct intervention in productive sectors, and provide social goods and services, while leaving a greater role to market forces. On the budget front, the Government has introduced an austerity program to match public spending and revenues.

1.23 With assistance from the World Bank (Economic Recovery Loan of May 1994) and the IMF (Standby Arrangement of March 1994), Gabon has focused efforts on improving its trade and fiscal policies and has completed implementation of the fiscal and tariff reforms called for by UDEAC. The Government has reduced the average rate of customs duties, simplified the tariff structure, and lifted quantitative restrictions⁶ (except for sugar imports). In April 1995 Gabon introduced a single, 18% value-added tax.

1.24 After mixed results in 1994, the new economic policy appears to have produced positive macroeconomic results in 1995 and 1996. Non-oil economic activity seems to have improved,

⁶ The quantitative restrictions were replaced by a 30% surtax for 3 years, after which it would be phased out.

while oil production has surpassed the forecast level. In 1996 the increase in the consumer price index was relatively low (51% as an annual average). Exports grew 31% in 1996 after rising 6.1% in 1995. According to preliminary estimates, real GDP growth was 3.7% in 1995 and 3.2% in 1996, while growth in the non-oil sector was 2.8% in 1995 and 3.6% in 1996. Growth in the tertiary sector was 3.9%, a better-than-average performance, and agriculture and industry (including manufacturing) grew by 2.3%.

1.25 Receipts from the wood and oil industries and from the value-added tax have surpassed expectations, so that public revenues exceeded expenditures by about US\$ 130 million or 2.8% of GDP in 1995. Despite the debt rescheduling negotiated with the Paris Club in December 1995, the overall level of public debt remains a concern, and the Bank has placed Gabon in the category of heavily indebted middle-income countries, partly because of the deterioration of its debt/GNP ratio, which rose from 75% in 1994 to 84% in 1995.

1.26 On the institutional front, the Government has committed itself to enhancing the efficiency and transparency of the public sector, with the support of the IMF in the form of a three-year arrangement under the Extended Funding Facility (November 1995). Under this agreement, the authorities are committed to strengthen public revenues, limit the state payroll and improve the quality of public spending.

Medium-term Outlook

1.27 The Government has begun to implement a policy to redefine the roles of the State and the private sector. This strategy requires the State to cease its direct intervention in production and commercial activities, strengthen its contribution to the provision of priority services, and, in particular, ensure the availability of effective and efficient education and health services, and the building and maintenance of adequate infrastructure. The success of this new approach will depend on strengthening the institutional framework so that competition and market mechanisms become the primary elements governing private sector activity.

1.28 To create a favorable environment for private sector development, the Government is preparing an Investments Charter and Sectoral Codes to harmonize the tax system for all investors and sectors, and simplify the procedures for setting up a business. This Charter will include Forestry and Mining Codes. The Petroleum Code should be adopted by the Government in June 1997. Reforms to reduce the number of taxes, expenses and administrative charges on companies are planned for 1998. The Labor Code (parts of which actively discourage hiring) and the Social Security Code will be revised during 1997. These revisions should be coordinated with the OHADA (Organization for the Harmonization of Business Law in Africa) project to harmonize commercial law at the regional level. As part of this effort, the Government promulgated the Privatization Law in February 1996. Strategies for developing the private sector in telecommunications and railroads and in postal services have been decided. A new law on competition has been adopted.

D. POLITICAL DEVELOPMENTS

1.29 Compared to its neighbors, Gabon enjoys a relatively stable political climate—one that shows an increasing trend toward democratization. The current political context seems to favor changes to government policies and priorities, and to allow a special emphasis on reducing poverty.

1.30 The Independence of Gabon in August 1960 was followed by political turmoil similar to that seen in other ex-colonies of Africa. Three years after his election in February 1961 by the new National Assembly, President Léon M'ba was overthrown in a coup. France reacted promptly and returned him to power, acting under a mutual defense pact signed at the time of Independence. From that point on, President M'ba consolidated his grip on power, and created a *de facto* one-party state. Upon his death in November 1967, his successor President Omar Bongo made that arrangement official. All political parties were dissolved in 1968, and were replaced by the *Parti démocratique gabonais* (PDG), which Mr. Bongo had founded and of which he became General Secretary. He subsequently won the presidential elections of 1974, 1980 and 1986, in which he ran as the only candidate.

1.31 Although opposition to the single-party rule of the PDG began to appear after 1980, the first stirrings of discontent were contained, and an attempted coup in 1989 was thwarted. In the wake of persistent political unrest, President Bongo convened a "national conference on democracy" to debate the future of Gabon's political system. This conference, held in March 1990, marked a turning point in Gabon's political history by allowing a multi-party system to emerge. Since 1990 government policies and the management of the public finances have been the object of increasingly open criticism, and opposition newspapers have taken firm root in the public debate. Moreover, non-governmental organizations (NGOs) and independent associations are beginning to appear, although their capacity is still limited. So far, despite the opening to democracy, the decision-making process in Gabon is still highly centralized.

1.32 The PDG won the first multi-party elections in September 1994 by a narrow margin. In October 1994, in the face of mounting tension, the Paris Agreements (ratified by referendum in July 1995) brought about an understanding between the Government and the opposition. This led to a new, broadly-based coalition government with provision to establish an independent

elections committee⁷. The appointment of a new Government, in which opposition members have been given 6 of the 24 portfolios, seems to indicate the government's desire to reduce the tensions that have lingered since the presidential election, and pave the way for democratization. Under the terms of the Paris Agreements, the National Assembly approved the Elections Code in February 1996 and the Decentralization Law in March 1996; the decrees for implementing them are now being prepared. Legislative elections were held in 1996, and presidential elections are planned for 1998.

⁷ The nomination of members for the National Elections Commission was the subject of a debate in the National Assembly.

2. GENERAL POVERTY PROFILE

The statistical base required to develop a poverty profile is incomplete and the Government will need to strengthen its capacities for collecting and analyzing data.

Estimations of poverty trends since 1960 show that, despite having a GDP per capita among the highest in Sub-Saharan Africa, Gabon is characterized by a high degree of income inequality and persistent poverty. The period of prosperity created by the oil boom has done little to reduce poverty, except perhaps among the very poorest groups (those living in extreme poverty).

Information gathered during the 1993 population census highlights the great inequality among the provinces. It points to the inadequacy of access to potable water, and to the precarious state of most dwellings. The participatory poverty assessment conducted in June 1995 (PPA)⁸ shows that access to health and education services are the two prime preoccupations of rural people; those living in the secondary towns are mainly concerned with the lack or inadequacy of urban infrastructure (especially the lack of safe drinking water); while in the large cities complaints center around the unhealthy environment, the lack of access roads and the threat to personal safety.

The persistence of poverty can be attributed to the structure of the economy and the policy choices the Government has made. Structural problems include the predominant reliance on income from capital and the extreme discrepancy between the modern sector and the rest of the economy, which is still based on subsistence. Simultaneously, the development policies financed by the oil boom created an inadequate public investment structure and gave rise to mainly unproductive public enterprises. The build-up of external debt and the Government's inability to reduce its expenditures after the oil crisis of 1986 made it more difficult to establish the macroeconomic stability necessary to support the growth policies that would reduce poverty.

A. INCOMPLETE STATISTICAL DATA

2.1 Gabon lacks appropriate and reliable data on the various population groups and their distribution within the country. Such data are indispensable for a proper analysis of:

- the characteristics of the poor, where they live, and what access they have to economic and social infrastructure;
- the situation of women and children, who are generally most at risk;
- individuals' response to economic changes resulting from the crisis.

⁸ See Annex B for the methodology and tables of principal results of the PPA.

2.2 The estimates of household expenditure drawn from the national accounts provided the basis for an assessment of changes in poverty in Gabon since 1960 (section B). Efforts to develop a more precise poverty profile must rely essentially on statistical data from the 1993 population census (GPC), the results from the household expenditure survey conducted in 1993-94 (HES)⁹, and the Participatory Poverty Assessment (PPA) of June 1995 (see section D) which provides the views of the poor themselves on their living conditions. The GPC and HES were carried out by the Statistics Department, with the assistance of UNFPA and French cooperation.

2.3 The GPC covers the entire population, but the information it offers relates essentially to demographic data (population distribution by age, sex, region, urban or rural, education level, vocation or occupation, occupational status, type of housing etc.). The HES¹⁰, which was based on a sample of only 412 households¹¹, covers only the cities of Libreville and Port Gentil (which account for almost half of the country's population). There is no information on household budgets in the secondary towns or rural areas. The portion of the survey dealing with household expenditure was conducted after devaluation, and the lack of data for the preceding period makes it impossible to study the impact of devaluation on household consumption. The PPA was conducted in June 1995 in Libreville, three towns in the interior (Minvoul, Mouila and Makokou) and the adjacent rural areas.

2.4 Supplementary information can be found from a few sectoral surveys. The IFAD survey (1994-1995) focused on rural life, but it covers only a very small sample (270 households), and its statistics are not sufficiently detailed to estimate rural household incomes. Nevertheless, it outlines in general terms the economic and social constraints facing rural dwellers. The National Employment Office (ONE) carried out a survey of jobs and unemployment in Libreville (1993-94), with the help of the ILO and UNDP: the results have been used in this study. Finally, UNFPA has produced and published surveys on health and mortality which, while highly localized, offer some valuable data.

B. DEVELOPMENTS SINCE 1960

Poverty Lines

2.5 Real expenditure is generally considered a better indicator than income for estimating the level of poverty. A yardstick of some kind must be used, however, to determine who is poor and who is not. This can be achieved by drawing a poverty line through the expenditure distribution

⁹ See Chapter 3.

¹⁰ The HES comprised three phases: an enumeration of the population of the two major cities (December 1992); a survey of major household expenditures (called "structural spending") in 1993; and a survey of day-to-day household spending, on the basis of expense-record notebooks in 1993-94. This study draws most heavily on the third phase of that work.

¹¹ The initial size of the sample for the third phase was 2,000 households. However, because of the level of misrepresentation and the great number of improperly completed expense records, only 412 questionnaires were considered sufficiently complete and reliable to be used.

curve - anyone falling below that line is considered poor. There are two frequently used approaches. An absolute poverty line can be calculated from the income needed to satisfy minimum nutritional needs, plus a component covering other basic expenditures. Alternatively, a relative poverty line can be used; in this a certain percentile of households at the bottom of the income distribution scale can be considered poor. This relative poverty line although easier to calculate, does not take account of the degree to which the needs of household members are satisfied. The absolute poverty line is generally regarded as the better approach. It is also less arbitrary, and allows for more accurate comparison between regions. Calculating this line, however, requires data on nutritional needs and prices of subsistence goods by region, and such data are not always available.

2.6 This section attempts to estimate the impact of phases of economic growth and recession over the period 1960-1994, and of the measures taken to deal with that impact, through poverty alleviation and income distribution. In the absence of a national household survey, the methods used for assessing poverty are of necessity approximate and do not allow trends to be identified over time. Three relative poverty lines were needed to obtain a proper assessment. The first line is based on the minimum wage, the second is set at two-thirds of average consumption, and the third is calculated using the principles applied in the 1990 World Development Report¹², with a universal poverty line of one dollar per person per day, in 1985 purchasing power parity (PPP)¹³. The first two poverty lines were set using household consumption expenditure estimates provided in the national accounts¹⁴. Using these three poverty lines, poverty indicators were then calculated relating to incidence, intensity and severity (Box 2.1).

¹² World Development Report 1990, page 31. This method is described in greater detail in Ravallion et al. (1991).

¹³ In Gabon, data from the "Penn World Tables" (Summers and Heston, 1991 :350) suggest that this poverty line is equal to CFAF 323 per person per day (or CFAF 117,895 per person per year). To assess poverty over different years, we have modified the poverty line to take account of inflation between 1985 and the year in question. According to available data, the average inflation rate in Gabon ranged from 5% between 1960 and 1973 to 17% between 1974 and 1977, back to 10% between 1978 and 1985, to 4% between 1985 and 1990, to as low as -5% between 1990 and 1993, jumping to 47% in 1994.

¹⁴ In the absence of a national household survey, we calculated approximate values by extrapolating from available data.

Box 2.1: Poverty Indicators

The incidence of poverty, also called the per-capita index (P_0), is the proportion of individuals living below the poverty line in each region. This index represents the number of people living below the poverty line divided by the population of the region.

This index, however, does not reveal the depth or intensity of poverty (the gap or deviation between the level of poverty of the poorest sub-group and the poverty line itself). This may be calculated as the weighted sum of individual spending deviations below the poverty line. The deviations so calculated are then divided by the poverty line to obtain a proportional measurement. Adding these deviations gives the weighted total of deviations, also known as the "poverty depth index" (P_1).

Neither of the two measures described here reflects the degree of inequality (or severity) among those living below the poverty line. If one person living below the poverty line transfers money to another who is even poorer, the indicator should record a worsening in the giver's level of poverty. Such concerns can be met by taking the square of the proportional deviations described above, for each individual or household. The sum of squared proportional deviations for persons living below the poverty line, standardized by the population of the region, gives a poverty indicator that integrates the dimension of inequality among people below the poverty line. This indicator is commonly called the "Foster-Greer-Thorbecke Index" (P_2). A high P_2 indicates considerable income inequality and cases of extremely severe poverty within the "poor" category.

Observed Trends

2.7 Gabon has always had considerable poverty, in all its aspects (incidence, intensity and severity), in particular when the minimum wage is used as the poverty line, or when the line is set at a level of two-thirds of average consumption.

2.8 The results presented here indicate persistent poverty in Gabon. On the basis of a poverty line set at the level of the minimum wage and a poverty line drawn at 2/3 of average consumption, the incidence of poverty in 1994 is high (between 83% and 62%, depending on the poverty line used), and has diminished little since 1960 (when it was between 87% and 68%). When a third, dollar-a-day poverty line is used, however, extreme poverty is seen to have diminished significantly between 1968 and 1985 (from 56% in 1968 to 26% in 1975 and 15% by 1985), and further, but less rapidly, from 1985 to 1993 (from 15% to 11%). It is likely that a combination of private and public transfers contributed to this reduction in extreme poverty, especially during the oil boom years (1973-1985).

Table 2. 1: Inequality, Poverty and Well-being in Gabon: 1960 - 1994

| | 1960 | 1968 | 1975 | 1985 | 1990 | 1991 | 1992 | 1993 | 1994 |
|--------------------------------------|-------|-------|-------|------|------|------|------|------|------|
| Population (000) | 450 | 482 | 693 | 834 | 938 | 961 | 985 | 1014 | 1035 |
| Private cons/capita (CFAF 000) | 31.80 | 56.85 | 156.8 | 601 | 643 | 648 | 661 | 693 | 838 |
| Minimum annual wage (CFAF 000) | 45 | 88 | 210 | 768 | 768 | 768 | 768 | 768 | 768 |
| Inflation (%) | 2 | 3 | 21 | 7 | 6 | -7 | -5 | 1 | 47 |
| Poverty line (CFAF 000) a | 20 | 30 | 44 | 118 | 127 | 117 | 112 | 113 | 166 |
| Gini index (%) | 68.00 | 63.50 | 60.00 | na | na | na | na | na | na |
| Distribution ratio per decile (%) | 8.9 | 12.60 | 14.70 | na | na | na | na | na | na |
| Private consumption/GDP (%) | 45 | 38 | 24 | 27 | 41 | 41 | 44 | 42 | 31 |
| Well-being index (% of minimum wage) | 23 | 23 | 30 | 31b | 33b | 33b | 34b | 32b | 33b |

Source: World Bank, 1995

Notes: a. Based on 1 dollar per person per day at 1985 PPP.

b: Assuming inequality is the same as in 1975; na : not available.

2.9 The high degree of income inequality observed in 1960 (when the Gini coefficient¹⁵ stood at 68) fell only slightly to 1975 (Gini = 60), and has remained stable at best since then. It should be noted that the Gini for urban areas was 45 in 1993 (see Chapter 3). The wide disparities in living standards observed during the PPA between urban and rural areas confirm that inequalities are much higher at the national level.

Changing Poverty Patterns

2.10 Table 2.2 and Table 2.3 show poverty trends between 1960 and 1994. Taking the minimum wage as the poverty line, and assuming that economic development has been neutral in its effect on income distribution between 1975 and 1994, the results obtained suggest that for this period as a whole, only 15% (on average) of the population has reached a standard of living higher than the prevailing minimum wage would afford. According to these results, there has been no notable change in poverty from 1960 to 1994, except perhaps among the most disadvantaged categories (see severity indicator). The severity index suggests that inequality

¹⁵ The Gini Coefficient is a measure of inequality in income distribution of a given population. It is derived from a concentration curve of cumulative incomes and population. The Gini has a value between zero and one. The closer it is to one, the greater the inequality within the population.

among the poorest groups narrowed between 1968 and 1975, and has remained constant since then.

Table 2. 2: Poverty Trends in Gabon: 1960-1985

| | 1960 | 1968 | 1975 | 1985 |
|--|------|------|------|------|
| Poverty line = minimum wage | | | | |
| Incidence | 87 | 89 | 86 | 85 |
| Intensity | 60 | 61 | 54 | 53 |
| Severity | 47 | 46 | 38 | 38 |
| Poverty line = 2/3 of average consumption | | | | |
| Incidence | 68 | 67 | 62 | 62 |
| Intensity | 39 | 35 | 30 | 30 |
| Severity | 27 | 21 | 18 | 18 |
| Poverty line = 1 dollar per day | | | | |
| Incidence | 66 | 57 | 26 | 15 |
| Intensity | 38 | 27 | 8 | 4 |
| Severity | 26 | 15 | 4 | 1 |

Source : World Bank calculations, 1995

Table 2. 3: Poverty Trends in Gabon: 1990-1994

| | 1990 | 1991 | 1992 | 1993 | 1994 |
|--|------|------|------|------|------|
| Poverty line = minimum wage | | | | | |
| Incidence | 84 | 83 | 83 | 84 | 83 |
| Intensity | 51 | 50 | 50 | 51 | 50 |
| Severity | 35 | 35 | 34 | 36 | 35 |
| Poverty line = 2/3 of average consumption | | | | | |
| Incidence | 62 | 62 | 62 | 62 | 62 |
| Intensity | 30 | 30 | 30 | 30 | 30 |
| Severity | 18 | 18 | 18 | 18 | 18 |
| Poverty line = 1 dollar per day | | | | | |
| Incidence | 14 | 12 | 10 | 11 | 23 |
| Intensity | 3 | 2 | 2 | 2 | 7 |
| Severity | 1 | 1 | .5 | 1 | 3 |

Source : World Bank calculations, 1995

2.11 Applying a poverty line set at 1 dollar per person per day, at 1985 PPP, poverty remained very high between 1960 and 1968, but then diminished noticeably between 1968 and 1975. Given that Gabon is a middle-income country, the poverty line of 1 dollar per day might be considered an extreme one. Interpreting it in this way, the decline in poverty between 1960 and 1985 is consistent with the fall in the severity index.

2.12 When these three poverty lines are used (and assuming that growth has had a neutral effect on income distribution), inequality among the poorest groups (the severity of poverty) narrows between 1960 and 1975, probably because of rising demand for unskilled labor linked to the wave of investment during the oil boom. This second poverty line also suggests that poverty

in all its aspects grew worse between 1992 and 1994, as a result of the deepening economic crisis.

2.13 Low poverty elasticity. The elasticity of poverty shows the relative changes in measures of poverty as a function of changes in the rate of growth or the level of inequality¹⁶. As an indicator, this can clarify the effect on poverty of structural changes in the economy. The higher poverty elasticity is, the more readily poverty can be reduced by macroeconomic measures. *The trends suggest that the oil boom may have had no effect on poverty in Gabon, as measured by the minimum-wage poverty line.* This conclusion is confirmed by the poverty elasticity data shown in Table 2.4.

Table 2. 4: Poverty Elasticity in Gabon: 1960-1994

| Poverty line = minimum wage | | | | | | |
|-----------------------------|-----------|------------|-----------|------------|----------|------------|
| Years | Incidence | | Intensity | | Severity | |
| | Growth | Inequality | Growth | Inequality | Growth | Inequality |
| 1960 | -0.22 | -0.06 | -0.44 | 0.60 | -0.60 | 1.30 |
| 1968 | -0.19 | -0.07 | -0.46 | 0.48 | -0.64 | 1.06 |
| 1975 | -0.28 | -0.07 | -0.60 | 0.60 | -0.81 | 1.30 |
| 1985 | -0.28 | -0.07 | -0.61 | 0.62 | -0.83 | 1.3 |
| 1990 | -0.32 | -0.06 | -0.7 | 0.70 | -0.90 | 1.5 |
| 1991 | -0.32 | -0.06 | -0.7 | 0.7 | -0.9 | 1.5 |
| 1992 | -0.33 | -0.05 | -0.66 | 0.7 | -0.90 | 1.54 |
| 1993 | -0.3 | -0.06 | -0.64 | 0.70 | -0.90 | 1.5 |
| 1994 | -0.32 | -0.05 | -0.66 | 0.70 | -0.90 | 1.5 |

| Poverty line = 2/3 of Average Consumption | | | | | | |
|---|-----------|------------|-----------|------------|----------|------------|
| Years | Incidence | | Intensity | | Severity | |
| | Growth | Inequality | Growth | Inequality | Growth | Inequality |
| 1960 | -0.48 | 0.24 | -0.73 | 1.86 | -0.87 | 3.44 |
| 1968 | -0.53 | 0.26 | -0.92 | 1.96 | -1.23 | 3.61 |
| 1975 | -0.67 | 0.33 | -1.05 | 2.02 | -1.33 | 3.66 |
| 1985 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |
| 1990 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |
| 1991 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |
| 1992 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |
| 1993 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |
| 1994 | -0.70 | 0.33 | -1.05 | 2.02 | -1.33 | 3.7 |

¹⁶ The elasticity of the poverty index as a function of growth measures the relative variation in the proportion of poor people compared with the relative variation of growth in national income.

| Poverty line = 1 dollar per day | | | | | | |
|---------------------------------|-----------|------------|-----------|------------|----------|------------|
| Years | Incidence | | Intensity | | Severity | |
| | Growth | Inequality | Growth | Inequality | Growth | Inequality |
| 1960 | -0.50 | 0.29 | -0.75 | 2.02 | -0.92 | 3.70 |
| 1968 | -0.68 | 0.62 | -1.14 | 0.48 | -1.51 | 5.23 |
| 1975 | -1.41 | 3.61 | -2.10 | 9.0 | -2.76 | 14.00 |
| 1985 | -2.10 | 8.53 | -3.34 | 18.80 | -4.60 | 28.90 |
| 1990 | -2.07 | 8.40 | -3.31 | 18.50 | -4.52 | 28.50 |
| 1991 | -2.4 | 10.70 | -3.87 | 23.10 | -5.40 | 35.4 |
| 1992 | -2.63 | 12.90 | -4.40 | 27.5 | -6.15 | 42.00 |
| 1993 | -2.4 | 11.15 | -4.00 | 24.00 | -5.52 | 37.00 |
| 1994 | -1.60 | 4.6 | -2.40 | 11.00 | -3.11 | 17.00 |

Source : World Bank calculations, 1995

2.14 As can be seen, the dual nature of Gabon's economy and the economic policy choices made mean that the link between economic growth and poverty reduction is tenuous. The Gabonese economy is in effect divided between a modern sector, dominated by two enclave industries (oil and mining), and the subsistence economy, which includes many poor people. Growth in the modern sector has had little effect on the subsistence economy, despite the public and private transfers generated.

Changing Patterns of Inequality

2.15 The period under study (1960-1994) can be divided into two parts, on the basis of observed inequality. From 1960 to 1975, when the first oil boom ended, data on inequality and well-being show some improvement. But the lack of income distribution data makes it difficult to assess 1975 to 1994.

2.16 *A slight reduction in inequality (1960-1975).* There has always been a high degree of inequality in the distribution of assets in Gabon, from which can be deduced a high inequality of incomes. Regular Gini coefficients were calculated to describe the distribution pattern of living standards in 1960, 1968 and 1975. According to these data, the Gini coefficient fell from 68 to 60 between 1960 and 1975, which suggests that inequalities narrowed. In 1968, the Gini index was roughly equal to 64%. To judge from these figures, poverty was reduced from 1960 to 1968 by about the same amount as between 1968 and 1975.

2.17 This slight improvement between 1960 and 1968 is confirmed by two other measures. First, the decile distribution ratio¹⁷ increased from 9% in 1960 to about 13% in 1968, and 15% in 1975. Secondly, the ILO study, which compared the income share of the highest-earning 1% of the population against the rest, concluded that 80% of total income in 1975 accrued to less than 1% of the population.

¹⁷ The distribution ratio by decile is equal to the values for the lowest 40%, divided by those for the highest 20%. An increase in this ratio means that inequality has been reduced.

2.18 *Stable income inequality (1975-1994)?* The assumption that income inequality remained stable after 1975 is optimistic, since to our knowledge nothing has happened to cause a significant change in the structure of asset ownership. During 1973-85 the distribution may have been improved by the high level of incomes accorded to the public service and para-public enterprises, the high share of these sectors in total employment, and the safety net policies that were adopted (Chapter 8). Nevertheless, these effects were largely offset by the crisis that has gripped the country for the past 10 years.

C. SOCIAL INDICATORS AND LIVING CONDITIONS

2.19 A full understanding of poverty requires consideration of indicators other than those relating only to income and per-capita spending. Access to social services such as education and health, and household living conditions (access to potable water, housing conditions etc.) represent non-monetary indicators of poverty. Chapter 6 on education and Chapter 7 on health provide data on access to social services. Indicators on living conditions are presented here.¹⁸

2.20 *Uneven supply of potable water.* Access to safe drinking water still poses a grave risk for public health. The precarious state of water supply spreads endemic diseases and those linked to drinking or coming into contact with untreated water (such as bilharzia and diarrhea). The GPC found that 66% of the total population of Gabon has access to potable water, either direct to the home (38%), at a neighboring dwelling (21%) or from a public standpipe (7%), but with pronounced regional variations: while 80% of households in Estuaire and 53% of those in Ogooué Maritime have access to potable water, the rate is below 20% in Nyanga and Ngounié. Similarly, in the provinces of Ngounié, Ogooué Ivindo, Ogooué Lolo and Woleu Ntem, three households in five still draw their water from rivers and lakes.

2.21 *Insecurity of housing and occupancy status.* The census shows that much of the housing stock is of light construction (mainly of wood); 46% of households occupy dwellings of this type, 35% of units are semi-durable, and 27% are of the modern or durable kind. There are major variations among regions: in Ogooué Maritime, 32% of households are housed in light constructions; in Ogooué Lolo the proportion rises to 76%. Families living in temporary structures (7% in total) are especially numerous in Nyanga (25%) and Ngounié (15%). According to HES results, more than half of Libreville's population and slightly over one-third of Port Gentil's inhabitants live in modern-style homes¹⁹.

2.22 Regional differences are similarly noticeable when it comes to occupancy status: renters are clearly more numerous in the two "urban" provinces of Estuaire (Libreville) and Ogooué Maritime (Port Gentil), where 49 and 44% of households rent their homes (Box 2.2). In three other provinces the proportion of renters is 10 to 15%. In the remaining provinces, more than 70% of households own their homes. In rural areas, most households are owners, or have free housing.

¹⁸ The principal tables of results of the GPC on living conditions are in Annex A, tables A.1-A.8.

¹⁹ See Table 9 (Annex) for other city and regional variations.

Box 2.2: Urban Housing Conditions

The lack of housing security and the vulnerability that this engenders are major constraints cited by people interviewed during the PPA (about 80% of responses). In Libreville, as in the secondary towns, the poor generally live in houses built of non-permanent materials, boards, plywood or metal sheeting, that cannot keep out rain. Those who try to use more durable building materials often abandon their project half-finished, when they lose their source of income. Still others live in permanent-style dwellings inherited from their parents, who may have had the house for decades but were unable to keep it up. The cost of imported materials is prohibitive for most villagers. It is difficult to build a proper house with local materials, when there is no chainsaw to cut trees, and, as several persons pointed out, it is becoming increasingly hard to find straw to make a roof. Generally, such houses cannot stand up to storms nor can they keep out thieves. In the crowded districts of Libreville, a fire can become a catastrophe, especially since the state of the roads does not allow fire-fighting equipment to approach. The Social Assistance Office of the Ministry of Social Affairs has a program to help flood and fire victims, but they must still find temporary shelter, or make do with what is left of their homes, while they wait for the annual meeting of the Commission to review their claim.

The cost of housing. The most serious challenges face those renters who are very poor, and who have no prospect of inheriting their parent's home or of using it while they live elsewhere. Many are in chronic arrears with their rent, and are under constant threat from their landlords. Tenants in the capital and secondary towns alike tend to think their rents too high, given the typically shoddy construction and the cramped quarters they must endure: rent for a single-room wooden dwelling in Minvoul can be up to CFAF 15,000 per month, and up to CFAF 20,000 for a more solid one-room dwelling in Libreville.

Source: PPA, June 1995.

2.23 Sanitation. Most households (76%) use latrines, but the proportion varies from 63% in Haut Ogooué to 95% in Ogooué Lolo. The census provides no data on the quality of latrines, nor on the reliability of this information. In the three provinces containing the three largest cities, just over 20% of households use flush toilets, a proportion lower than that of durable-construction housing (27% for the country as a whole). A 1993 survey by the Ministry of Public Health found that 49.7% of households were disposing properly of their garbage.

2.24 Oil and firewood, the main sources of energy. Gabon is well endowed with oil and wood, and from this point of view Gabonese households are better off than those in other countries of the region. The main source of lighting is electricity (60% of households), followed by oil (34%). There are major regional variations, with 84% of households using electricity in Estuaire, compared with 16% in Ogooué Ivindo. According to the HES, conditions are roughly comparable between the two main cities: 49% of households in the capital and 58% of those in Port Gentil have direct power connections. Overall, 95 and 98% respectively of households in the two cities have access to electricity, whether through individual metered service or the supply of the owner of their dwelling or a neighbor.

2.25 Gas is the most widely used fuel for cooking (53% of households), followed by firewood (39%). But once again regional disparities are enormous: except in those provinces where households rely primarily on gas (Estuaire: 75%, Ogooué maritime: 78%, Haut Ogooué: 42% and Moyen Ogooué: 33%), more than 80% of families still cook with wood.

D. HOW THE POOR ASSESS THEIR LIVING CONDITIONS

2.26 The preceding poverty assessment is based on quantitative statistical analysis. It is particularly instructive to listen directly to the views of the people concerned²⁰. To this end, a participatory poverty assessment was undertaken in June 1995²¹. This survey, which was conducted in both rural and urban settings, consisted of asking poor groups to list the main problems they encountered in their lives (Table 2.5 and Graphs 2.1, 2.2, and 2.3), analyze their causes and propose solutions²². The results make it possible to identify priority needs for each geographic setting, and to appreciate the sharp contrasts between villages, secondary towns and Libreville itself.

Table 2. 5: The Five Most-cited Problems by Type of Settlement

(percentages of those interviewed)

| Problems | Villages | Secondary Centers | Libreville |
|-------------|----------|-------------------|------------|
| Health | 95 | 57 | 36 |
| Water | 66 | 77 | 40 |
| Isolation | 69 | 74 | 55 |
| Education | 69 | 44 | |
| Electricity | 46 | 71 | |
| Sanitation | | | 66 |
| Insecurity | | | 44 |

Source: PPA, June 1995

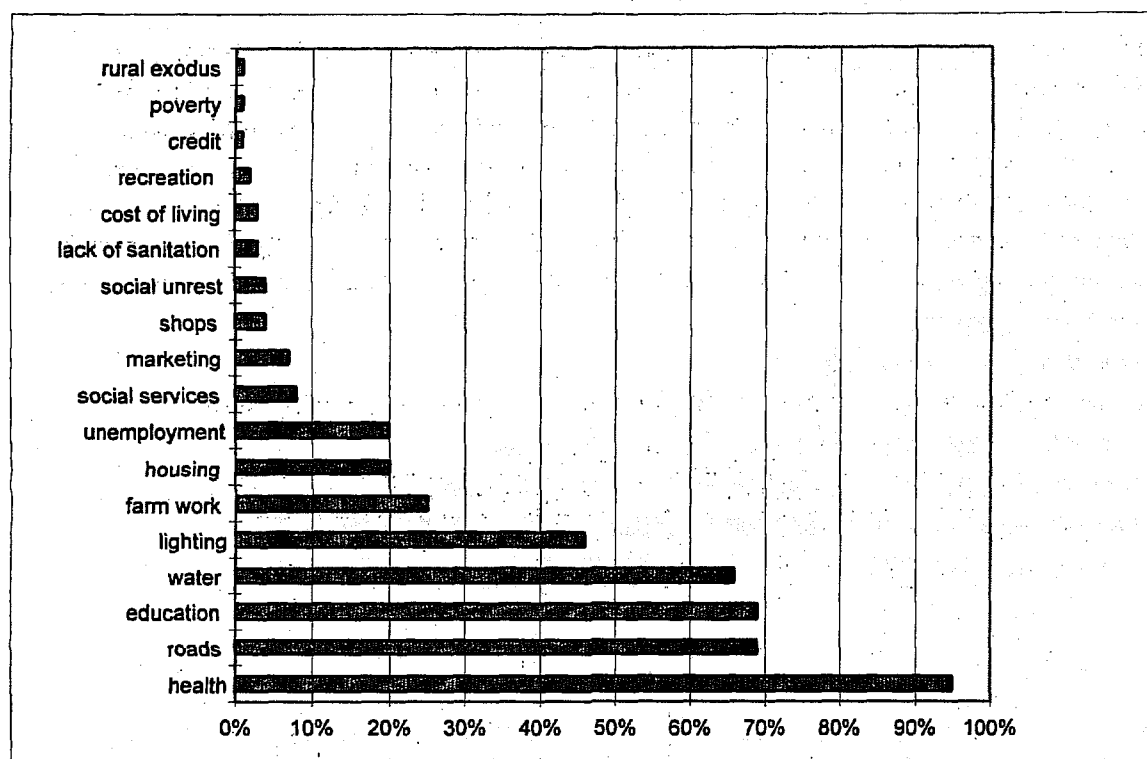
Rural Areas

2.27 The health problem is serious in the villages: this was cited by nearly all respondents (95%). The inadequacy or lack of village sanitation facilities, and the cost or scarcity of medical supplies, severely affect people already weakened by exhausting field labor, a sparse and unbalanced diet and an unhealthy living environment. Access to existing health services is difficult or impossible, because of distance, inadequate transport and lack of money. Problems of isolation, school supplies, and water supply were cited almost as often (by two-thirds of persons interviewed).

²⁰ The Economic and Social Council has also tried to gather people's views, in its 1994 report "Annual review of public expectations, needs and proposals".

²¹ See Annex B.

²² The solutions put forward by respondents for improving their living conditions are discussed in Chapter 9 on the anti-poverty strategy.

Graph 2. 1: Problems in the Villages

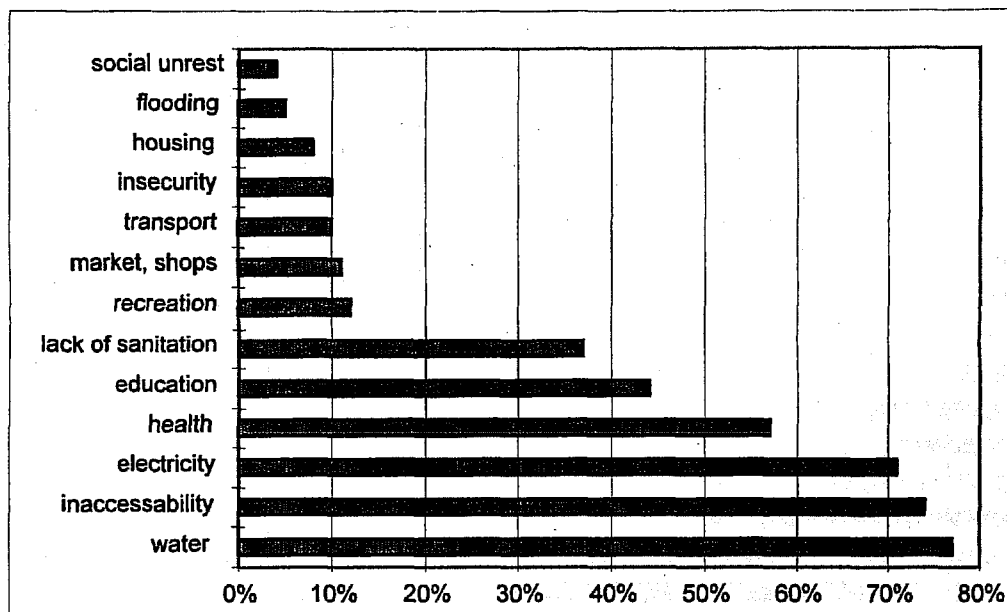
Source: PPA, June 1995

2.28 Priorities. A listing of problems by the priority people attach to them confirms that rural areas suffer severely in health: 58% of respondents placed such problems first. For 38%, access to education was the second most important problem. The pattern was less uniform when it came to ranking problems of village isolation and water supply, since severity varied from village to village.

Secondary Urban Centers

2.29 The lack or inadequacy of urban infrastructure (water, electricity, access roads) was the principal complaint (71 to 77% of respondents). While the situation is better than in rural areas, access to social services is still very difficult, given the isolation of many peripheral neighborhoods, and the dysfunction and cost of services: 57% of respondents said they effectively had no access to health services. As to education, 44% claimed that it was difficult to send their children to school, at the secondary level in particular, but even in the primary grades, mainly for reasons of cost (see Box 3.4).

Graph 2. 2: Problems in Secondary Urban Centers

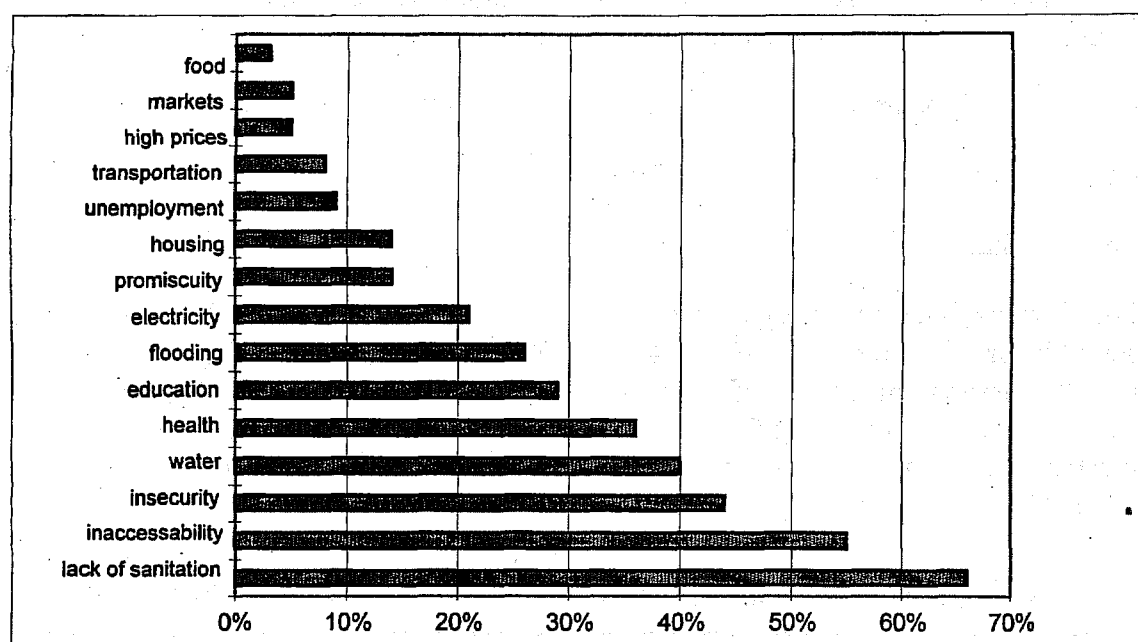


Source: PPA, June 1995

2.30 Priorities. The distribution of responses makes it difficult to distinguish clearly between first and second priorities, but it confirms the importance of water, electricity and access roads. Access to health services was ranked as the first priority by 28% of respondents, and education as the second priority by 22%.

Under-served Neighborhoods in Libreville

2.31 Although Libreville has functioning health facilities, health was a problem for 36% of respondents in the under-served neighborhoods of the capital. Residents of the “matitis” – shantytowns–complained about the unhealthy environment in which they were forced to live (66%). Even better-off residents of these neighborhoods are affected by this, as well as by the poor condition or the total lack of access roads (55% complained of isolation), and the growing insecurity associated with rising unemployment (44%). Water supply problems (cited by 40% of respondents) are of concern primarily to the poorest groups, who have no opportunity to be hooked up and, in the absence of public standpipes, must often depend on buying high-priced water from their neighbors.

Graph 2. 3: Problems in Under-served Neighborhoods

Source: PPA, June 1995

2.32 *Priorities.* The ranking of problems shows that 40% and 34% of those interviewed put the inaccessability of their neighborhoods and sanitation as their first and second concerns. The problem of insecurity was cited in third place at 15%. Water supply and health services were important issues, since 13% and 11% ranked these as their priority need.

E. DETERMINANTS OF POVERTY

2.33 The persistence of poverty and inequality in Gabon is determined by the structure of the economy and the policies pursued by the Government.

Economic Structure

2.34 The structure of an economy can be defined by resource endowments and its institutional framework. Resource endowment determines a country's capacity to improve living conditions for its population as a whole. The nature and workings of its institutions determine differences with respect to control over resources (material and human) and the benefit derived from those resources.

2.35 The available data suggest that the observable degrees of inequality and poverty are primarily linked to a number of interdependent considerations:

- the factor distribution of income between capital and labor;

- the distribution of income between the four basic institutional sectors: households, businesses, the Government and the rest of the world;
- the distribution of human and material resources within society;
- disparities between the urban and rural sectors; and
- inter-sectoral linkages.

2.36 *Distribution of income among factors and institutions.* Table 2.6 shows the inter-factor distribution of income between 1981 and 1994. The data point to a noticeable degree of inequality in the distribution of value-added between labor and capital. Over 1981-94, labor's share of GDP was consistently lower than that of capital. It rose following the oil boom until 1988, when the share of the two factors appeared roughly the same, and then declined sharply from 1988 to 1994.

Table 2. 6: Factor Income Shares in Gabon's GDP (1981-1994) (%)

| Years | Income from labor | Income from capital | Net indirect taxes | Total |
|-------|-------------------|---------------------|--------------------|-------|
| 1981 | 26.30 | 62.30 | 11.40 | 100 |
| 1988 | 42.20 | 41.00 | 16.80 | 100 |
| 1989 | 36.52 | 48.20 | 15.28 | 100 |
| 1990 | 34.40 | 49.50 | 16.10 | 100 |
| 1991 | 35.20 | 47.80 | 17.00 | 100 |
| 1994 | 28.04 | 57.11 | 14.86 | 100 |

Source: National accounts (1981, 1988-91, 1994)

2.37 *Distribution of capital.* Another structural factor that may help to explain the observed degree of inequality in Gabon and the degree of poverty, is the distribution of capital (human and material resources) within society. Table 2.7 shows that at least 62% of household income derived from labor in 1994²³. This demonstrates the importance to a country of having its own human resources if it is to escape from poverty, especially in a labor market where skilled manpower is very scarce, as in Gabon (see para. 6.4).

²³ Household income represents 44.91% of all income in Gabon, and household income from labor 27.91%. Income from labor is therefore 62% of all household income.

Table 2. 7: Distribution of Factor Income - Gabon, 1994 (%)

| | Income from labor | Income from capital | Taxes (indirect, net) | Total |
|------------|----------------------|------------------------|--------------------------|--------|
| Businesses | 0.00 | 32.67 | 0.00 | 32.67 |
| Households | 27.91 | 17.00 | 0.00 | 44.91 |
| Government | 00.00 | 0.00 | 14.86 | 14.86 |
| World | 0.13 | 7.43 | 0.00 | 7.56 |
| Total | 28.04 | 57.11 | 14.86 | 100.00 |

Source: National Accounts, 1994.

2.38 Disparities between the urban and rural sectors. In 1975, the last year for which data are available, average income in the urban sector was six times higher than in the rural sector. The highest per-capita rural income represented 120% of the yearly minimum wage. Inequalities were more pronounced in urban areas (with a Gini coefficient close to 52%) than in rural areas (about 27.5%) in the same year. These disparities are in part attributable to the sources of rural income: according to the ILO study, agriculture, paid work and trade and other independent, non-agricultural activities were the basis of livelihood for, respectively, 85%, 9% and 6% of the rural population. The gap between the two sectors may also be due to differences in the level of human and material resources and of social infrastructure.

2.39 Inter-sectoral linkages. Table 2.8, confirms the fundamentally dual nature of the Gabonese economy. This structural feature is a determining factor for the country's growth model. None of the branches of the primary sector (agriculture, forestry, the oil industry and mining) shows much linkage to the rest of the economy (their integration index is less than 1), for 1981 or 1989²⁴. The agricultural sector is dominated by the subsistence sub-sector, and the remainder of the primary sector is oriented towards the world market. The integration indices show that the construction and public works sector is what actually drives the economy, but it is less sensitive to a general rise in final demand, which tends to stimulate the private service sector. Here the downstream integration index is clearly greater than that for any other sector, in both years under review. The manufacturing sector and the overall economy certainly influence each other, but this is less pronounced than in the case of the construction and private service sectors.

²⁴ The value of 1.18 for the upstream integration index in the forestry sector in 1989 reflects the fact that this sector includes wood processing, which was excluded from the 1981 consolidation.

Table 2. 8: Inter-sectoral Linkages in Gabon (1981-1989)

| | Upstream integration | | Downstream integration | |
|-------------------------------|----------------------|------|------------------------|------|
| | 1981 | 1989 | 1981 | 1989 |
| Agriculture | 0.73 | 0.68 | 0.54 | 0.61 |
| Forestry | 0.97 | 1.18 | 0.54 | 0.67 |
| Oil industry | 0.74 | 0.78 | 0.89 | 0.68 |
| Mining | 0.87 | 0.88 | 0.52 | 0.57 |
| Manufacturing | 1.17 | 1.11 | 1.03 | 1.11 |
| Construction and public works | 1.23 | 1.52 | 0.85 | 1.00 |
| Private services | 0.97 | 0.94 | 3.11 | 2.78 |
| Public services | 1.34 | 0.91 | 0.52 | 0.57 |

Source : World Bank, calculated using input-output tables for 1981 and 1989.

Note : Table 2.8 contains Rasmussen indices for upstream and downstream integration in the Gabonese economy for 1981 and 1989. The downstream integration index is a standardized measure of the total incidence, *on the economy*, of a unit increase in demand for output of the sector in question; a value greater than 1 indicates an above average incidence on the economy. Conversely, the upstream integration index is a standardized measure of the incidence *on a given sector* of a unit increase in aggregate final demand. An upstream integration index value greater than 1 indicates that the incidence of aggregate final demand on the sector is greater than average. According to Rasmussen's method, sectors with an integration index greater than 1 are considered as key sectors.

Economic Policy

2.40 The disproportionate weight of a few primary products in the Gabonese economy—oil in particular—makes the country extremely vulnerable to trade disturbances. Ill-considered measures taken to deal with such events can have perverse effects on socioeconomic performance in general and on the battle against poverty in particular. Measures taken in response to an inflow of resources can be analyzed as to: i) savings behavior and investment decisions by the beneficiaries of extraordinary revenues; and ii) accompanying macroeconomic measures.

2.41 *Savings and investment.* In Gabon, it can reasonably be concluded that the main beneficiaries of the oil boom have been the formal private sector and the Government; it also seems that most of these additional resources have been saved. The ILO²⁵ notes that private consumption accounted for less than 25% of GDP and less than 20% in 1975. But a World Bank report²⁶ has shown that gross domestic savings²⁷ represented on average 50.1% of GDP for 1981-1986, and 36.3% for 1987-1991.

2.42 A large portion of these savings was used to purchase non-tradable capital goods, such as buildings and public works (BPW) and railway infrastructure, which led to a boom in the construction industry from 1974 to 1977, and raised the costs of BPW services. The strength of this sector is reflected in part in the share of construction jobs in overall private sector

²⁵ ILO: 1980: Employment and income shares in Gabon, p. 9.

²⁶ 1994:252.

²⁷ Gross domestic savings equals gross domestic product (GDP) less total consumption.

employment (including the para-public sector), which rose from about 25% between 1970 and 1982 to 35% in 1975-77.

2.43 Growth in the building and public works sector was dominated by the Trans-Gabon railway project; this has yet to demonstrate its economic viability. In 1988 this project accounted for some 49% of public investment²⁸. The degree of upstream integration in the building and public works sector (Table 2.8) suggests that growth in this sector gave a strong boost to aggregate demand, leading to inflationary pressures. In fact, the inflation rate reached an average of 17% between 1974 and 1977.

2.44 The Gabonese Government took advantage of its improved financial status during the oil boom to increase its foreign borrowings. The external public debt rose by 62% between 1975 and 1976 and by 1988 represented 75% of GDP²⁹. Rather than building up its external assets to prolong the investment boom, the Government decided to borrow more, and this merely intensified the shock.

2.45 *Macroeconomic measures.* Actions taken in the wake of the oil boom were not compatible with the prevailing macroeconomic environment (trade, monetary and budgetary policies). It is important to note that the exchange rate is a key variable that links the economy to the rest of the world and thus constitutes an essential determinant of competitiveness. In Gabon, fixing the exchange rate imposed restrictions on the adoption of appropriate budgetary and monetary measures. This led to imbalances on both the domestic and external fronts, and made adjustment necessary.

2.46 Until the 1994 devaluation of the CFA franc, countries in the CFA zone were obliged to follow a domestic adjustment policy that ruled out nominal devaluation. The effect of adjustment of this kind is a depreciation in the real exchange rate, as prices and nominal wages fall. Gabon failed to respect this fundamental principle for reducing structural deficits. The lack of adjustment had several consequences: i) the tradable goods sector lost its competitiveness, because the real exchange rate appreciated; ii) output declined; and iii) unemployment rose, still further eroding the tax base and exacerbating the budget deficit.

2.47 *Conclusion.* This analysis suggests that the policy followed by Gabon was inappropriate for combating poverty in at least two respects, both linked to the surge in revenues from the oil boom and the resulting expenditure pattern.

- It may be concluded from the structure of the investment budget that the kinds of asset accumulated were not compatible with reducing poverty. Given the lack of human resources and the dual nature of the country's economy, it would have been advisable to invest more heavily in human resources, by improving the health and education systems and the road and communications networks, and less in railway infrastructure and para-public enterprises.

²⁸ UNIDO, Economic analysis and prospects for Gabon, 1991: p. 73.

²⁹ UNIDO, Ibid., p. 3.

- The inability to adjust to the drop in revenues created a macroeconomic environment incompatible with the kind of sustainable growth that would allow poverty to recede.

The Causes of Poverty as Seen by the Poor

2.48 When invited to identify the underlying causes of their problems, the persons and groups - urban and rural alike - interviewed during the PPA spoke freely and at length.

2.49 *Challenging the authorities.* In both settings, urban and rural, the deteriorating situation is seen as a consequence of the economic crisis afflicting the country, and in particular the devaluation. Yet for many people the problem is more structural than cyclical. Gabon would not be in its current state, they say, if the Government were managing the country more wisely.

2.50 *Lack of jobs and competition from foreigners.* Depending on their situation, the persons interviewed complained of the lack of job-creating businesses (especially in the rural and semi-urban areas), and closures or lay-offs at existing companies (especially in Libreville). Many Gabonese consider that the labor market is weighted in favor of foreigners, in the sense that they are not entitled to the same benefits and protections as Gabonese citizens, and are thus cheaper to hire: their SMIG (minimum wage), stripped of domestic fringe benefits, is only CFAF 40,000/month (compared with CFAF 64,000 for citizens). Yet there were also many complaints about unfair competition from foreigners even in the informal sector, where they were accused of conducting price wars.

2.51 *Rural neglect.* Rural dwellers generally attribute their problems in producing and selling their crops to the weakness of public services and investments in the agricultural sector. They see themselves as marginalized and shut out, even from projects of direct concern to them. They may hear much talk on the radio about such projects, but they never see any concrete results.

2.52 *Self-questioning.* Some people are ready to admit that it is not only the authorities who are to blame for deteriorating living conditions. They question their own behavior, particularly in regard to their involvement in issues of community interest. They recognize that they could be working more closely together to improve the environment and the healthfulness of their neighborhood or village. Some are disgusted with the egotism of those who have "made it" in the city and neglect the relatives they have left behind in the rural areas.

F. SURVIVAL STRATEGIES³⁰

Individual Strategies

2.53 *Diversification.* Even under the most difficult circumstances, poor people try to meet their minimum needs and to avoid becoming totally dependent on their relatives. **In urban areas,** they will seek out odd-jobs to perform for private individuals or small trading or

³⁰ Most of the information in this section is drawn from the Participatory Poverty Assessment.

construction enterprises. Another way to at least feed the family is to grow foodstuffs, even in Libreville, where many households work in the fields scattered around the city's outskirts, sometimes as far away as 20 kilometers. **In the rural areas**, households try to supplement their incomes by engaging in hunting and fishing, or in the case of women, making traditional wine. There is little attention to handicrafts, apart from the processing of certain farm products.

2.54 *Indebtedness.* The resources derived from occasional activities of this kind have to be immediately spent to meet the needs of the moment, and are not enough to cover every need. It is becoming increasingly common to go into debt to friends or local merchants.³¹

2.55 *Strict expenditure management.* Some wage-earners or retired people, with modest but regular incomes, may attempt to ensure their economic independence by exercising strict control over their spending patterns. As soon as they are paid their wages or pension, they stock up on basic foods or medications and dole them out sparingly, limiting themselves to as little as one meal a day. Others, with more sporadic incomes, may forego satisfying their immediate needs or cut back on their food intake to leave enough for such expenses as rent.

Family Assistance³²

2.56 *Family assistance in an economic crisis.* When asked about their strategies for ensuring at least a subsistence income, most urban respondents, particularly in the capital, referred to the notion of solidarity, primarily family solidarity: this occurred in 43% of responses in Libreville, 36% in the secondary centers, but only 31% among rural dwellers (Table 2.9). **In urban areas**, helping the extended family can take the form of transfers in cash or in kind (cooking oil, sardines, clothing, school supplies). Assistance may be provided regularly or as needed (for example during a hospitalization). Such transfers may be frequent, but they do not involve large sums³³. Solidarity often involves taking in dependent relatives who cannot house or feed themselves. Another form of transfer, found frequently in urban settings, is for a relative to make rent-free accommodation available (generally in buildings of non-durable materials that are often dilapidated or even unfinished). **In the rural areas**, there are reciprocal transfers among relatives (exchanging wild game for manioc, for example), but these are less frequent. The members of any one family generally share the same living conditions, and produce the same foodstuffs, except for some retired people who may return to their village and may be able to offer a little monetary assistance when their pension payments arrive.

³¹ When asked about the factors that lead to impoverishment, some people cited the Malian traders, many of whom had ruined themselves by extending credit too freely to their customers.

³² During the discussions of November 1996, several members of the Inter-Ministerial Technical Committee stressed that while this kind of family assistance might be a basic means of survival for poor people, it also tended to promote idle behavior, a spirit of dependence, and a culture of poverty. Some pointed out that reducing poverty would require a change in behavior at all levels (government, the family unit, the individual). This spirit of dependence may in time pose a threat to the poor themselves, by throwing into question the very notion of family solidarity.

³³ See Chapter 3.

2.57 *Exchanges between city and rural areas.* Traditionally, city-living relatives receive foodstuffs or game and smoked fish, and send back money or basic necessities such as cooking oil, fuel oil, salt or soap. The rural people interviewed seldom mentioned medications as products they would receive from their city cousins. This may indicate that villagers can turn at need to hospital services in the secondary urban centers, or that relatives in the city cannot afford to send medications. As urban impoverishment increases, sending money and goods to village relatives is becoming more rare. Some of the people interviewed in Libreville confessed that they had not been back to their village for many years. They cannot afford the cost of the trip, nor can they conceive of returning there empty-handed.

Table 2. 9: Survival Strategies (% of respondents)

| Strategy | Libreville | Secondary towns | Rural | Total |
|----------------------|------------|-----------------|-------|-------|
| Family solidarity | 43 | 36 | 31 | 36 |
| Field work | 5 | 27 | 40 | 26 |
| Odd jobs | 22 | 21 | 22 | 21 |
| Miscellaneous income | 22 | 12 | 3 | 12 |
| Selling foodstuffs | 3 | 3 | 3 | 3 |
| Tighter budgeting | 5 | 1 | 1 | 2 |

Source: PPA, June 1995

2.58 *Back to the village.* During this period of crisis, the village has become the last refuge for those urban households whose city relatives cannot give them enough help to survive. The PPA found that some household heads will send women and children back to the village, where they can at least feed themselves by working in the fields with the village relatives.

Mutual Support

2.59 *Neighbor to neighbor.* As everywhere in Africa, there are forms of mutual aid between neighbors and residents of the same village, in particular when it comes to paying for funeral expenses. Elderly people living alone may from time to time receive store-bought medications or food from their neighbors. Some respondents thought that mutual aid did not go beyond one's own ethnic group. They said that, with devaluation and rising properly unemployment, such support was disappearing, since "the poor can't help the poor," and between neighbors, "the poorer you are, the harder it gets, and the more hatred and jealousy there is." Yet they recognize that it is unlikely that a neighbor will be abandoned, however much dissension there may be in the community.

2.60 *Tontines.* This is a means for people with average or modest but regular incomes to save enough to make a major purchase. The poorest groups are generally excluded from joining a tontine, for lack of income (see Annex B, Table B.9). In some kinds of tontine, quotas can be paid in kind, by contributing domestic goods or equipment. Contributions tend to be minimal: "I am a member of a tontine, with six other women; I pay in one liter of cooking oil and 4 bars of soap twice a month." Such tontines may be seen largely as a form of moral support. In Libreville particularly, where the poor often feel isolated, tontines allow people to enjoy a taste

of social life. At their meetings the members drink and eat together, exchange news and comfort each other.

2.61 *Urban associations of ex-villagers.* People from the same village who have migrated to the city often form associations, by which they can support and assist each other in social events such as marriages or funerals. Only a few of these associations have made any effort to promote development in their former village. The PPA suggests, however, that the Gabonese are becoming increasingly aware that the State is not going to solve all their problems, and that people must work together to improve their living conditions (Box 2.3).

Box 2.3: An Ex-villagers' Association

In Libreville, former residents of three neighboring villages in Woleu N'tem used to get together from time to time. In 1994 they decided to form an association to promote mutual understanding and solidarity, and to provide assistance to their native village. The Association was formally founded in January 1995, and now has 200 active members. Monthly membership dues are set in principle at CFAF 5,000 for public servants and employees of large businesses, CFAF 3,000 for part-time workers, CFAF 1,500 for students and CFAF 2,000 for married women. Between January and July of 1995, the association was able to collect CFAF 485,000 in this way.

In the city, members help each other pay for funerals, marriages and baptisms. Back in the village, their activities are focused on social work with "worn-out" relatives and indigent villagers. The Association provides assistance in the form of rice, smoked sardines, salt or fuel oil and seeks to enlist the younger people's help in revitalizing the village. During the vacation period, members organized youth in a three-day "roll up your sleeves" operation, in which they cleared brush from the village, the cemetery and the path to the creek. They plan to reinforce the well-head with concrete, and find a site to develop a football field. The Association will have a representative in the village to work with young people.

Source: PPA, June 1995

3. URBAN POVERTY³⁴

Nearly 20% of the population of Libreville and Port Gentil has a disposable income less than the absolute minimum of 29,000 CFA francs per person monthly. The prosperity generated by oil revenues led to an influx of people to the main urban centers over the past 20 years. At the same time, policies with respect to secondary education brought young people into the cities for schooling: many have remained there. In the absence of any coherent urban planning, new residents have had to live in dwellings on un-zoned and unserviced lots perched on steep slopes, prone to mudslides or flooding, inaccessible by road and lacking sewage facilities. These unhealthy conditions, combined with uncertain land tenure, precarious housing, lack of access to urban facilities and services, and—since 1986—massive unemployment (see Chapter 4) go far to explain the urban poverty and misery found in Gabon.

A. PROFILE OF URBAN POVERTY

Calculating the Absolute Poverty Line³⁵

3.1 An absolute poverty line has been calculated for Libreville and Port Gentil, using data from the HES. This is based on estimated consumption relative to a minimum nutritional component (the average consumption necessary to cover an average person's daily caloric needs, as established by FAO), and a non-food component estimated as a proportion of food expenditures in total consumption, according to the principles of Engel's Law³⁶. To provide a basket equal to 2,100 calories a person a day, the food poverty line has been estimated at CFAF 18,000, and the absolute poverty line at CFAF 29,000, a person a month.

Estimating the Number of Poor People

3.2 Nine percent of inhabitants of the two cities may be considered as living below the minimum food line (their level of total consumption is less than that necessary to meet minimum food requirements). These "food-poor" people are 31% below the standard needed to cover their basic needs. **Nineteen percent of individuals (about 96,000 people) have incomes below the absolute poverty line.**

³⁴ This chapter focuses on Libreville and Port Gentil. The methodology and the principal results of the Household Expenditure Survey are given in Annex C. Poverty in the secondary towns is dealt with in the chapter on rural poverty.

³⁵ See Annex C for methodological notes on calculation of the urban absolute poverty line.

³⁶ It is more difficult to estimate non-food than food needs. To establish a value for basic non-food needs, we use Engel's Law, which is valid for all countries. That law states that the poorer a family is, the greater the portion of its consumption that is devoted to food. Using this law, we can make a reasonable estimate, for any given population, of the portion of a household's spending with devoted to food, if we know the family size and its total consumption. (See details on this method in Annex C).

Table 3. 1: Poverty Indicators in Libreville and Port Gentil

| | Food poverty line | Absolute poverty line | Relative poverty line ³⁷ |
|--|-------------------|-----------------------|-------------------------------------|
| Poverty line (income/month/UC) in CFA francs | 18,000 | 29,000 | 59,000 |
| Incidence (P_0) in % | 9.0 | 18.9 | 25 |
| Intensity (P_1) in % | 31 | 36 | na |
| Severity (P_2) in % | 2.9 | 6.7 | na |
| Average household size | 10.7 | 7.9 | na |

Source : DGSEE, World Bank

Note: UC: Unit of consumption; na: not available. Indicators P_0 , P_1 et P_2 are defined in the previous chapter (Box 2.1).

3.3 The line P_0 gives only an overall indication of poverty. Indicators P_1 and P_2 (Table 3.1) provide a better appreciation of the intensity and severity of poverty among the poorer groups. The average consumption deficit of the poor, against the poverty line, is 36%, which denotes high poverty intensity. Indicator P_2 shows that the poor population is fairly homogeneous.

Solidarity and Poverty

3.4 Poor households are larger (between 7.9 and 10.7 persons, depending on the poverty line used) than the average of households in the two cities (5.5 persons). While household size in Port Gentil varies little between poor and extremely poor, there is a large variation in Libreville, where the poorer people are, the more likely they are to belong to a large household.

3.5 A distinction must be made between two types of poverty: that of households where the head has very little income, and that of households originally middle class, where the head may have a relatively high income, but is obliged to support a large number of jobless relatives. Households that consume the least in the way of meat, fish, vegetables, bananas or manioc per head tend to be large households with income at average levels (up to 300,000 CFA francs per month). Willingness to accommodate relatives in this way has less to do with the household head's real income level than with the stability of the head's situation: for this reason, civil servants and higher-level employees are the most likely to be solicited (such people often own their dwellings).

3.6 Because of family solidarity considerations, the middle classes in Libreville include a greater absolute number of poor people than do lower-income households. In Libreville, of every 100 persons with an income per head of less than CFAF 29,000 per month, some 40%

³⁷ The relative poverty line can be set at the first quartile (25%) of household income distribution. Applying this definition to Libreville and Port Gentil, we consider as poor any household with an income below or equal to CFAF 150,000, or an income per unit of consumption below or equal to CFAF 59,000. The relative poverty line can also be set at two-thirds of average income, or CFAF 68,000 per head per month. The minimum wage, at CFAF 64,000 per month, is a fair approximation of the relative poverty line.

belong to the first income quartile, while 47% and 13% belong to the second and third quartiles respectively.

3.7 The extended household implies a lower standard of living, and a lower level of benefits derived from public services, in particular education. The more children between 6 and 16 years of age in a household, the more likely they are to be behind in their schooling. The number of children in a household was found to be as important as the level of education of their parents or guardians³⁸ in determining the children's success at school. This suggests that the practice of welcoming relatives may lead over the medium or long term to the collapse of a family's cultural and education heritage, and to the impoverishment of future generations.

3.8 Taking poor relatives into the family seems to be the most widespread response to growing urban poverty. As results from the PPA show, there is misery throughout the city, yet the level of mutual help and solidarity among people within the same neighborhood is low. Savings and loan associations (or tontines) are rare, or are limited to a few services exchanged among women neighbors (See Chapter 2, Section F). There is still very little collective initiative to improve the environment by organizing road repairs or collecting garbage. The cooperative sector is unstructured and not very dynamic. Many projects never progress beyond the first declaration of good intentions and, with notable exceptions³⁹, there are very few active youth organizations.

Who Are the Poor?

3.9 Forty-one percent of household heads living below the poverty line are unemployed or retired. The remaining heads of poor families can be grouped as private sector employees (21%), independents within the formal or informal sectors (18%), and employees of the public or para-public sectors (15%). Higher-level employees represent as much as 6% of poor family heads. On average, the head's own income represents 62% of the combined household income among poor families.

Transfers Are an Indispensable Supplement to the Poorest Incomes

3.10 The poorest households receive a high proportion of their incomes from inter-household transfers, which represent more than one-third of their income (Graph 3.1). These transfers, when added to the household head's own income, represent close to 80% of income among households in the first quartile. The importance of transfers diminishes progressively as overall household income rises. Earnings from work and other income directly attributable to the household head are more important in the first quartile than in the others.

³⁸ We built a linear model integrating the age of the child (the older, the more likely to be behind in school), the level of education of the parents or guardian and the number of children aged 6 to 16 in the household. This model explains 75% of educational retardation observed.

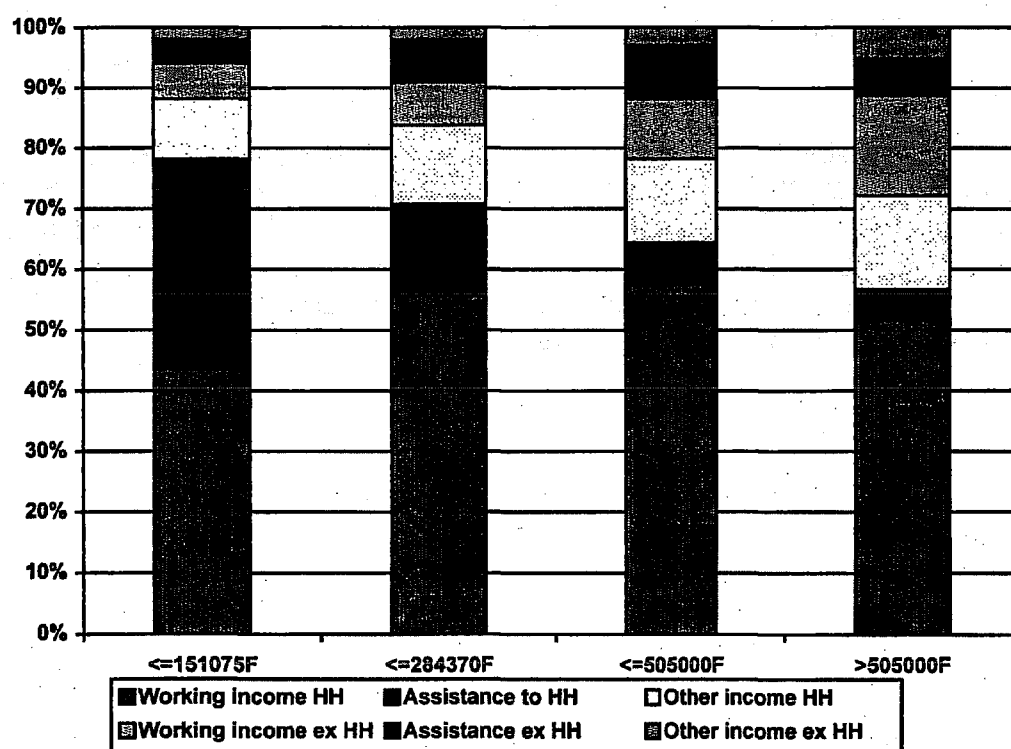
³⁹ The CIAJE (*Comité Inter-associatif Jeunesse Environnement*) is one of the very few youth organizations in Gabon oriented towards the urban environment. It has supported drainage projects in some districts of Libreville.

Box 3.1: Life for a Young Jobless Family in Libreville (Petit Paris)

"I left high-school two years ago. I have a wife and two children. The house belongs to my father, who went back to the village, and that lets me save on rent. Besides my wife and the two children, we have six others with us: my two younger brothers, a cousin, two younger sisters and a sister-in-law. We have only three rooms, and when it rains hard, the water can get a meter deep in the house. That's hard on us, because everything gets wet-mattresses, bedclothes, everything. Every year it's the same—we see nothing from the fine promises that the Mayor and our politicians keep making. I don't have a job, and I don't have any vocational training. I get by with doing little odd-jobs or painting and such. But it's not always enough, and we sometimes go all day without eating. My wife no longer works. She has a kindergarten teacher's diploma, but she can't find a job. When things get too tough, neighbors from our ethnic group help us. My older sister and my mother do some farming out on the PK 25 road and they send us food and a little money, and medicines, too, since we are often sick with malaria, diarrhea and skin diseases because of all the dirty water around us. My sister-in-law has tuberculosis, but we don't have money for all the medicines she needs. We never know what's going to happen to us next."

Source: PPS, June 1995

Graph 3. 1: Components of Average Household Income by Quartile (Libreville, Port Gentil)



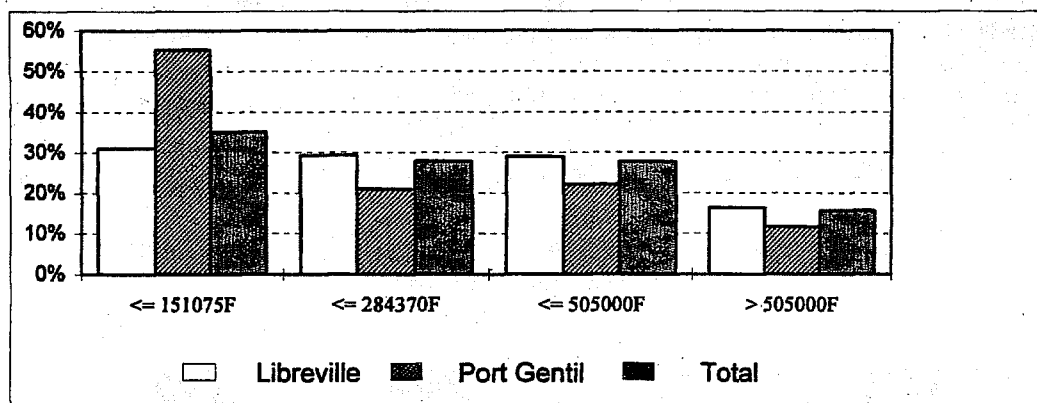
Source: HES, 1993

Note: HH = Household head

3.11 When inter-household transfers are analyzed in detail individually, the amount of help received can be seen to depend on nationality, sex and age (see Annex C, tables C.4 and C.5). Assistance given to female household heads is clearly greater than what males receive, but this decreases rapidly after age 25 (at 25, Gabonese women receive on average more than CFAF

50,000 a month). As a result, overall transfers to households headed by women go a considerable way toward reducing income inequalities among households of this kind. From Table 3.2, showing the effect of transfers on household income, it can be seen that the Gini coefficient diminishes noticeably, whether one takes earned income or income corrected for transfers. In households headed by a male, it is mainly the presence of relatives within the household that accounts for reduced inequalities among household incomes.

Graph 3. 2: Percentage of Female Household Heads by Household Income



Source: EBC, 1993

3.12 Nevertheless, **households headed by a woman (27% of total) are more likely than others to be poor (Box 3.2)**. While female-headed households receive more help than families headed by a man, the volume of transfers is so small that it does not make up for their low earned incomes. As can be seen from Graph 3.2, the proportion of households headed by a woman is greatest in the first quartile, especially in Port Gentil, where more than half of households (53% v. 32% in the capital) have monthly incomes of less than CFAF 151,000.

Table 3. 2: Effects of Transfers in Incomes and Inequality

| | | Total | Libreville | Port Gentil | Male head | Female head |
|-------------------------------|---------|---------|------------|-------------|-----------|-------------|
| Household income | | | | | | |
| - Own income | Average | 306 966 | 306 923 | 307 189 | 358 268 | 165 775 |
| | Gini | 0.515 | 0.515 | 0.533 | 0.481 | 0.586 |
| - With transfers | Average | 306 966 | 306 933 | 307 189 | 326 448 | 258 311 |
| | Gini | 0.451 | 0.450 | 0.455 | 0.461 | 0.406 |
| Income per capita (UC) | | | | | | |
| - Own income | Average | 88 405 | 88 039 | 90 058 | 87 486 | 56 890 |
| | Gini | 0.474 | 0.465 | 0.515 | 0.450 | 0.530 |
| - With transfers | Average | 88 405 | 88 089 | 90 058 | 88 335 | 88 648 |
| | Gini | 0.4408 | 0.403 | 0.437 | 0.412 | 0.393 |

Source : HES, 1993

Note: UC: Unit of consumption

Box 3.2 : Portrait of a Young, Unemployed Single Mother in Libreville

"Health and education for the children depend on me. I have to be both father and mother to my children. I never know what's going to happen. If you don't have any friends, you're on your own. A young mother can't make friends very easily—there are the children to look after. The government doesn't know or care about the problems of young mothers—all it can do is talk about birth control! If you work, you get CFAF 9,000 per child every three months (family allowances, social security). But what do we get? If you don't work in Gabon, you get nothing. Our relatives in town give us clothing and money, and those in the village send us things. Everything is left up to our aging parents, and that's very unfortunate. We live in constant insecurity—the local thugs have an easy time of it when they know a woman is living alone."

Source: interview with a group of young mothers, PPA, June 1995

3.13 *A person can be poor in a rich household.* Within the household, consumption is not always shared equitably. It is hard to estimate what the head of the household consumes, since there are always a number of hidden expenses (or the household head may have a high-profile job that calls for conspicuous spending or assistance-giving). Members of the household may not always pool the aid they receive, but keep it to themselves to satisfy individual needs. When these various distributional factors are taken into account, real consumption by some members of the household may be considerably reduced. Because of such cases, the number of persons living below the poverty line⁴⁰ may be understated by 30%.

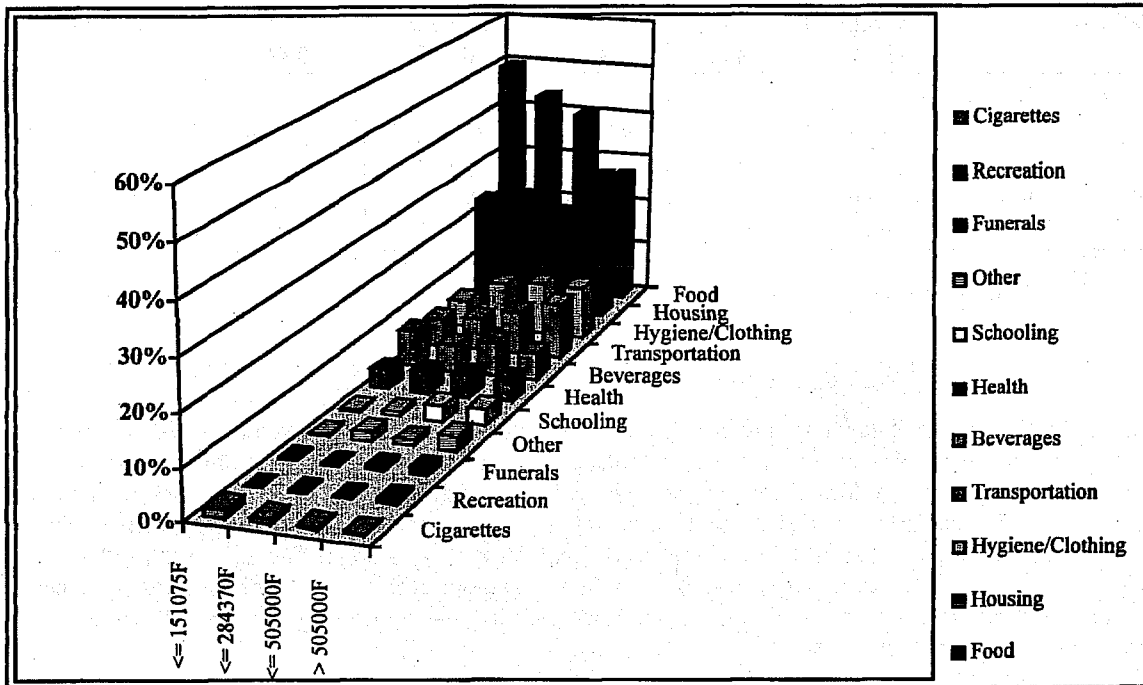
Consumption Patterns of the Poor

3.14 The distribution of expenditures among basic needs (food, shelter, clothing, health and education) is another indicator of household well-being (Graph 3.3). The poorest households devote more than half their consumption to food: for the richest ones this represents only one-quarter. Shelter expenses (housing and upkeep) are the second-biggest item, representing 19% of overall consumption for families in the last quartile and 36% for those in the richest quartile.

⁴⁰ Estimate based on the lower absolute poverty line, set at CFAF 25,000

The poorest households spend more on alcoholic beverages than on their health (beverage prices are very low and do not have to be saved for). Clothing and hygiene expenses represent 10% of overall household consumption, and transportation 9.5%.

Graph 3.3: Consumption Patterns by Household Income Quartile (Libreville, Port-Gentil)



Source: EBC, 1993.

3.15 The food component for poor families. Apart from the wealthiest households (highest quartile), households devote the greatest portion of their consumption to food. Food consumption varies considerably by income level. While top-quartile households spend on average CFAF 205,000 on food purchases, the poorest families (lowest quartile) spend only CFAF 57,000, or 3.5 times less. Yet, given the large size of the richest households, variations in per-capita consumption are less pronounced. The poorest families spend CFAF 28,000 per person against CFAF 40,000 for the richest households, or 1.4 times less.

3.16 Households living below the absolute poverty line devote 60% of their current expenditure⁴¹ to food (including beverages and meals away from home), yet some significant differences have been observed: some households below the poverty line devote 71% of their current expenditure to food, while others spend only 56% in this way (Annex C, Table C.6, part 5). The first group manages to cover 100% of its nutritional needs (or roughly 2,100 calories per day); the second would have to be considered "under-nourished."

⁴¹ Expenditures excluding transfers and credit.

3.17 Families whose per-capita income is below the poverty line and who cannot meet 80% of their caloric needs represent 12.2 % of the population in the two cities. **The caloric deficit reaches 50% on average in such households** (where the average number of family members is 9). Households with a food consumption deficit tend to sacrifice some of the food budget to cover non-food needs. They may be owners of their dwelling (57%) or housed free (20%). What makes their situation more precarious is the higher degree of family-related burdens, estimated at CFAF 197,000, which shows once again how family relationships can intensify household impoverishment. These households are also more heavily in debt than others, and servicing this debt accounts for 9.5% of their spending.

3.18 **What kind of food do the poor consume?** Their basic foodstuffs seem to be starches and sugar. Among starches, the heaviest consumption, depending on family size, is of bread, manioc and rice⁴². In both cities, the consumption of meat and fish is only half as high among poor households as in the richest households, and represents 14% of their budget, compared to 9% for the rich. In Libreville, fish consumption per family member varies little, from CFAF 5,000 for the first quartile to CFAF 7,000 for the richest. Poor families consume little meat. (Box 3.3).

Box 3.3: How do the Poor Feed Themselves ?

The very poor can never be certain whether there will be even one daily meal. When they think of a rich family, they envision "a family that feeds itself well and eats every day." This image conveys the food insecurity in which the poorest families must live.

In Libreville, a very poor family is one that cannot afford a 25 Kg bag of rice, the price of which even the poorest families try to set aside to ensure their basic nutrition needs. A 25 Kg bag of rice may sustain a family of 4 or 5 people for a month, provided they supplement it with manioc and taro. When the poor buy meat, they take the least choice cuts (those with the most fat), or content themselves with pork ribs or turkey wings, or pigs' tails and feet. The poorest families eat smoked sardines seasoned with various kinds of sauces, made from nyembwé (palm nut), peanuts, native chocolate, or manioc leaves. When their money runs out, some may still be able to go to the fields around the outskirts of town; others will go further into debt; the rest just "tough it out."

Source: PPA, June 1995

3.19 **Family spending on education.** Households with school-age children devote a considerable part of their budget to schooling (Table 3.3). They have to pay enrollment fees (at every level of school), insurance and contributions to the school mutual fund. To this may be added a quota for the Parent-Teachers' Association (PTA) and the school co-op. In addition to these expenses—which must all be paid at the beginning of the school year, thus exacerbating the financial insecurity of poor families at this time of year—operational costs must be met throughout the year: school outfits and supplies, paper, pencils and pens, textbooks, uniforms and so on (Box 3.4).

3.20 These expenses vary, depending on the level of family income. Households in the top quartile spend an average of CFAF 131,000 a year, while those in the bottom quartile spend

42 Bread, the basic staple, represents 8.4% of spending on food, manioc 6.2% and rice 5.6%.

CFAF 51,000⁴³. The most important items are, by far, enrollment fees and other expenses (transportation and food, essentially). Strictly learning-related items (textbooks, pencils, pens, paper, school supplies) amount to at most 12% of education expenses for first-quartile families⁴⁴. Spending on textbooks suggests that poor families probably do not buy even the bare essentials.

Table 3. 3: Household School Expenses by Monthly Income Quartile

| Type of expense | Monthly income quartile (CFAF) | | | | |
|---------------------|--------------------------------|---------------------|----------------------|-------------------|----------------|
| | Bottom (≤151,075) | Third (≤284,370) | Second (≤505,000) | Top (>505,000) | Total |
| Enrollment fees | 20,000 | 34,460 | 59,505 | 69,989 | 61,361 |
| Outfit and supplies | 1,293 | 2,529 | 3,855 | 6,285 | 5,076 |
| Other expenses | 25,293 | 718 | 19,497 | 15,419 | 16,287 |
| Paper | 1,200 | 648 | 3,064 | 5,162 | 3,685 |
| Pencils, pens | 1,036 | 562 | 633 | 1,497 | 1,031 |
| Textbooks | 2,694 | 5,543 | 4,279 | 5,487 | 4,830 |
| Uniforms | | | 15,500 | 27,217 | 26,119 |
| TOTAL | 51,517 | 44,461 | 106,333 | 131,055 | 118,389 |

Source: HES, Libreville and Port Gentil, 1994

⁴³ This sum applies to families who show spending in all categories.

⁴⁴ For the second quartile, these represent 20%. These figures, however, may not be very reliable at the sub-group level. The survey was conducted in the middle of the school year, long past the date when some expenses had to be paid. It is possible that these were overlooked in some responses.

Box 3.4: Back-to-school Costs

Social support for schooling.... In October 1995 the back-to-school bonus given to public servants and members of the National Social Security Fund (for private-sector employees) or the National Social Insurance Fund (for independent and contract workers) rose from CFAF 10,000 to 20,000 per school-child. An education bonus (CFAF 10,000 in 1995) is also granted to economically disadvantaged families, but the Government's limited resources mean that few eligible families actually receive it (see Chapter 8). Children who have passed the entrance exam to the sixth level can receive a scholarship of CFAF 24,000 that is handed out at the end of each term, as long as they maintain average grades. This funding support continues to be provided under the same conditions throughout secondary school. In September 1995 the insurance premium (CFAF 2,000 per pupil in public schools) was abolished. However, families must still pay the co-op fee (CFAF 1,000 per pupil).

...but the cost is still too high for the poor. Primary school: Despite this aid, poor families always find themselves pressed for cash at the start of the school season. This is all the more true for families that do not receive any such help. In Libreville the total amount needed to outfit a child for the first level of primary school is CFAF 22,300 (minimum cost from a survey taken at Mont-Bouët in September 1995). Every child is supposed to bring a roll of copier paper (worth CFAF 7,500) to the teacher. A uniform (factory-made) costs CFAF 4,500. For a first-time student, there is also a water-flask (CFAF 2,000), a slicker (CFAF 2,000) and a pair of shoes (CFAF 4,000). The minimum all-in budget for a first-time pupil amounts to about CFAF 30,000 for school supplies and outfitting.

Secondary school The required uniform costs CFAF 12,000, and a sports outfit about CFAF 9,000. Supplies are more expensive than in primary school since the student must have binders (CFAF 1,800 to 2,900 depending on the format) and books. In Libreville, 3 schools (Mba, the Vocational School and the State School of Estuaire) provide books for their students, who must return them and are liable for them if lost. Christian mission schools also supply books, but they require a deposit to be paid, which can amount to CFAF 60,000 for the first level, and CFAF 75 to 80,000 for the second. In the provinces, students must also find lodging close to their college or school, or bear the travel costs. The move up from primary to secondary school involves a number of "hidden" costs, according to some interviewees, such as bribes to ensure that scholastic records will be properly passed along to the new institution. Parents worry about the costs of secondary school even more than for the primary grades. As one parent put it, "High school can cost as much as a dowry."

Source: PPA, June 1995

3.21 The proportion of parents who said they had to meet school costs varies with income levels: among the poorest households (bottom quartile), fewer than 20% declared such expenses. The most frequently cited expenses involved teaching aids (text books and supplies), the basic requirements for learning. In fact, 93% of poor households declaring school costs did so under this heading, compared with 81% for those in the top quartile.

B. LIFE IN THE SHANTYTOWNS OF LIBREVILLE

3.22 In Libreville, housing is distributed fairly evenly between durable houses and dwellings made of wooden planks roofed with corrugated sheeting, built on cement slabs or compacted earth. In the "matitis" or shantytowns (home to 80% of the city's population) poorly-fitted and foundation-less wooden shacks stand next to good-quality durable houses. To gain a closer

perspective of the reality of urban poverty, four under-privileged neighborhoods were selected and studied, using data from the household expenditure survey⁴⁵.

The Socioeconomic Context

3.23 The average population density in these neighborhoods is high, with between 250 and 300 inhabitants per hectare. The number of persons to a home averages 7.1, and the rate of cohabitation amounts to 1.4 or even 1.7 families per dwelling. The proportion of immigrant families varies between 30 and 45%. More than 40% of the population is less than 15 years old, and 52% is under 20. All told, 31% of people in these neighborhoods have some degree of schooling: 64% at the primary and 34% at the secondary level, while 2% have some higher education. These rates are little different from the average for Libreville (Table 3.4). Thanks to this high schooling rate, one person in every 3.5 to 4 is economically active.

Table 3. 4: Education Rates in Poor Neighborhoods

| | Education rate | Primary | Secondary | Higher |
|----------------|----------------|---------|-----------|--------|
| Poor districts | 31% | 64% | 34% | 2% |
| Libreville | 38% | 61% | 36% | 3% |

Source: Libreville: Population Census, December 1992

3.24 Shantytown dwellers show a diversity of social class, educational attainment, average income, household amenities and consumption comparable to that of the city's population at large. The survey on shantytown rehabilitation conducted in 1988⁴⁶ showed that the average monthly income of households in these districts was CFAF 225,000, which is not much less than the estimated average for the whole city (CFAF 255,000), and the median income (the level below which 50% of households fall) was estimated at CFAF 170,000 (200,000 for Libreville as a whole).

Table 3. 5: Unemployment Rate among Household Heads (%)

| | Avéa | Bellevue | Petit Paris | PK8 | Libreville |
|-------------------|-------|----------|-------------|-------|------------|
| Unemployment rate | 14.88 | 15.73 | 6.13 | 18.29 | 15.73 |

Source: Libreville: Population Census, December 1992

Housing

3.25 Virtually all households are installed on publicly-owned land. The granting of occupancy permits and property title (the land is supposed to belong to the State) is the only means the

⁴⁵ Avéa: 10,107 inhabitants (including 7,712 Gabonese); Bellevue: 4,505 inhabitants (including 3,950 Gabonese); Petit Paris: 1,943 inhabitants (including 1,148 Gabonese); PK8 20,973 inhabitants (including 19,720 Gabonese).

⁴⁶ Ministry of Housing and Urban Development: Rehabilitation of five under-serviced neighborhoods in Libreville, May 1988.

Government has of controlling and guiding urban expansion. Few occupants have full title to their homes⁴⁷ (at most 5% of properties), and precarious titles (dwelling permits), which can be revoked at any moment, are the rule. Only about 40% of built lots have a dwelling permit.

Table 3. 6: Quality of Dwellings by District (%)

| | Avéa | Bellevue | Petit Paris | PK8 | Libreville |
|-----------------------|-------------|-----------------|--------------------|------------|-------------------|
| Substandard dwelling | 9.37 | 3.47 | 9.48 | 12.73 | 7.07 |
| Average dwelling | 50.84 | 45.38 | 34.43 | 50.27 | 38.62 |
| Intermediate dwelling | 27.64 | 19.47 | 23.71 | 26.49 | 23.72 |
| Superior dwelling | 11.83 | 21.62 | 31.34 | 9.63 | 23.00 |
| Luxurious dwelling | 0.31 | 1.07 | 1.03 | 0.88 | 7.59 |

Source: Libreville: Population census, December 1992

Note: In classifying buildings, the Household Expenditure Survey established a point-rating system based on the state and quality of the building materials: floor, walls and roof. Substandard dwelling denotes a house in very poor condition, with unstable foundations. Average and intermediate dwellings are houses on a cement slab with a metal roof and plank or durable walls. Superior dwellings are houses of durable construction with aluminum sheeting roofs. Luxurious dwellings are those that meet European standards of comfort.

3.26 Despite legislation prohibiting durable construction on non-approved lots, more than 30% of dwellings are permanent, and others are being converted to that status. Durable construction appeals to the majority of occupants as the best way to reinforce their right of possession, which the Government refuses to recognize. Yet when it comes to rehabilitation work undertaken by the Government, their precarious tenure does not allow them to enforce their rights against the authorities.

Table 3. 7: Occupancy Status of Dwellings (%)

| | Avea | Bellevue | Petit Paris | PK8 | Libreville |
|----------------|-------------|-----------------|--------------------|------------|-------------------|
| Renters | 57.4 | 48.3 | 63.9 | 36.6 | 53.6 |
| Owners | 38.1 | 48.4 | 25.4 | 57.7 | 34.7 |
| Free occupancy | 4.5 | 3.3 | 10.5 | 5.6 | 5.8 |
| Tied occupancy | 0 | 0 | 0.2 | 0.1 | 5.9 |

Source: Libreville: Population census, December 1992

3.27 More than one-half of households are renters in Libreville (Table 3.7), a rate much higher than the average for African cities (often less than 30%). The occupancy status of dwellings shows no distinction between shantytown residents and those in the rest of town. In the poorer neighborhoods, the percentage of household heads in the former category who own their homes is even higher than the overall Libreville average, except in Petit Paris, which is a particularly vulnerable district subject to flooding.

⁴⁷

Applicants for property title and home self-construction permits must first pay the customary owner for the land and then, if they have the courage and the means, plunge into the business of regularizing their purchase with the authorities. The slowness of the regularization process, its official costs (and the side costs) eventually discourage most applicants.

Roads and Transportation

3.28 Most of the shantytowns are enclaves in the midst of the city, and the distances that their inhabitants must travel in their daily affairs are not noticeably different from the rest of the population. The condition of the paths and tracks, which are quickly washed out during the rainy season, may delay vehicular access into the inner reaches of these districts. Roads are generally highly inadequate in all neighborhoods. Paved roads are found only around the perimeter of the neighborhood, which can then only be reached by a few paths built along the crest lines. On the hillsides, the tracks follow a tortuous route among the dwellings, and may be so narrow that two people cannot pass. In the bottom lands, passage is hampered by mud, protective buttresses for adjacent houses and the meanderings of streams through artificially diverted channels. More than half of households in these districts have difficulty in reaching their homes.

3.29 The problems of physical communication within the city are accentuated by the general lack of public transport. Although fleets of taxis ply the paved roads around the shantytowns, there are not enough of them to meet local needs (prices for their services are controlled).

Table 3. 8: Physical Access to Housing (%)

| | Avéa | Bellevue | Petit Paris | PK8 | Libreville |
|-----------------------------------|-------|----------|-------------|-------|------------|
| Paths prone to flooding | 16.44 | 11.72 | 24.92 | 24.39 | 12.66 |
| All-weather paths | 47.80 | 60.73 | 37.73 | 27.93 | 26.71 |
| Flood-prone, non-driveable tracks | 8.90 | 0.50 | 1.03 | 22.71 | 7.71 |
| Non-driveable tracks | 3.09 | 0.17 | 1.03 | 2.53 | 9.02 |
| Driveable tracks | 15.18 | 18.98 | 23.51 | 15.23 | 17.49 |
| Paved roads | 8.59 | 7.92 | 11.75 | 8.10 | 26.18 |
| Total | 100% | 100% | 100% | 100% | 100% |

Source: Libreville: Population census, December 1992

3.30 The physical isolation of these neighborhoods hampers access for the removal of household garbage and for fire and other security services. Trash piles up and rots; fires cause much damage, and cannot be fought. The lack of public lighting makes the districts unsafe.

Water and Sewage

3.31 Within the matitis, potable water must be drawn from public standpipes, frequently some distance away, or else from a private connection or that of a neighbor (one household with a hook-up to the water system will often re-sell to several other households). Only higher-income families (more than CFAF 400,000) can afford a connection to the water system, which costs about CFAF 100,000. Consumption at a rate of 5m³ costs about CFAF 9,000 a month. To buy water from a neighbor at retail means paying a monthly flat fee from CFAF 5,000 to 15,000, and owners will often open the tap for only a few hours during the day (Box 3.5).

Table 3. 9: Rate of Household Water Hook-ups by District

| District | Metered hook-up | Neighboring hook-up |
|-------------|-----------------|---------------------|
| Avéa | 8% | 35% |
| Bellevue | 24% | 26% |
| Petit Paris | 17% | 31% |
| PK8 | 8% | 18% |

Source: Libreville: Population census, December 1992

Box 3.5: Poor-family Access to Potable Water

In Libreville few poor people can afford a water hook-up. Those who enjoy running water in their homes are generally retired people who had a connection installed when they were working, or residents of a dwelling provided for them by a relative living elsewhere. While some may have difficulty in paying their water bills regularly, and may try to keep their water use to a minimum, others re-sell water to their neighbors and can earn significant income (enough sometimes to support the family, as some of the answers to the question about survival strategies showed). Those who have no water hook-up may supply themselves from their neighbors if they can afford it, thus avoiding the tiring trek to a far-off public standpipe. But this service is expensive, and the price and conditions of access vary depending on the good-will of the owner and his relationship with his customers. Some owners will only provide water for an hour in the morning, and another hour in the evening. At the same outlet, one 6-person family may pay CFAF 10,000 per month, while another family of the same size must pay CFAF 15,000. For the poorest families, the only source of water is the public standpipe—with all the difficulties of carrying pails on the head over rough tracks that seem to be “made of mountains” even in the center of Libreville. Some families may have a well on their lot, or near it, but its condition may be such that it can only be used for laundry and dishwashing.

In the secondary towns water supply was rated as the most pressing problem by people surveyed. The number of neighbors with water hook-ups is much lower than in Libreville, and some areas do not even have a standpipe—or if they do, it is no longer in working order. Some people may have to go to the well simply to get a drink, or else they must drink from the creek, “along with the sheep, the pigs and the other animals”.

Source: PPA, June 1995

3.32 Waste water. The city is ill-provided with water drainage facilities, and the constant presence in low-lying areas of standing rainwater and waste water is a prime contributor to the unsanitary environment of the shantytowns.

3.33 Household garbage collection. Household garbage removal faces obstacles: (i) certain areas are virtually inaccessible for garbage removal; (ii) municipal services may be sporadic or non-existent; and (iii) people are not organized to carry their trash to special pre-collection depots. Garbage is simply thrown into the bottom lands, where it obstructs the flow of streams and storm channels. Incineration is practiced on only an irregular and insufficient basis.

Electricity

3.34 In Libreville and Port-Gentil, 95 and 85% of households, respectively, have access to electricity through a metered individual connection, or that of their landlord or neighbor. From this viewpoint, the poor are not particularly disadvantaged—41% of poor households have an individual meter; others draw power from their landlord or a neighbor (15 and 32% respectively).

Only 12% stated that they had no service connection available. In the *matitis*, the coverage of power service is relatively high (Table 3.10). There, too, a single hook-up can serve several families, even at a high cost (perhaps CFAF 5,000 per month per lightbulb). Lighting by oil and candles is used by those who cannot afford electricity, and in general by the poorest households.

Table 3. 10: Access to Electricity

| | Avéa | Bellevue | Petit Paris | PK8 | Libreville |
|------------------------------------|------|----------|-------------|-----|------------|
| Households with electricity access | 77% | 88% | 80% | 78% | 95% |

Source: Libreville: Population census, December 1992

Note : These percentages include hook-ups by "poachers" and the private re-sale of power between individuals.

Neighborhoods have no public lighting, except along the major paved roads and certain driveable tracks. Source: HES

4. THE LABOR MARKET⁴⁸

Before the oil counter-shock of 1986, Gabon had full employment; in fact, a shortage of skilled manpower drove it to recruit workers abroad and to encourage immigration. After 1986, falling oil revenues entailed a cut-back in public spending, and Gabon's unemployment rate soared to 17% by 1993.

The labor market in Gabon is characterized by:

- *falling employment in the formal private sector (except for skilled jobs) and in the public sector, including the parastatal enterprises;*
- *a relatively restricted informal sector, dominated by non-Gabonese; and*
- *a growing pool of young, unskilled workers.*

The marked disparity between labor supply and demand has its roots in structural imbalances in the economy, inadequate education and training systems, and the lack of a tradition of enterprise among the Gabonese.

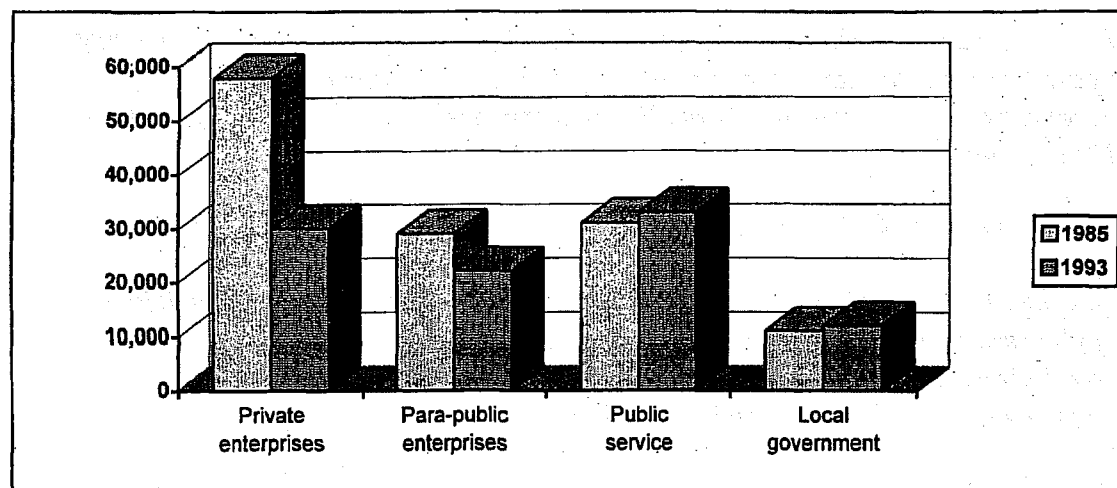
A. THE LABOR MARKET

Employment

4.1 The structure of employment in the formal sector testifies to the imbalances in the Gabonese economy: the public and para-public sectors employ 70% of wage-earners. Employment in the para-public sector fell between 1985 and 1993, and rose slightly over the same period in the public sector (see Graph 4.1). At the same time, the crisis of 1986 led to a marked decline in private sector employment, which accounted for only 29% of wage-earners in 1993, compared to 46% in 1985.

4.2 Nearly one-half of jobs in the formal sector are in public administration, and 27% are in the tertiary sector (transport and telecommunications, services, trade, banking and insurance). About twenty businesses with more than 500 employees account for more than half the jobs outside the public service.

⁴⁸ This chapter is based on the results of a survey on employment and unemployment in Libreville, which covered a sample of 3,000 persons, and on an employment needs survey of 100 enterprises representing a turnover of CFAF 915 billion (accounting for 41% of jobs in the modern sector, and 89% of GDP), both of which were conducted in 1993-1994 by the National Employment Office, with help from the ILO and UNDP. The results were analyzed by Jean Negrel in: "The Employment Market: preliminary data", May 1995. These data have been updated following a second survey, the results of which are currently being processed. The crude data suggest that unemployment has worsened, especially in Port Gentil. A study of the formal sector in Gabon ("Wage-paying Jobs in Gabon"), conducted in May 1995 by the Planning Ministry, was also consulted.

Graph 4. 1: Employment Trends by Sector

Source: ONE, May 1995 - NPJ : non-permanent jobs (contract workers).

Note : "local government" comprises essentially provincial and municipal employees.

4.3 The sectors that contribute the most to GDP also employ the fewest numbers of people (see Table 4.1). Thus the primary sector, which accounts for almost 50% of GDP (90% of this from oil), provides only 20% of formal employment (outside the public service)⁴⁹. The secondary sector (agro-industry, electricity and water, paper and forestry, chemicals) generates 15% of GDP and employs 30% of wage-earners. Although it contributes only 30% of GDP, the tertiary sector provides half of the country's wage-paying jobs.

Table 4. 1: Employment by Sector in December 1993

| Sector | Number of employees | % |
|------------------|---------------------|------|
| Administration | 45,044 | 48.4 |
| Primary sector | 9,420 | 10.1 |
| Secondary sector | 13,171 | 14.1 |
| Tertiary sector | 25,10 | 27.4 |
| Total | 93,145 | 100 |

Source : ONE, May 1995

Active Population

4.4 Sixty-four percent of the adult population is economically active⁵⁰. This group, which currently comprises 470,000 people, is growing steadily. The work force is for the most part young and unqualified. Nearly 60% of active persons are between 15 and 30 years of age, more than half have not completed primary school, and only 5.6% have attained a high-school

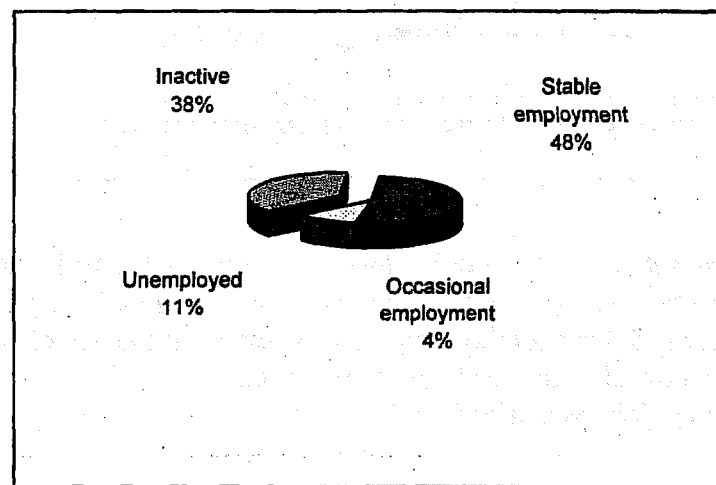
⁴⁹ Public administration, which contributes very little to GDP, is excluded from these percentages. This explains the differences between the figures presented here and those in Table 4.1.

⁵⁰ The economically active population is defined as all those between the ages of 15 and 55, and either working (full or part-time) or unemployed.

diploma. Most have little or no vocational preparation. Those who hold jobs in the formal sector usually have insufficient training; this imposes severe limitations on their prospects for advancement within their organizations. The employment survey found that many employers were concerned about meeting the aspirations of their workers to complete their education, but were frustrated by the lack of suitable training centers or programs.

4.5 While women account for 50% of the active population, they represent only 44% of the working population. They are found primarily in agriculture (60% versus 22% for men), small businesses (11%), public administration and domestic services (7%).

Graph 4. 2: Economic Activity among the Adult Population (percentages by category)



Source : ONE, May 1995

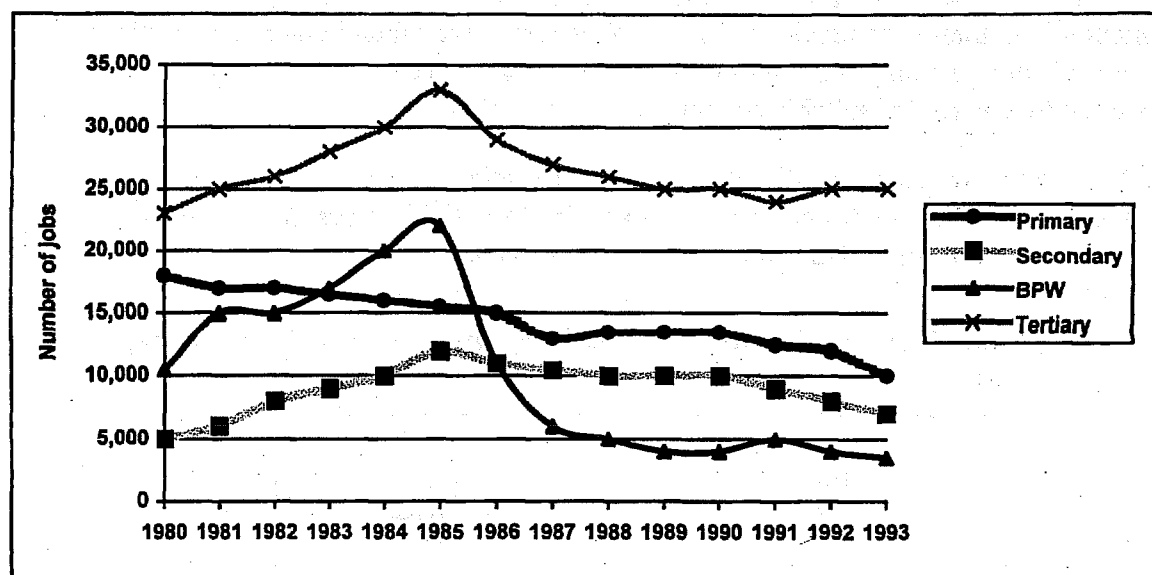
B. THE CAUSES OF RISING UNEMPLOYMENT SINCE 1986

4.6 The growth in unemployment reflects a sharp contraction in jobs in the formal sector (public and private), combined with a rapid increase in numbers of the economically active population.

Labor Demand

4.7 The 50% drop in the price of oil in 1985 led to a sharp reduction in public investment, and the disappearance of 31,000 jobs between 1985 and 1993. Investments in infrastructure and public works, which had been financed from oil revenues, shrank by 9% between 1985 and 1991, and nearly two-thirds of job losses occurred in the construction and public works sector (81% of jobs—most of them unskilled—disappeared in this sector: see Graph 4.3). The drop in investment also affected other sectors: the wood industry (down by 47%), non-agriculture industries (44%), foreign trade (43%), and the mining sector (31%), further reducing employment opportunities.

Graph 4. 3: Employment by Sector



Source : ONE, May 1995

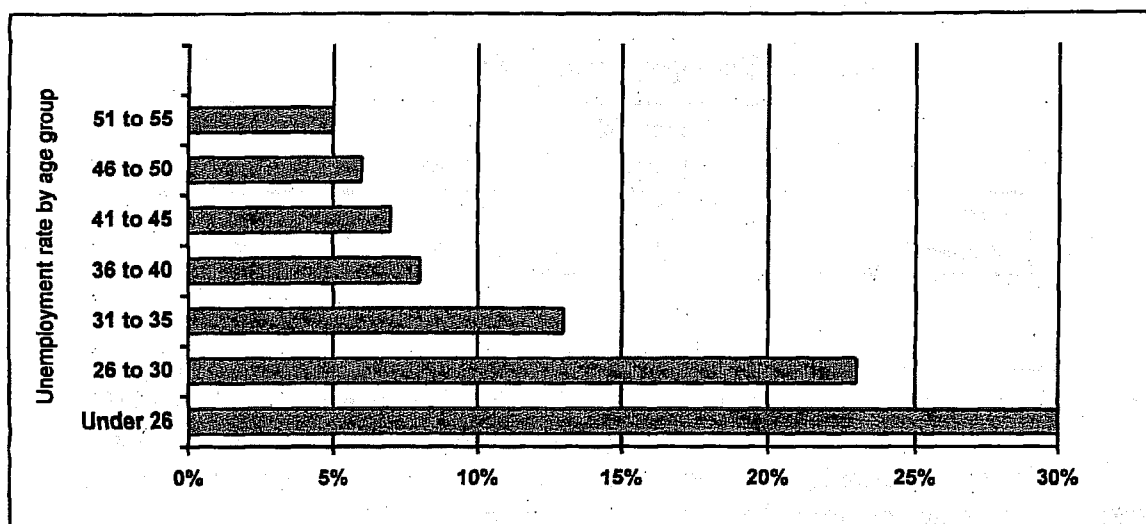
4.8 Job creation has not kept pace with job losses. Between 1985 and 1992, 500 enterprises (50% of the country's total) went out of business, taking with them 45,493 jobs, while only 381 new businesses were created, for a total of only 11,424 new jobs: the net job loss was 34,169. The constraints imposed by labor market regulation encouraged employers to resort to outsourcing and led to further job insecurity (see Section D).

Labor Supply

4.9 At the same time, the labor supply grew between 1983 and 1990, reflecting both the steady population growth rate (2.5%) and the mass exodus of people from the rural areas, attracted by the prospect of better wages and improved living conditions (the availability of social services, in particular) in the city. Between 12,000 and 15,000 young people enter the labor market each year, while the modern sector, according to ILO, is able to absorb only 3,000 to 4,000 workers annually.

C. WHO ARE THE UNEMPLOYED?

4.10 Most of Gabon's unemployed are young people (Graph 4.4). 30% of those under 26 years of age have no job, although the rate varies sharply from city to city: 46% in Moanda, 37% in Port Gentil and 22% in Libreville.

Graph 4. 4: Unemployment Rate by Age Group

Source: ONE, May 1995

Note : "Unemployed" means people who had no job and were actively seeking employment during the weeks before the survey.

4.11 The educational level among the unemployed is lower than for the active population as a whole (see Table 4.2): 75% of the jobless left school at or before the end of the primary level, compared to 70% of the larger group. The lack of skills seems to worsen over time: after three or four years of unemployment, people who never completed primary school tend to lapse into illiteracy.

Table 4. 2: Distribution of the Active Population by Level of Education

| Schooling completed | Active population | Employed | Unemployed |
|---|-------------------|----------|------------|
| None | 37.7 | 38.4 | 34.1 |
| Primary school | 32.1 | 30.3 | 40.9 |
| The first cycle of secondary education (BEPC) | 16.4 | 16.9 | 13.6 |
| Secondary/Technical/Vocational | 5 | 4.8 | 5.7 |
| Secondary/General education (BAC) | 5.6 | 6.1 | 2.8 |
| University | 3.4 | 3.4 | 2.9 |

Source: ONE, May 1995

4.12 Women are over-represented among the unemployed. Among the young, 33% of women but only 21% of men are jobless (see Table 4.3). The higher rate of unemployment among women reflects both their lower level of education and vocational training (72% of people without a primary school diploma are women), and the segregation of the labor market. The types of training open to women are largely confined to a few areas where employment opportunities are scarce such as secretarial services. Segregation is also reinforced by the

inferior legal status of women. For example, the law allows a man to forbid his wife to take a job if he believes it will disrupt family life ⁵¹.

Table 4. 3: Unemployment by Sex and Age

| | Under 30 years | Over 30 years | Total |
|-----------|-------------------|------------------|-------|
| Men (%) | 21.6 | 9.9 | 15 |
| Women (%) | 33.5 | 8.9 | 20.7 |

Source: ONE, May 1995

4.13 Finally, unemployment is higher among the Gabonese population (21.8%) than among foreigners (9.8%). Foreign workers include both African immigrants employed in the informal sector and expatriates who come to Gabon with a pre-arranged job, or to set up a business or work in the public service. Immigrants tend to replace Gabonese workers at every level of the labor market (the informal and formal sectors and the public service).

Box 4.1 : Portrait of a Job-seeker

The typical unemployed Gabonese male is a young first- or second-generation migrant. He became a father between 15 and 21 years and entered the labor market to support his family. He abandoned school without much regret, since as he sees it, school is expensive and not really worth the trouble. For some time, this young man and his family will live with an older and perhaps better-off relative. He is not inclined to accept a low-paying job, saying for example that "working as a night watchman is too hard," or "you can't go to work for CFAF 40,000 a month." Meanwhile, his family may be growing. As time passes, however, unemployment begins to undermine the young man's self-esteem. He starts to see himself—and others do too—as having failed in his supreme duty as father and head of the household, and this may drive him to drink or to violence: "When I don't know how my children are going to eat tomorrow, I tend to get drunk whenever I can. It helps me forget my problems."

A jobless man who is willing to exert himself to climb out of such a situation may be able to find odd-jobs in agriculture, retail work or handicrafts. He may even be able to work from day-to-day, but it will be far from regular employment, and it will not pay enough to make ends meet.

Source : Fatima Roumeliotis Auguile and Jocelyn Fanguinoveny. *Caractéristiques du chômeur au Gabon*, Office national de l'emploi, May 1995.

D. RIGIDITIES IN THE LABOR MARKET

Inadequate Labor Supply

4.14 The unemployment rate, particularly among Gabonese, reflects the growing gap between the level of education (see chapter on Education) and the needs of the labor market, where employers demand qualified manpower, leading them to recruit foreigners. Ten months after the National Employment Office (ONE) began operations, it could be confirmed that the few jobs

⁵¹ Article 261 of the Civil Code in Association des Femmes Juristes Gabonaises (AFJG), "Droits de la Femme", Libreville, March 8 1993

available demanded a high level of skills.⁵² By contrast, 59% of job-seekers came to the ONE with no qualifications, and 14% had only a primary school diploma (CEPE).

4.15 The lack of effective dialogue between the business community and the educational system⁵³ makes it harder to balance market needs and available skills. For example, few training establishments⁵⁴ equip their students with computer skills, while most of the employers insist on such knowledge when recruiting, especially for secretarial and accounting work. Nor is any training offered for would-be gardeners, butchers, shoemakers, tailors, or workers in maintenance and repair of office equipment, or household appliances and refrigerators—all of which are in demand (often be met by foreigners). Statistics suggest that between the school years of 1975-76 and 1989-90 the proportion of Gabonese students pursuing scientific and technical education rose from 22.3% to 44.1%—and these are fields where graduates have difficulties finding employment⁵⁵.

The Labor Code

4.16 Gabon has had a new Labor Code since November 21, 1994. In the face of falling employment in the formal sector, some of its provisions seem ill-suited to the need for greater flexibility in the labor market. Discussions are underway between the Government and its social partners to review these provisions, in particular those governing day-laborers, lay-offs, compensation for services, damages and interest, maternity leave, “closed shops” and other issues.

Obstacles to Enterprise Creation

4.17 Job creation depends on growth in the private sector. While there has been some effort to improve the regulatory framework and the incentives system, there are still obstacles to setting up a new business. Some of these were identified during preparation of the AfDB project to create a Growth and Development Fund (FODEX) for small and medium-size enterprises (SMEs) in Gabon.

⁵² Job offers submitted to ONE can be broken down as: 25% for technicians, 23% for higher-level technicians, 19% for officer workers, 16% for manual workers, 14% for engineers/managers and only 3% for unskilled workers.

⁵³ This, in spite of various government efforts since 1980 to arrange tripartite meetings on the topic of the “Etats Généraux” on Education and Training in 1983, seminars on training and development in 1989, and the ONDIMBA symposia in 1991.

⁵⁴ Apart from staff advancement courses offered by some major corporations active in Gabon (Elf Gabon, Shell Gabon, SEEG, COMICOG, COMUF, etc.)

⁵⁵ Sylvain Meye notes, in reference to a 1985 initiative to set up a National Job Promotion Commission, “When all is said and done, we find that the profiles judged most useful are in fact those that offer the least chance of a job,” Meye, p. 61.

- *Lack of an entrepreneurial culture* among young Gabonese who received their education during the 1970/80s⁵⁶. With the turnaround in the economy, however, many more Gabonese are showing an interest in going into business.
- *Rising requirement for owner equity*: the decline in savings, together with the compression of incomes and rising unemployment, makes it even more difficult to raise the funds needed to launch a new business. Depending on the type of business planned, and the financial institution being approached, the prospective owner may be required to put up from 30 to 60% of the total investment from his own resources.
- *Lack of appropriate financial institutions*: commercial banks are not interested in making medium or long-term loans for small projects, which are generally viewed as high-risk projects that place heavy analytical and administrative demands on bank staff. From the entrepreneur's viewpoint, the high cost of credit (16 to 18%) and the security demanded (anywhere from 70 to 120% of the loan amount) constitute disincentives.
- *Complex and costly administrative procedures*: Law L/81, offering tax and customs tariff advantages to SMEs, imposes a lengthy and costly approvals procedure, which can take as long as six to twelve months. Administrative costs can range from CFAF 300,000 for an individual enterprise to 2.5 million for a corporation.

4.18 The introduction of FODEX has alleviated some of these constraints, thanks in particular to the coverage it offers for loan security (50%), the lowering of interest to 12%, and the limits on the amount of owner equity demanded. But its lending is still poorly suited to very small micro-enterprises.

4.19 Some initiatives have been taken by external donors, such as the *Caisse Française de Développement* with its Grassroots Initiatives Program, under which loans are available at favorable terms (interest between 7 and 9%, repayment period 4 to 7 years, extendable by 1 or 2 years) for projects costing less than CFAF 20 million, or the Canadian Local Initiatives Fund, which offers supplementary support to financing provided by other lenders.

E. THE OUTLOOK FOR THE LABOR MARKET

4.20 According to ILO forecasts, the active population should grow by 20% over the next five years. Jobs will have to be provided for nearly 135,000 new labor-market entrants over the next ten years, just to keep the unemployment rate at its current level.

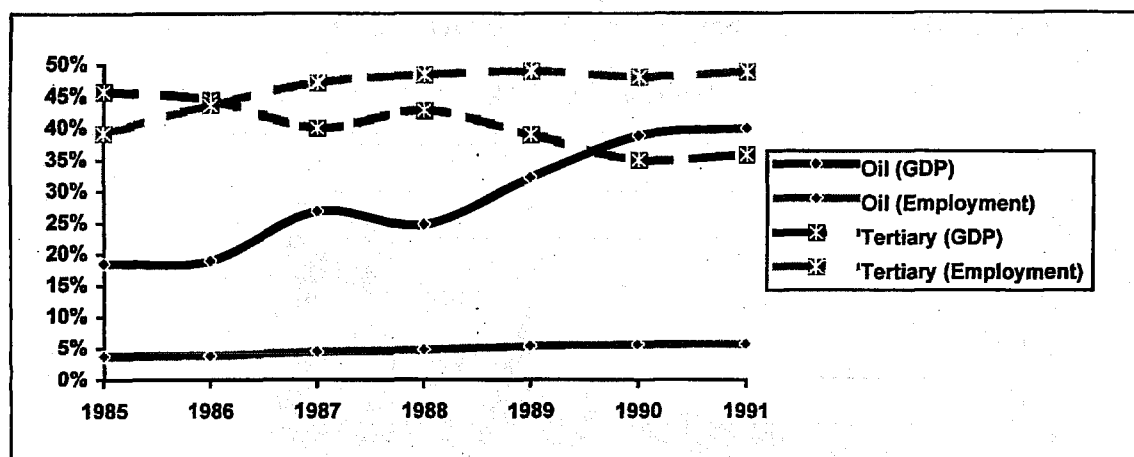
Private Sector

4.21 In the context of the Government's ongoing structural adjustment process, the reform of the public service is expected to induce greater wage discipline as well as eliminate jobs. The privatization of public enterprises could well lead in the short term to job losses, although over

⁵⁶ In 1994, according to the ONE, 267 people out of a sample of 1,600 were independently employed: only 71 of these were Gabonese nationals.

the longer term, privatization and competition should encourage employment growth by stimulating the emergence of SMEs.

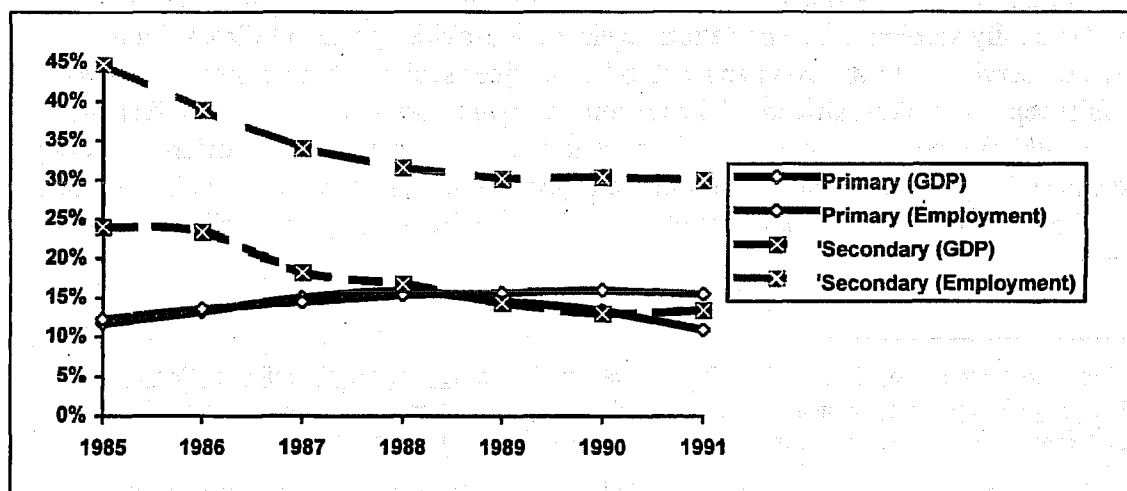
Graph 4. 5: Contribution of the Oil and Tertiary Sectors to GDP and Employment



Source: DGSEE-DGP, 1995

4.22 In the future, growth in the private sector, rather than in the public or para-public areas, will hold the key to job creation. Yet rapid growth itself will not be enough to shrink unemployment, and its impact may be negligible if it continues to be driven by the oil sector alone. Graph 4.5 and Graph 4.6 highlight that sector's weak employment elasticity relative to overall GDP, in contrast to the high employment elasticity relative to GDP of the rest of the economy. Between 1985 and 1991, value-added doubled in the oil sector, yet this gave virtually no boost to employment levels in other sectors, apart from some indirect effects in the tertiary sector (particularly for services directly related to the oil sector, such as drilling and maintenance). A recent study by the Planning Ministry showed that a 1% increase in output of the non-oil sectors translates into a 1.24% increase in employment.

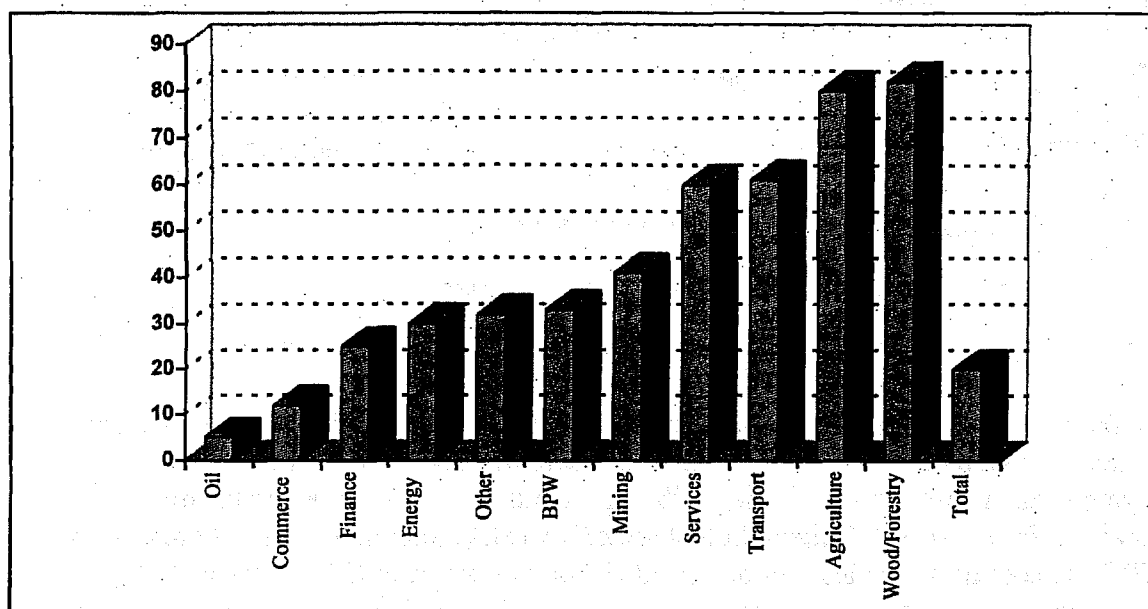
Graph 4. 6: Contribution of the Primary and Secondary Sectors to GDP and Employment



Note: Secondary and primary sectors here exclude oil -- Source: DGSEE-DGP, 1995

4.23 Graph 4.7 shows how capital-intensive the oil sector is in relation to other sectors of the economy. For each billion CFAF in revenues, the propensity to create jobs is lowest in the oil sector, and highest in forestry and agriculture. Measures to overcome unemployment must therefore be directed towards sectors with a high labor coefficient such as agriculture, fisheries and forestry, all of which have long been neglected by Government policies.

Graph 4. 7: Job Creation per CFAF 1 billion Turnover



Source : ONE, May 1995

Informal Sector

4.24 It is difficult to determine the informal sector's contribution to economic output and the percentage of the active population that it employs, because the sector is highly heterogeneous and hard to define in legal and practical terms⁵⁷. In comparison with other African countries, the informal sector in Gabon is small and is largely dominated by immigrants from West and Central Africa. Generally speaking, transportation services are provided by people from Benin, construction services by Cameroonians, and other services such as photography, hairdressing and automobile repair by West Africans. The Gabonese seem to prefer to work in the formal economy, either in the public service or the private sector, which they see as offering better jobs. Over the past decade, while employment in the formal sector has receded, the informal sector seems to have grown under the pressure of unemployment but no data are available to confirm this trend⁵⁸.

⁵⁷ A June, 1992, report from ILO on the informal sector in Gabon, The Rise of the Informal Economy in Gabon: Situation and Outlook, attempted to provide an exhaustive description of the informal sector, drawing on a number of population studies conducted by the Gabonese Government and the ILO.

⁵⁸ The consumption of cement seems to be a good indicator of growth in the informal sector, and it has tracked recent growth trends in that sector closely. Over 1985-91, cement output and employment in the modern construction sector showed similar patterns. Yet in 1992 and 1993, cement production was rising while

F. POLICIES AND PROGRAMS

4.25 In 1993, with assistance from UNDP and ILO, the Government of Gabon created the National Employment Office (ONE) and the Labor Market Entry and Re-entry Fund (FIR). Both ONE and FIR are managed by a Board of Directors, composed of equal representation from the Government, employers and the labor unions. One's main functions involve collecting and processing labor market data, providing advice and guidance to job-seekers about employment opportunities, screening candidates who want to set up small businesses, and helping them prepare funding requests. ONE also serves as the Executive Secretariat for FIR, which funds training for job-seekers. Since ONE opened in August 1994, the number of employment applicants has practically doubled every three months. By October 1996, the Office had recorded nearly 6,500 applications for 1,000 job offers.

employment in the modern construction sector was slipping. Perhaps a major portion of cement output was absorbed by a growing informal sector.

5. RURAL POVERTY

Little information is available on the extent of rural poverty. Nevertheless, it is clear that the agricultural population lives in severe poverty. Rural people are cut off from most amenities, and have only limited access to potable water, health services and education. Because most agricultural zones are isolated, small farmers have little chance to market their output. Their simple tools and their ignorance of modern input techniques mean that farm productivity remains low. The secondary towns, with their small populations who live mainly from farming, suffer from lack of infrastructure and inadequate social services.

A. AN IMPOVERISHED FARMING ECONOMY

Environment

5.1 Gabon has vast stretches of dense tropical forest that cover more than three-quarters of its land area. The coastal plain, which varies in width from 30 to 100 km, is surmounted by a chain of mountains covered with forest, beyond which to the center and the north-east lies the continental plateau. The relief is generally sharp, and large stretches of flat land are relatively rare. Only 1.3% of the national territory is cultivated (Table 5.1).

Table 5. 1: Land Use in Gabon (thousands of hectares), 1976-1991

| | 1976 | 1981 | 1991 |
|---------------------------|--------|--------|--------|
| Perennial and field crops | 404 | 452 | 457 |
| Permanent pasture | 4,750 | 4,700 | 4,700 |
| Forests and woods | 20,060 | 20,010 | 19,860 |
| Other lands | 1,149 | 1,153 | 1,273 |
| Total land area | 26,767 | 26,767 | 26,767 |

Source : FAO Country Tables, 1993 (Agriculture and Forestry Sector Study, February 1995).

Agricultural Production

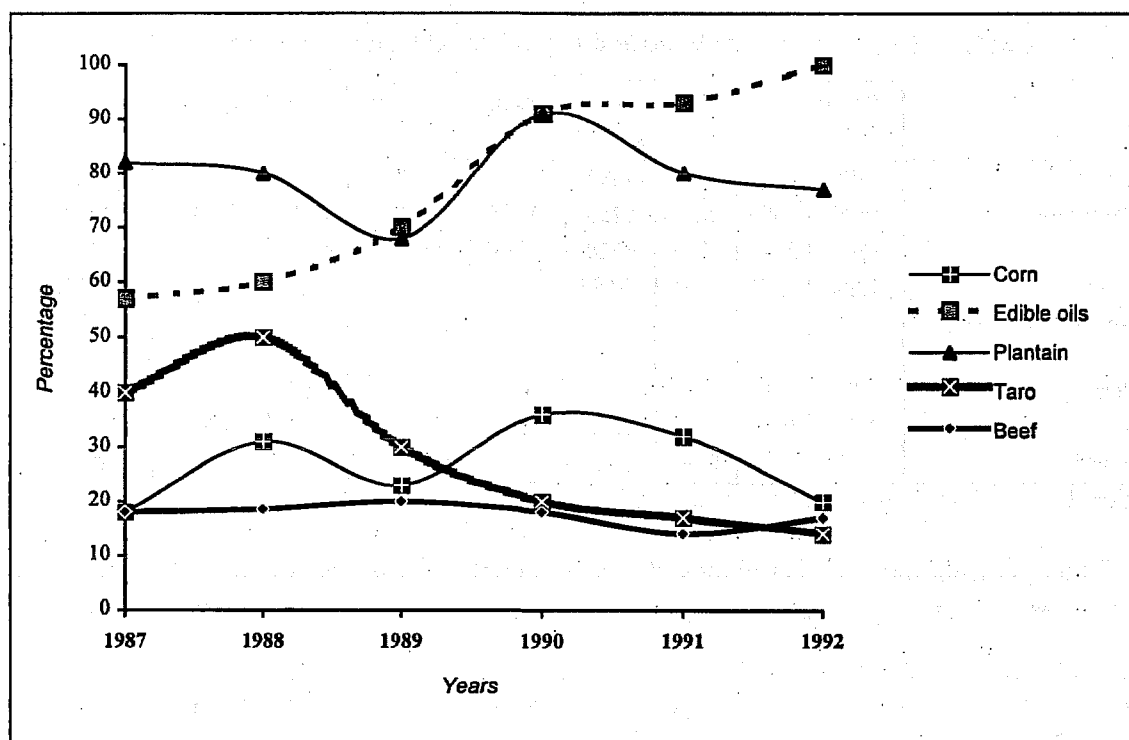
5.2 Agriculture's contribution to the country's GDP is very low. During the high economic growth from 1960 to 1985, agriculture was neglected and the country became increasingly dependent on food imports. Over the past three decades, agriculture's share of national output fell from 16% of GDP in 1967 to 2.5% in 1974, before beginning a slow recovery to a level that had stabilized at 5% by 1995. Since the early 1980s, domestic food production (Table 5.2) has failed to keep up with national demand. From 1981 to 1990, food production per capita fell by 16%. Small-scale Gabonese farmers have only a modest share of the domestic market for most essential food staples such as manioc, taro, and corn (Graph 5.1).

Table 5. 2: Trends in Food Production (in tons)

| | 1969/71 | 1979/81 | 1990 | 1991 | 1992 | 1993 | 1994 |
|----------|---------|---------|---------|---------|---------|---------|---------|
| Manioc | 113,300 | 242,000 | 210,000 | 222,000 | 230,000 | 207,000 | 197,000 |
| Plantain | 112,000 | 165,000 | 220,000 | 291,000 | 253,000 | 238,000 | 244,000 |
| Taro | 133,000 | 49,000 | 54,000 | 52,000 | 49,000 | 54,400 | 52,700 |
| Rice | - | 450 | 150 | 108 | 153 | 160 | 45 |
| Soya | - | - | 3,255 | 2,287 | 2,493 | 2,337 | 1,774 |
| Peanuts | 3,500 | 3,500 | 14,800 | 16,000 | 14,700 | 15,380 | 14,800 |
| Corn | 6,000 | 6,000 | 16,600 | 17,000 | 19,773 | 20,350 | 28,500 |

Source: MAEDR, FAO.

5.3 Food imports grew at 15.5% a year between 1979 and 1986. In 1991 they accounted for 18% of total imports. Food imports include both goods produced in insufficient volumes domestically, and others (such as rice, wheat, vegetables, and processed meats) for which Gabon's soils and climate are less suited, in response to needs created by changing food consumption habits in the cities. Forty-five percent of these imports come from Cameroon, Congo and West Africa (fruits and vegetables), and 55% from Europe and Southern Africa (fruits, vegetables, meat, and dairy products). Virtually the entire domestic demand for some products such as plantain is met locally.

Graph 5. 1: Share of Domestic Output in Food Consumption

Source: Ministry of Agriculture

5.4 Up to now, government policy has favored the growth of large parastatal enterprises in the agro-industry sector, in particular those producing oil palms (10,000 ha in 1994), coffee and cocoa (1,000 ha), hevea natural rubber (3,300 ha), sugar cane (3,000 ha) and double-cropping of soy and corn (3,000 ha). In addition, some enterprises are engaged in raising cattle (ranches covered 200,000 ha with 33,000 head in 1995) and poultry (2,500 tons live-weight per year). AGRIPOG (hydroponic cultivation) supplies Port Gentil with market-garden produce. The economic viability of these cash crops and meat operations is uncertain, since their break-even prices are generally well above average world market levels⁵⁹.

5.5 Staples are produced almost exclusively by small farmers, who practice itinerant slash-and-burn agriculture. Manioc, bananas, taro and yams are grown together. The number of small farmers is estimated at 55,000, with between 60,000 and 80,000 hectares under cultivation. According to the Ministry of Agriculture, food production is stagnant overall, although there are significant local variations.

Agricultural Productivity

5.6 By comparison with neighboring countries, the productivity of Gabon's extensive-type agriculture is low (Table 5.3). Natural conditions favor intense crop growth, but also the appearance of weeds, insects and diseases. The soils in Gabon are of the forest type, for the most part ferrallitic and chemically poor, which require a long fallow period (10 to 15 years) to regenerate after only a few years of cultivation.

Table 5.3: Comparative Productivity of Food Crops (kg/ha) in 1993

| | Corn | Rice | Soya | Sweet potato | Manioc | Yam | Taro | Peanuts | Total yield * |
|---------------------------|------|------|------|--------------|--------|------|------|---------|---------------|
| Gabon | 1786 | 1000 | 1077 | 1833 | 5000 | 6765 | 5818 | 1067 | 24602 |
| Cameroon | 1870 | 6000 | 566 | 5255 | 16250 | 3444 | N/A | 313 | 39996 |
| Africa | 1700 | 2072 | 1273 | 4620 | 7793 | 9573 | 4421 | 816 | 33002 |
| World | 3694 | 3573 | 1921 | 13582 | 9601 | 9589 | 5757 | 1219 | 49936 |
| Gabon compared to: | | | | | | | | | |
| Cameroon | 0.96 | 0.17 | 1.90 | 0.35 | 0.31 | 1.96 | 1.00 | 3.41 | 0.62 |
| Africa | 1.05 | 0.48 | 0.85 | 0.40 | 0.64 | 0.71 | 1.32 | 1.31 | 0.75 |
| World | 0.48 | 0.28 | 0.56 | 0.13 | 0.52 | 0.71 | 1.01 | 0.88 | 0.49 |

* For 10 ha. -- Source: FAO country tables, 1993.

5.7 Under current farming techniques, the major constraint on yields is the quality of the soil. In most cases, farmers must clear the original forest cover to open up new fields, and the work of

⁵⁹ *Palm oil*: in 1988, the price of a liter of palm oil produced by Agrogabon was CFAF 500, compared with CFAF 122 for the world price of the refined oil.

Sugar: the production-costprice was CFAF 280 per kg in 1989, while the price for ACP sugar on the world market was CFAF 100 per kg.

cutting trees and undergrowth entails heavy physical labor. Available mechanical aids are primitive, and as the stronger and younger men leave for the cities or lose interest in farming, less land is being cleared: this increases pressure to return too soon to planting the fallows. A vicious circle has emerged: soil exhaustion, falling crop yields and premature planting of worn-out lands. Crops that impose heavy labor demands (such as plantain) are being replaced by crops that may be harder but that have a lower nutritional content (such as manioc).

B. RURAL SOURCES OF INCOME

Land Tenure

5.8 The distribution of land is highly skewed. The agricultural sector study conducted by the World Bank in 1992 estimated that 68% of the farmers cultivate 32% of the farmland, and for the most part must support themselves on less than 1 ha. The main factor determining the size of an operation is the availability of manpower. The poorer households cannot afford to hire paid labor and have fewer able hands among the family (this observation is based on field studies).

Subsistence Farming

5.9 IFAD data suggest that more than 90% of the rural population are engaged in subsistence agriculture as their primary or secondary activity. Income is derived mainly from growing foodstuffs: only one-third of this income is in the form of cash. The size of operations, the degree of home consumption, crop losses and surpluses vary from region to region. The average subsistence food-growing area on a family farm is 1.8 ha, plus a quarter-hectare for marketable crops.

5.10 Small farmers who can afford hired help or who have a large family may also grow cash crops (coffee, cocoa), yet they have become discouraged by falling prices for such crops on the world market and the irregular purchasing habits of the government agency (The Coffee and Cocoa Fund); many farmers have ceased to maintain their plots (Box 5.4).

Other Sources

5.11 Hunting, fishing, handicrafts and transfers from city-dwelling family members are the major sources of supplemental income. Non-farm activities are little developed in rural areas. Tertiary pursuits are limited to the major centers, and wage-paying jobs are limited largely to agri-food and forestry businesses.

5.12 Hunting is an important source of income for rural households. For 36% of the household heads interviewed during the IFAD survey, this was the main source of cash earnings. Hunted game is the prime source of animal protein and represents an essential supplement to what is largely a starch-based diet. Yet customary habits and taboos inhibit the consumption of certain game or fish in particular circumstances (see para 5.20).

Box 5.1: Classes of Small Farmers

There are significant differences among small farmers with respect to the production techniques they use, the obstacles they face and their capacity to respond to opportunity. At least three groups can be identified:

Households suffering occasional food shortages. These families have very small farms and cannot produce enough food for their own consumption or generate any supplementary income. Poverty, food insecurity and malnutrition are widespread.

Subsistence farmers who may also produce a surplus. Small farmers in this group generally cultivate up to 2 ha; they typically live along highway routes. They are not interested in expanding their acreage into the hinterland. The result is that the land within a radius of 5 km or so of the village is generally in high demand and over-exploited. Yields of both food and cash crops are very low, and depend on family labor and traditional tools (hoes and machetes). Food crops are mainly consumed at home. Any earnings from the sale of cash crops, which generally accrue to the men, are spent on supplementary food purchases. These small farmers have the potential to produce greater and more diversified surplus crops and might take a greater interest in the market if supportive policies were in place.

Surplus producers. This group farms on a larger scale, with up to 8 ha under cultivation. Output is geared to family consumption and to the sale of foodstuffs and cash crops. Some households are in direct contact with the institutions that promote rural development and thus have access to modern agricultural inputs and to hired labor. In the northern provinces of Woleu N'tem and Ogooué Ivindo, there is noticeably more production of coffee and cocoa, and farmers have more income than the national average. This category also includes: i) some female farmers who engage in the traditional practice of slash-and-burn to grow food crops (bananas, manioc, sugar cane, sweet potatoes, corn, yams, macabo, pineapples, peanuts and vegetables) both for home consumption and for the market, from which they may earn between CFAF 50,000 and 250,000 per month during the season; and ii) female farmers who work under the auspices of a market garden project supported by the Gabon Institute for Development (IGAD) on the outskirts of Libreville.

Source: Extract from the Agriculture and Forestry Sector Study, World Bank, February 1995.

5.13 Gabon's coastal waters and the dense network of watercourses allow the rural population to engage in fishing either as a prime activity (33% of responses during the IFAD survey) or an occasional one (5% of responses). Indeed, 21% of persons interviewed said that fishing was their main source of income⁶⁰. Fishing is mainly concentrated in the Ogooué delta and along the coast.

5.14 Craft work is closely related to the availability of raw materials from the tropical forest. Wood, bark, leaves and lianas are all used to make objects of daily use (sacks, mats, baskets, beds, room partitions). Yet because the same types of things tend to be made from village to village and even from province to province, there has been little development of a commercial handicrafts industry.

5.15 Finally, there is little processing of agricultural products. Output is limited mainly to: manioc paste (fufu) and jelly (gari), wine or beer from sugar cane and corn, oil from palm nuts, and peanut butter. The output of these products is not always enough to satisfy national demand. Concerning fufu, for example, a study by the Ministry for Small and Medium-scale Enterprises showed that the 374 tons produced in 1992 fell far short of demand: 892 tons had to be imported from Ghana and Cameroon.

⁶⁰ 60% of responses in Moyen Ogooué.

C. LIVING CONDITIONS

Social Services and Infrastructure

5.16 Basic social services and infrastructure in the rural areas are particularly inadequate. There is limited access to potable water, and the lack of high-quality health and education services has sapped both the economic and the human potential of rural communities. Improving these basic services and infrastructure is an essential condition for alleviating rural poverty.

Box 5.2: The Life of Female Head of Household in Ogooué-Ivindo

A rural district (Minkwala): "I am a widow and a grandmother. I have to look after my grandchildren and my great-grandchildren. Their parents left the village to look for work in the city. There is no work here for young people, apart from farming and hunting, and young people don't like to work in the fields. My husband died long ago. I am the only one left to look after the family. I can feed the whole family by working in the fields. What is really a problem for us is clearing the land of trees. That is not a job for a woman—it's too hard, and without a husband you waste a lot of time and money trying to find and pay for help. We work for nothing—we can't even sell our bananas and manioc. Why don't prices for our products go up, when things like oil, soap and other city goods are rising all the time? My customers don't always come to me here. When I have pounded my manioc or made some palm wine, I have to go to Makokou to sell it. Sometimes I don't earn anything. When I do make a bit of money, I use it to buy oil, salt, matches or soap."

A secondary town (Makokou): "I am a widow and I look after six children, none of whom is working. I have two areas of bananas, manioc, corn and okra. Since my husband died, I have to support the children all by myself. From time to time I get my husband's pension, 45,000 francs, but it's often up to four months late. Still, we're happy when it comes, otherwise there isn't much to hope for. We can get by, thanks to field work. Since my husband died, it has become harder to grow the crops—there are no men around to cut the trees, which my husband used to do by himself. Today the children don't want to work in the fields—they would rather go to town, even if it's hard to find work there. I don't grow as much as when my husband was alive. Even if I could hire men to cut the trees, there just isn't enough money. Even manioc and bananas are hard to sell now. Sometimes no one will buy them, and they just rot in the sun. What can I do? Trucks can't get into our neighborhood. When it rains, the place turns into a mudbath. I can't pay for electricity, there is no running water, and we have to go to the other side of the hill to the spring. There can be snakes, and the path is very slippery when it rains. It's not like the old days, money is hard to come by, the companies where the children could find work have gone. The children are tired of looking for work and finding nothing. My daughters' friends give me a little money from time to time. Everything costs money—today, when you need medicine, you have to pay for it first. That's fine, but how can I pay? The country is falling apart. All we ask for is a job and a chance to sell our bananas and manioc. But the Government doesn't care about us. We get only promises from the politicians. They ask us to vote for them if we want a road or some medicine—but nothing ever comes of it..."

Source: PPA, June 1995

Working Women

5.17 Women in Gabon are important to the rural economy. According to the IFAD survey, women perform 95% of the farm work. They devote an average of 15 hours a day to handling all their tasks (Box 5.3). They plant and tend the crops, harvest and transport them, in addition to doing household chores (fetching water and firewood, cooking, caring for the children, running the house), and processing and selling their produce. They must spend a long time in getting to the fields, since the Government has relocated most of the villages.

Box 5.3: A Typical Woman's Day

| | |
|---|--|
| 5 to 7 a.m. | groom herself and the children; prepare meals, do household chores, fetch water; |
| 7 a.m. | leave for the fields; if she has many children (more than eight) she cannot leave until later (usually around 9 a.m.); |
| 7 a.m. - 5 p.m. | work in the fields; |
| 5 p.m. - 6 p.m. | back to the village, carrying firewood, bananas or other seasonal produce from the fields; |
| 6 p.m. - 8 p.m. | wash-up (self and children); prepare supper; household chores; |
| 8 p.m. | supper — end of the workday. However, if she has brought home some manioc for retting, she must prepare it for processing tomorrow: this can take two hours, which means she will not get to bed until 10 p.m. |
| Source: A. Mianzenza, IFAD Survey, 1994 | |

5.18 Men are supposed to clear the trees for planting food crops. However, for the most part they are interested in cash crops, from which they keep the proceeds. The working schedule of the men is less regular than that of the women: during the busiest season (September to December) they will devote at most 2 or 3 hours to farm work. The rest of the year, they are more likely to be off fishing (33%) or hunting (36%), or working at handicrafts.

Food Consumption

5.19 According to the World Bank's Agriculture Sector Study, the average daily caloric intake rose to 2,398 calories per person in 1989 from 1,950 in 1965. Yet 7% of the population had no food security in 1992.

5.20 Three factors lead to malnutrition in rural areas. First, at some times of the year, there is a scarcity of basic dietary staples such as meat. Secondly, the recent economic crisis reduced rural purchasing power. Third, food-related taboos are more prevalent in the rural areas, and can have a serious effect on women and young children. For example, pregnant women are forbidden to eat meat, fish and certain fruits and vegetables, and even when they are not pregnant, rural women rarely consume meat, especially wild game⁶¹. Overall, the diet is lacking in protein and essential minerals. Manioc, plantains, macabo, taro, yams, and sweet potatoes are the main ingredients of the traditional diet; fruits are still eaten only occasionally, and meat is generally reserved for festive occasions.

⁶¹. Carlos Garcia, *Changement d'attitudes et de comportements : Résultats d'une enquête socio-démographique dans la région du Ngounié, au Gabon*, Working Paper prepared for UNFPA, 1990.

D. FACTORS CONSTRAINING AGRICULTURAL DEVELOPMENT

Production Factors

5.21 Due to the scarcity of modern tools and the low use of modern inputs, agricultural production is very labor-intensive. The men will have machetes (which are found in 100% of households) and axes (96%) for clearing land. The hoe is a common implement, and is usually wielded by the women. Only 10% of households possess a saw⁶². Modern tools would help to increase productivity, especially that of the women, who could spend less time preparing food if they had proper tools such as vegetable peelers, food graters and oil presses.

5.22 Modern agricultural inputs are rarely used by small farmers. Also, they do not use improved seed varieties or mineral fertilizers because these are expensive and seldom available on the market and the advantages of such seeds or fertilizers are not clearly understood. Twenty-seven percent of small farmers surveyed cited cost as the main obstacle to using fertilizers in the provinces of Estuaire, Wolem N'tem and Ogooué Ivindo, and 100% and 86% in the provinces of Haut-Ogooué and Ogooué Lolo respectively.

Box 5.4: Portrait of a Typical Cocoa Grower - Minvoul

When cocoa production was in the hands of private companies, the planter received technical assistance to improve the quality of his beans. Roads through the plantation were kept in good repair, and output could be sold on-site. A planter could support his family with the proceeds from his output. Today the roads are poorly maintained, technicians no longer come to offer advice, and the crop sometimes spoils on the spot because the agents from the Coffee and Cocoa Fund do not honor the pick-up schedules. When a planter takes his produce to Minvoul, he must pay for transportation (CEAF 1,000 per sack plus 1,000 per person for a trip of 20 km). There he may have to cajole or bribe the man at the weigh-scale not to under-grade the produce—if it is classed as "reject," its price will be 150 F (compared with 250 F for standard and 350 F for top-quality cocoa). If he can, the planter will cross the border into Cameroon, where he will get a better price.

Under these conditions, the family's best chance of survival is if the woman can grow bananas, manioc and corn, and find a way to sell the latter. The planters feel abandoned. "Subsistence farming is all we have—we would like to grow real crops, but there's no way we can do that without help from the Ministry." Planters are asking for technical assistance, a more effective marketing organization, improved and better-maintained roads, and credit so that they can buy equipment and inputs.

Source: PPA, June 1995

5.23 A major obstacle to enhancing productivity for small farmers lies in their lack of access to technical know-how including better techniques of production, diversification, processing and storage. This is aggravated by more and more small farmers having lost their traditional knowledge, either because they or their fathers came back to farming after losing a job in forestry, or because they returned to the rural areas after a period of unemployment in the city.

5.24 Most government services are focused on agro-industrial projects: the needs of small farmers are neglected. Agricultural extension services, which fall under the Agriculture and

⁶² IFAD Survey, 1994-1995.

Rural Development Directorate, have been limited almost exclusively to the Integrated Operations Zones (OZI) set up in the 1980s. These OZIs were intended to create modern farms that were to be properly equipped to make use of intensive production techniques. OZIs were to be responsible for training farmers, as well as supplying inputs, priority mechanized equipment and related resources. Although it was never tried on more than a limited scale, the authorities eventually abandoned this approach.

Access to Credit

5.25 Efforts to upgrade equipment and promote the use of farming inputs are impeded by the lack of credit in rural areas. Of the seven commercial banks and three development banks in Gabon, only the National Rural Credit Bank (BNCR), set up in December 1984, is active in financing agricultural undertakings. And even the BNCR lends little to small farmers. This is partly due to lack of interest on the part of the bank, and to the inability of these farmers to put up the collateral, the high cost of such transactions, the sporadic or seasonal nature of their incomes, unfamiliarity with banking procedures, and the fact that many farmers cannot read or write.

5.26 Traditional credit cooperatives (the tontines) are under-developed, except in the province of Woleu N'tem. They have been held back by the lack of any strong community tradition, and the irregularity of cash incomes. Family-based and village solidarity systems are limited to providing construction materials and building houses or lending a helping hand with the farm work. The other kinds of savings mechanisms are reserved for close family members or relatives. These mechanisms are more often used for ceremonial expenses (burials, dowries) than for investment in productive activities that might provide income.

Isolation of Farming Areas

5.27 According to IFAD, only 30% of local food production is marketed, mainly because of the isolation of most farming areas. The lack of proper roads, the scattered pattern of production, and the absence of storage infrastructure make it difficult and costly to collect and transport products to market centers.

5.28 Gabon has no proper network of all-weather roads, and the few paved routes (8.7% of the overall network) are in poor condition. The two trunk roads linking Libreville with the North (at the Cameroon frontier) and to the South-East (to Franceville and the Congo border) are not paved all the way, and are of little service to the surrounding rural areas. During the rainy season, erosion and landslides make most roads virtually impassable: it can take a truck two days to cover the 500 km from Libreville to the Northern border.

5.29 Since 1992 the Government has set up maintenance programs to improve the roads. Despite considerable efforts to provide road service for the entire country, and although many communities have been relocated along the main arteries, major farming areas of the country are still isolated. About 47.7% of rural roads are permanently in very bad condition. When the various zones are rated for their accessibility to and from the two major population centers (Libreville and Port-Gentil), three patterns emerge:

- Well-served zones are the villages located along the main highways linking Libreville-Lambaréné, Libreville-Ndendé, and Libreville-Eboro;
- Intermediate zones are those along the roadways connecting Mounana-Franceville-Léconi (Haut Ogooué), Kougoulev-Bibas (Estuaire-Woleu N'tem) and Mitzic-Sam (Woleu N'tem), Lalara-Boué (Woleu N'tem-Ogooué Ivindo) and Ndendé-Bigou (Ngounié), the interior triangle of Bitam-Minvoul-Oyem (Woleu N'tem); and
- Isolated zones, located in Haut Ogooué, Ogooué Ivindo, Ogooué Lolo, and Nyanga.

5.30 The distribution system for foodstuffs is disorganized and haphazard. Because there are few rural markets and transport costs are high, producers mainly depend on middlemen to collect and take their products to market. Village producers stack their goods at stalls along the roadside hoping to attract a passing middleman. The success of these efforts depends on the volume of traffic on the road, and the space the middleman may have left in his jeep. Collection remains irregular and unreliable.

5.31 The middlemen who travel through these isolated regions will offer only a low price to the producers: they must cover the cost of transport by jeep for themselves and the merchandise, and much of the produce may spoil in the time taken to travel over the bad roads. These costs are often increased by non-official tolls. The distribution network generally involves a succession of intermediaries. Transport and distribution costs can represent 50% of the retail price of goods sold in Libreville (or up to 80% for plantain and manioc). These costs represent the single biggest obstacle to trade and create a serious competitive disadvantage for Gabonese products against those from neighboring countries.

6. EDUCATION

Gabon has made considerable progress in raising public education levels since Independence. But today, although the education sector is characterized by poor results and great inefficiencies at all levels of schooling, Gabon allocates far more funding per pupil than most other Africa countries.

While the distribution of teachers and infrastructure among the school districts is not conducive to a quality education system generally, the problems in rural and urban areas are different:

- In urban areas, the main problem is too many children to be accommodated in the classrooms. This reduces the time devoted to learning and results in part-time instruction.*
- In rural areas, the precarious state of infrastructure and the lack of materials make learning physically difficult. The need for teachers to teach several grades at once affects the quality of instruction, resulting in a teacher shortage and absenteeism.*

These factors work to the disadvantage of the poorer provinces: in the provinces with the highest rates of illiteracy, the quality of instruction is also the weakest⁶³.

A. EDUCATION AND POVERTY

6.1 There is a close link between the level of formal education and the level of income (Table 6.1)⁶⁴. That the household head may not possess a school diploma does not by itself mean that the family cannot be in the upper income quartile, but it does reduce the probability considerably. Two-thirds of household heads with no diploma, however, are in the two lowest quartiles.

6.2 The illiteracy rate in Gabon is low for the region. Only 21% of men over 15 years of age and 34% of women in the same age group are classified as illiterate. Illiteracy relates mainly to people over 40 years of age; the rate is less than 10% for those in the 15-30 age group.

6.3 There are clear disparities between provinces and types of settlement: overall, 20% of the urban population is illiterate, compared with 49% of the rural population, and 15% of urban dwellers in Estuaire are illiterate, compared with 60% in Ngounié. Lack of literacy skills is a barrier to productive employment. Illiterates are unable to master the basic learning tools needed to benefit from any training more advanced than what will allow them to get by in subsistence farming, unskilled labor and simple tasks in the informal sector.

⁶³ For an insight into the correlation between the illiteracy rate and the ineffectiveness of education by province, compare Table D.4 and Graph D.1 in Annex D.

⁶⁴ See also the "Labor Market" chapter of this report for the relationship between education and unemployment.

Table 6. 1: Household Head Diploma and Monthly Urban Household Income

| Household Head Diploma | Monthly income quartile (%) | | | | |
|------------------------|-----------------------------|------|---------|--------|-----|
| | Lowest | Low | Average | Higher | All |
| None | 40.1 | 27.0 | 19.7 | 13.2 | 100 |
| CEPE | 21.5 | 25.9 | 34.1 | 18.5 | 100 |
| CAP | | 46.2 | 30.8 | 23.1 | 100 |
| BEPC | 8.5 | 21.3 | 34.0 | 36.2 | 100 |
| BETI | 15.4 | 15.4 | 38.5 | 30.8 | 100 |
| Bac (A,B,C,D) | 7.1 | 14.3 | 28.6 | 50.0 | 100 |
| Deug/BTS | | 15.4 | 23.1 | 61.5 | 100 |
| Bachelor's degree | | | 25.0 | 75.0 | 100 |
| Master's degree | | | 18.2 | 81.8 | 100 |
| Engineer | | | | 100.0 | 100 |
| Doctorate | | | | 100.0 | 100 |
| TOTAL | 23.5 | 23.8 | 27.2 | 25.5 | 100 |

Source: Household Expenditure Survey, Libreville and Port Gentil, 1994

Box 6.1: Education Trends Since Independence

Primary education. School attendance rose dramatically in the wake of Independence (1960). The school enrollment rate for girls rose more quickly than for boys throughout that first decade, and drew even with that for boys. Yet teaching conditions deteriorated, because the increased numbers of pupils coincided with a drop in the number of teachers and available schools.

Secondary education. Enrollment in secondary education expanded in the early 1970s but stabilized in the 1980s. Girls are under-represented. The number of pupils fell with the onset of the economic crisis as a result of cutbacks in enrollment at both normal schools and technical institutions.⁶⁵

Higher education. This only began in the 1970s, when the National University of Gabon was established.⁶⁶ Enrollment of girls reached 32.2% in 1989.

Source: World Bank estimates based on UNESCO data

B. THE EDUCATION SYSTEM

Enrollment Levels

6.4 The Gabonese have attained a high level of education in comparison with the rest of sub-Saharan Africa. While unbalanced in favor of boys, the enrollment rate is high: 90% for boys and 88% for girls, ages 6 to 16. Yet 22% of the population declares itself to have had "no schooling". Nearly half the population (44%) have been through primary school, 18% have completed the first cycle of secondary education, but only 6% have finished the second cycle. These overall rates conceal wide disparities among the provinces (see Table D.1, Annex D).

⁶⁵ General secondary education has resumed its growth, after a period of stagnation in 1989.

⁶⁶ This expanded most rapidly during the early 1980s. Enrollments began to decline after the 1986 crisis.

6.5 The gross primary enrollment rate is among the highest in Francophone Africa. Girls are equally represented in primary education. Since the school year 1980/81, this rate has exceeded 100%, and for 1995/96 it rose to 152% (140% for girls), but the system is so inefficient that the net enrollment rate is only 86%, both for girls and for boys. This indicates that universal schooling is still not a reality.

6.6 The gross enrollment rate in the first cycle of secondary education is 53% (51% for girls). The net⁶⁷ rate was 15% for both sexes during the 1995/96 school year. In the second cycle, the gross rate is 16% in total, and 14% for girls, while the net rates are 5% and 4%. The gaps between these rates indicate the inefficiency of the school system. The discrepancies between the gross rates for girls and boys show that girls are at some disadvantage. The gross rate for schooling at all levels among the secondary-school age group (12 to 18 years) is 81% (85% for boys and 78% for girls).

Table 6. 2: Education System: Main Indicators (1995/96 or latest available)

| | Primary | Secondary | | Higher | All |
|--|------------------------------|----------------------------|--------------|--------|----------------------------|
| | | First cycle | Second cycle | | |
| Illiteracy (15 years and older) total population (%) * female population (%) * | | | | | 27.1 - 28.5 33.9 - 34.8 |
| Proportion of children 6 to 11 not enrolled | Total: 10.6 Girls: 11.3 | | | | |
| Highest education level attained (as percentage of population)* | 44.4 | 18.4 | 5.9 | 5.2 | |
| Overall participation rate -- population aged 6 and older* | | | | | 40.0 |
| Gross schooling rate -- population 12 to 18 years* | | | | | 81.3 |
| Gross enrollment rate (GER) (%) ** | Total: 142.4 Girls: 140.5 | Total: 53.2 Girls: 50.8 | 16.4 13.6 | | |
| Net enrollment rate (NER) (%) ** | Total: 86.3 Girls: 86.0 | Total: 14.6 Girls: 14.9 | 4.8 4.4 | | |
| CEPE success rate (%) ** | 75.2 | | | | |
| Repeat rate (%) ** | 32.8 | 31.7 | | 35.3 | |
| Drop-out rate (%) ** | | 18.7 | | 15.9 | |
| Pupil-teacher ratio ** | 48 | 37 | 26 | | |
| Pupils per class ** | 52 | 54 | 47 | | |

Source:

* World Bank estimates based on General Population and Housing Census, 1993

** MEN statistics

⁶⁷ Because of late enrollment failure and repetition in primary education and the first secondary cycle, the percentage of young people who are not taking any type of formal education is only 8.1 to 8.9% of those aged 12 to 15 years (the age bracket corresponding to the first secondary cycle), and 29.9 to 31.6% for those aged 16 to 18 years (the second cycle).

The Shortcomings of General Education

6.7 Durable literacy. The external output of the system is very weak: while nearly 70% of the population aged 15 and older may be considered fully literate, more than a quarter are illiterate, and 2% can only read. The results at the secondary level show up in poor examination scores. The literacy rate would be higher if all those who attended school had acquired lasting literacy skills, yet 5% of persons who said they had completed primary school consider themselves illiterate (see Annex D, Table D.2). This is due to the low quality of the education they have received (Box 6.2) and to the lack of opportunity to practice the reading and writing skills they may have acquired.

6.8 Enrollment demand. The level of new first-grade registrations shows that, although school attendance is obligatory from age 6, some parents enroll their children late. Even in the highly urbanized provinces, where demand for education is traditionally the strongest, the rate of not-in-school children is greater than 10%. This suggests weak demand and is an important concern. The Ministry sees in it a reduction in demand for education in general, suggesting that parents may be discouraged because they no longer believe that education is a guarantee of social advancement. But it could also reflect disgust with the effect of over-crowded classrooms—the repeater rate is highest in Grade 1. This question deserves to be studied more thoroughly, since it has implications for future policies.

6.9 Repeaters and drop-outs. Failure and consequent repetition rates, an indication of the system's internal inefficiency⁶⁸, are very high. While teaching conditions—overcrowded classrooms and the mixture of ages in each class—are the major cause, the high number of pupils repeating a grade makes conditions worse. Failure is as high among boys as among girls at the primary level; in secondary school, more girls than boys are forced to repeat a year⁶⁹.

⁶⁸ The age distribution in the classes is an indicator of the number of repeaters, and of late enrollees. No age distribution data are available beyond those for the primary schools in the Libreville-Centre school district, for the school year 1993/94.

⁶⁹ It is slightly higher for girls than boys in the first cycle of secondary education, and sharply higher in the second cycle (47% versus 30%). The gender rates refer to a single province, where in-depth analysis was conducted: Ogooué Lolo for primary, Estuaire for secondary (source: Ministry of National Education, Department of Teaching and Pedagogy, *Réflexion sur l'échec scolaire*, Libreville, Année 1995-1996). The same point applies to the discussion of drop-outs.

Table 6. 3: Repeater and Drop-out Rates at the Primary and Secondary Levels

| Primary | | | Secondary (<i>Estuaire</i>) | |
|---------------|----------------------|----------------------|-------------------------------|----------------------|
| Year | Repeaters 1991/92 | Drop-outs 1988/89 | Year | Repeaters 1994/95 |
| CP1 (Grade 1) | 42.6% | 17.5% | <i>First Cycle</i> | |
| CP2 (Grade 2) | 29.7% | 3.7% | Grade 7 | 31.2% |
| CE1 (Grade 3) | 32.3% | 11.2% | Grade 8 | 28.8% |
| CE2 (Grade 4) | 22.0% | 7.0% | Grade 9 | 24.7% |
| CM1 (Grade 5) | 22.1% | 10.1% | Grade 10 | 30.1% |
| CM2 (Grade 6) | 39.7% | | <i>Second Cycle</i> | |
| | | | Grade 11 | 31.8% |
| | | | Grade 12 | 30.0% |
| No total rate | | | Total | 1993/94 |
| | | | National rate | 31.7% |

Source: for 1988/89 Meye, Sylvain, Demand for education, in: Proceedings of the Oyem Seminar on Population and Development, Oyem, November 1990, table 10, p. 88; for 1991/92: UNESCO database; for 1994/95 partial data on the province of Estuaire, from Ministry of Education; for 1993/94: The Education Situation in Gabon (working paper).

6.10 Drop-outs and non-enrollment rates are high at the primary level (in Ogooué-Lolo, the drop-out/expulsion rate reaches 9%, failure/repetition 7%), but they are even more serious at the secondary levels, where students are allowed to repeat only one year at each level in the first or second cycle (a further failed year is grounds for expulsion). In 1994/95 the national drop-out/expulsion rate was 19% (but more than 22% for the province of Estuaire)⁷⁰. In Estuaire, drop-out/expulsion is higher among boys than girls. This is consistent with the higher failure/repetition rate noted among girls in the second cycle of secondary education.

Box 6.2: What Parents Think About the Quality of Education

When asked to compare the current quality of the education system with that in the past, most parents thought it had deteriorated, and that teachers no longer had much incentive. Parents in urban and rural areas alike complained that schools were under-equipped, although some would admit that there were now more primary schools than before—yet at the same time they believed children were now more likely to fail in school. Teachers were accused of absenteeism and failing to impose strict standards on children who were more likely than earlier generations to lack discipline. Parents recognized, however, that some extenuating circumstances might excuse teachers, given their current working conditions. Although some parents (particularly in secondary towns and villages) recognized that education programs and teaching had improved, they saw the public school as the “poor cousin” of private schools. Some were convinced that to give their children proper instruction, they would have to find the means to send them to private school.

Source: PPA, June 1995

⁷⁰ Calculated using drop-out/expulsion rates for each year of study. These are 23.3% for year 1 of high school (Grade 7), and 21.2% by the time they reach year 5 of high school (Grade 11) (*Réflexion sur l'échec scolaire*, p.7). The national drop-out rate is a net rate, measuring the total number of students who have left the school system during a given year. A provincial rate may underestimate this number, because of migrations from outside the province.

Outmoded Vocational and Technical Education⁷¹

6.11 An upgrading of technical and vocational training and preparation for professional careers⁷² could represent the most effective short-term approach to overcoming poverty, by enhancing the productivity of graduates of the education system. Yet in Gabon the schools continue to turn out people whose skills do not match the needs of the economy⁷³, either at the secondary technical and vocational level or at the professional level.

6.12 Public institutions pay little attention to the needs of the agricultural sector or the informal sector, both of which are growing but have no proper apprenticeship system. As to the technical high schools, it has been found that one graduate in five lacks the skills needed to find a job⁷⁴, largely reflecting the failure of such programs to adapt to technical change and the country's shifting needs. Initially the ANFPP had introduced programs designed to respond quickly to evolving training needs, but the agency has tended to stress rigid and over-long course structures, in an attempt to rival the CAP.

6.13 The absorption capacity of the training system is unknown. Secondary education falls far short of demand, which has risen sharply as a consequence of the economic crisis (Table 6.4).⁷⁵

⁷¹ This section is based on two recent studies: (i) Barcia, Paulo, Gabon - Project GAB/89/002 "Insertion/Réinsertion professionnelle et promotion de l'emploi" Formation Professionnelle, Libreville December 1992 ("Formation" hereafter), and (ii) MEN, Haut Commissariat à l'Enseignement Technique et Professionnel, Secrétariat Général, Direction Générale des Enseignements et de la Pédagogie, Direction de l'Enseignement Technique et Professionnel: "Propositions pour un plan de redressement de l'enseignement technique et professionnel secondaire long": Libreville, 10 February 1995 ("Propositions" hereafter).

⁷² See Table D.3 in Annex D for a description of the current system of technical and vocational training.

⁷³ Barcia, Paulo, p24 "... businesses are hoping to see some reforms in educational content that will give it a more practical orientation". On vocational training, the study states (p.34) that "the quality of graduates does not measure up to employers' expectations ..."

⁷⁴ "Propositions pour un plan de redressement ...". (p.17) cites as one reason the poor state of communication between the schools and the business world. The report points (p.6) to "the rigidity of programs designed in academic terms and based on models drawn from another socioeconomic and technological context, and labor market-oriented training courses that bear no relationship to a student's vocational goals."

⁷⁵ The report entitled "Propositions pour un plan de redressement ..." confirms over-enrollment in six of the ten institutions or parts thereof that were assessed. In one case, there were five times as many students as there were available places.

Table 6. 4: Technical Secondary Enrollment by Type of Instruction and Sector, 1990/91

| Type of instruction (institution) | 1990/91 | 1994/95 |
|---|---------|---------|
| Short-cycle instruction (technical colleges), of which: | 4,397 | 2,635 |
| - industrial sector | 2,831 | 1,676 |
| - tertiary sector (commerce) | 1,556 | 959 |
| Long-cycle instruction (technical schools), of which: | 682 | 4,468 |
| - industrial sector | 477 | 1,827 |
| - tertiary sector (commercial) | 205 | 2,641 |
| Total | 5,079 | 7,103 |

Source: for 1990/91: Barcia, Paulo, *Formation Professionnelle* p.16; for 1994/95: Ministry of National Education, Statéduc.

6.14 The recent growth in demand led to a flood of enrollments in all parts of the school system. Partly as a result of funding shortages, the obsolescence of teaching tools, and the inadequate management of available infrastructure and resources⁷⁶, this increase translated into disappointing results, both as regards test scores⁷⁷ and prospects in the job market. As was pointed out in the ONE document, graduates cannot find jobs, while business continues to clamor for skilled workers⁷⁸.

C. POVERTY AND SCHOOLING

6.15 At the primary level, results of the participatory survey show that drop-outs (students who leave school before completing their studies) can be attributed to problems in buying school supplies, the high opportunity cost of going to school (Box 6.3), and their disappointing results⁷⁹. Between the school years 1988/89 and 1993/94, a time of severe economic and social crisis, the primary school drop-out rate almost doubled, from 9.8% to 18.7%⁸⁰. Since the education received is so ineffective, there is a high risk that these drop-outs will lapse into illiteracy. The number of such potential illiterates is far greater than the actual number of self-declared illiterates between the ages of 15 and 30 (25,300 to 30,100).

⁷⁶ The two main sources used cite management shortcomings. According to the "Propositions" study, p. 17, a dynamic team that manages limited resources properly may be able to cope with budgetary shortfalls.

⁷⁷ As shown by the pass rates for 1990/91 on the CAP (32%), the BET (30%), the BT (64%) and for 1994/95 on the technical BACs (29%).

⁷⁸ *La relation Education - Formation Emploi au Gabon*, p.4, Paradoxe.

⁷⁹ These results could be caused by absenteeism related to economic pressures (or the short attention span of children suffering from malnutrition). In rural areas and in the secondary towns, children of poor families accompany their parents during the hunting, fishing, and field work seasons. The quality of teaching is another factor in falling enrollments.

⁸⁰ According to the latest detailed statistics (school year 1988/89), 78.6% of drop-outs occur between Grade 1 (50.5%) and Grade 3 (21.5%). The number of drop-outs is estimated at between 42,000 and 43,000 children, of whom 33,500 have not completed Grade 3.

Box 6.3: How a Poor Children Fares in a Rural Town

The difficulties that a poor family encounters in trying to secure an education for its children were made explicit during interviews conducted in the interior towns of Mouila and Makokou with families and school principals and in the written narratives of students who were finishing the first cycle of secondary education.

To school or to the fields? In urban centers and in villages where the poorest families struggle for a subsistence living, children represent a valuable labor resource. Children living with their grandparents or their mother are most often sent out to work. Some of these children wrote accounts of their lives, under the topic "living with the old folks," in which they told of sharing their time between school and rooting for tubers in their grandparents' virtually-abandoned fields or seeking to earn a few pennies by doing odd jobs for the Malian vendors in the marketplace. The Director of the Community School at Makokou confirmed, with school statistics supplied to the survey team, the high seasonal truancy among children who go off for farm work, fishing or hunting.

An obsession with hunger. The narratives reveal the food insecurity in which some of these children live. *"I am not very well because I am always hungry. ... When I leave for school in the mornings I don't have any breakfast, at noon there is no lunch, in the evening I get a little supper, and that's not enough. So when I see another child eating, I watch him, and if he doesn't give me something I think I'm going to die of hunger." "I am hungry when I get to school. I am hungry when I come home again. And when my little brothers cry, I go and try to do something with the Malians..."*

A discouraging environment. Poor children have to put up with a discouraging school environment. But when they go home, they face another environment that is just as unhealthy, that contributes to their failure in school. Their diet is inadequate and irregular, their shelter is unhealthy, they have no proper hygiene (since grooming and soap products are expensive), there is little health care, and they have no school supplies or books.

Where are the parents? School principals deplore the lack of parental supervision over children. But they admit it is unfair to criticize impoverished parents, who may spend the entire day looking for the bare essentials of life, if they fail to show up for individual consultations or to attend meetings of the Parent-Teacher Association.

Source: PPA, June 1995

6.16 At the secondary level, the very high cost of going to school—in urban and rural areas alike — seems to be a major drop-out factor. According to the survey results, children leave school mainly for economic reasons, and because there is no parental supervision. In rural areas, where the secondary school is generally located in the provincial capital, children from distant villages face the added cost of finding local lodgings or paying for transportation.

D. EDUCATION IN POOR AREAS

The Geography of Illiteracy

6.17 There are major disparities among the provinces as regards illiteracy. These correlate with differences in levels of economic development and demographic structure. The provinces can be divided into three groups:

- Provinces with low illiteracy rates: These are the two coastal provinces where the economy is strong and the elderly are a lower proportion of the population: Estuaire with Libreville and Ogooué Maritime with Port Gentil, where the overall rates of illiteracy are 17-18% and 19-21%, respectively.

- **Provinces with average illiteracy rates:** The four provinces in this group show illiteracy rates almost double those of the first group, varying between 33 and 38%. These are the provinces dominated by mining (Haut Ogooué) or farming (Woleu N'tem and Ogooué Ivindo, and Moyen Ogooué, which forms the hinterland beyond Libreville and Port Gentil).
- **Provinces with high illiteracy rates:** In this group (Nyanga, Ngounié and Ogooué Lolo), the rate approaches 50%, and more than one-third of the population has never been to school.

6.18 The gender gap is higher in the provinces where illiteracy is high (14.4%) than in the low-illiteracy provinces (5.8%).

Under-equipment⁸¹ and Lack of Teachers.

6.19 Teaching conditions in public primary schools are at their worst in the poorest provincial areas, and in the shantytowns of Libreville and Port-Gentil. Some students may leave school with no lasting literacy skills.

6.20 The proportion of schools offering only part of the curriculum is 8% for the country as a whole. This rate is higher in the provinces where illiteracy is also highest. Most of these schools are "satellite" schools, set up to allow young children to attend school closer to home.

6.21 In the rural areas taken together, more than 57% of primary schools are built at least in part of non-durable materials (bark, earth, boards). The quality of infrastructure is especially poor in the provinces with high illiteracy rates (Ngounié, Nyanga, Ogooué-Lolo).

⁸¹ The analysis covers all schools in the database of the Ministry of Education and includes public and private schools.

Box 6.4: Teaching Conditions in a Shantytown Primary School

Primary School X in Libreville is located at the bottom of a low-lying area, and takes children from one of the disadvantaged districts. It is surrounded by an iron fence, and its gates are chained at mid-day. Several classrooms have been closed because of lack of maintenance.

The principal is away, and has been replaced by a teacher who complains constantly: everything is lacking, there is no longer any electricity, water supply is inadequate, the Ministry of Education doesn't provide enough teachers. While prices continue to rise, salaries remain the same, and a teacher can no longer keep up the standard of living of a few years ago. Despite the fence and the chains at the gate, the building is often vandalized. Many of the windows have been broken. Nothing has been done to keep up the appearance of the building or its surroundings.

The students pile into the classrooms, three or four to a desk. At the request of the visitors, about a third of the pupils can produce a math textbook. The proportion of reading and language books is a little better. In one classroom, a group of students has been left alone, without any teacher. One of the students is supposed to be in charge, and has made a quarter of the class go on their knees as punishment for rowdiness. From time to time a teacher pokes his head in, to ensure that everything is quiet, and to write some work on the blackboard. The children are left to themselves, not because their teacher is sick or away for some other reason, but because there isn't any teacher, and there has been none since the school year started. Yet parents continue to send their children every day, because they know that without education their children will be lost.

Source: Main Mission of the World Bank, May 1995.

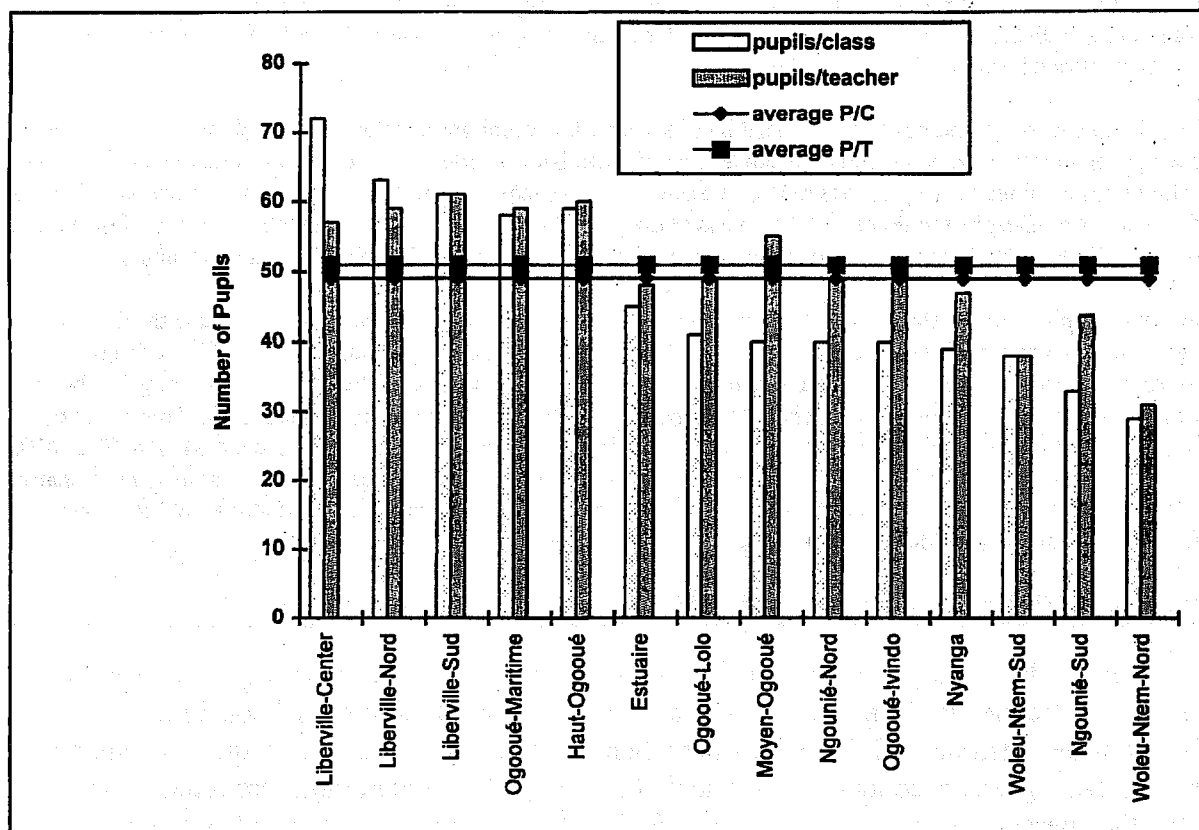
6.22 In all the country's urban areas⁸², schools are durably built, with very few exceptions. Yet there is frequently little maintenance, and this is especially true for schools in the disadvantaged districts of Libreville, where there is generally no electricity, the water supply is not functioning, and accounts are left unpaid (Box 6.4). These conditions are often the result of vandalism perpetrated by local residents⁸³. This betrays a more general problem that affects a number of other sectors: the absence of any sense of ownership or responsibility from users of public services and facilities.

6.23 The classroom shortage is most pronounced in the urban centers, and especially in the Libreville-Centre district, where the class size averages 71 pupils. This overcrowding is due to the cuts made in the hours of instruction offered. Eighteen percent of schools in Libreville Sud and 27% in Libreville Centre have had to impose double shifts during the day. In the average- and high-illiteracy provinces, and in the rural areas of Estuaire, the number of pupils per class is still below 40. Therefore, considering only overcrowding in the classroom, conditions are better in the low-literacy provinces than in the high-literacy ones.

6.24 The lack of teachers in the provinces does not allow existing infrastructure to be put to optimum use (Graph 6.1). Pupils must put up with multi-grade instruction, for which the teachers are ill-prepared and have not mastered the methods.

⁸² This includes provincial towns. The cited figure of 57% excludes schools in provincial towns.

⁸³ Light switches and other electrical devices are often removed from the classrooms for other uses; school furniture may end up as firewood (Written comments from MEN).

Graph 6. 1: School Conditions at the Primary Level

Source: World Bank estimates based on data of the Ministry of National Education, Educstat, Libreville 1995.

E. THE FINANCING OF EDUCATION

6.25 Gabon spends more money per pupil than most other African countries⁸⁴, although the education budget has been repeatedly cut since 1986. The distribution of expenditure is far from satisfactory, both as regards the shares of different levels of schooling and the allocation between operating and capital budgets.

Budget Trends

6.26 Between 1984 and 1988, the total budget of the Ministry of National Education, which does not include higher education, fell by 41%. It rose again in 1990 but in 1994 was still 9% below the level of 1984 (Table 6.5). Budgetary provisions for higher education have followed a similar path.

⁸⁴ In 1992, public spending per head for primary education was US\$ 250 in Gabon, against an average of US\$ 53 in French-speaking Africa as a whole (Statistical Profile of Education in Sub-Saharan Africa, 1996, DAE).

Table 6. 5: Education Budget Trends

| Share of education in National budget | | Share of investment in education budget |
|---------------------------------------|-------|---|
| 1984 | | 28.3% |
| 1985 | 8.8% | 33.7% |
| 1986 | 12.8% | 39.5% |
| 1987 | 13.7% | 15.1% |
| 1988 | 14.2% | 10.8% |
| 1989 | 12.7% | 10.0% |
| 1990 | 11.1% | 12.1% |
| 1991 | 10.4% | 8.6% |
| 1992 | 11.5% | 13.4% |
| 1993 | 12.2% | 16.7% |
| 1994 | 9.7% | 29.5% |

Source : World Bank estimates based on data from MEN and Ministry of Finance

6.27 Between 1984 and 1994 spending per pupil, primary and secondary combined, dropped sharply, from US\$ 651 to US\$ 337⁸⁵. But between 1988 and 1993, spending per pupil at the primary level increased from US\$ 172 to US\$ 212. One reason for this increase was the 51% rise in primary school teacher salaries between 1989 and 1990.

Table 6. 6: Trends in Spending Per Pupil

| Years | Spending per pupil (US\$) | | | |
|---------|---------------------------|-------------------|--------------|-------------------|
| | Primary and secondary | | Primary only | |
| | in US\$ | in CFAF thousands | in US\$ | in CFAF thousands |
| 1983/84 | 651 | 424 | | |
| 1984/85 | 570 | 249 | | |
| 1985/86 | 813 | 365 | | |
| 1986/87 | 497 | 172 | | |
| 1987/88 | 485 | 144 | 172 | 52 |
| 1988/89 | 405 | 121 | 154 | 46 |
| 1989/90 | 514 | 164 | 158 | 50 |
| 1990/91 | 529 | 144 | | |
| 1991/92 | 560 | 158 | | |
| 1992/93 | 545 | 144 | 334 | 88 |
| 1993/94 | 337 | 94 | 212 | 60 |

Source : World Bank estimates based on MEN data

⁸⁵ Converted to US\$ using the "Local currency/US\$, market rate, period average" for each year, from the World Bank's database. These rates produce results that differ from other sources.

Intra-sectoral Allocation⁸⁶

6.28 From 1994 to 1996 the distribution of spending among the various levels of schooling favored general secondary education, whose share increased from 17% to 40%. The portion devoted to secondary technical education grew significantly. The share for primary schooling fell from 67% to 41%: the declining share of primary education is most notable in the capital budget (Table 6.7).

Table 6. 7: Operating Budgets (Less Salaries): distribution by level of schooling

| Level of schooling | Proportion of budget | | |
|-----------------------|----------------------|-------|-------|
| | 1994 | 1995 | 1996 |
| Primary | 67.2% | 50.5% | 41.0% |
| General secondary | 18.5% | 30.0% | 40.6% |
| Technical secondary | 5.5% | 8.5% | 9.5% |
| Not assigned by level | 8.8% | 11.0% | 8.9% |

Source: World Bank estimates based on explanatory annexes to the Budget Acts of 1994, 1995 and 1996.

6.29 About 89% of the operating budget is devoted to salaries, leaving very little for other inputs needed to ensure a respectable quality of education. According to UNESCO figures, this percentage was around 70% in the late 1980s⁸⁷. The situation has deteriorated considerably since then.

6.30 Investment has suffered heavily from the economic crisis. The investment portion of the education budget, which was about 30% before the crisis, fell to 15% in 1987, and to 9% in 1991, when the nominal value of such investment also reached its lowest point (CFAF 3,364 billion). Investment recovered thereafter, both in nominal terms and as a percentage of the budget, and reached 29% in 1994.

Allocation of Public Funds

6.31 The cuts in budgetary allocations, combined with the manner in which the funds have been managed⁸⁸, has led to the overall deterioration of education and vocational training conditions. Infrastructure has not kept pace with the growth in enrollment. The lack of desks

⁸⁶ The data are limited to the capital budget and operating budget less salaries, since no data are available on the distribution of salaries by level of schooling.

⁸⁷ Given the quality of these statistics, it is impossible to be more accurate.

⁸⁸ See the following report on this subject: NC Consulting, *Réformes des procédures budgétaires du Ministère de l'Éducation Nationale du Gabon, Diagnostic, Fascicule No 1, section 3.5.2 Gestion des ressources financières, section 4. Analyse critique de l'exécution des projets*; see also *Formation Professionnelle*, p.28: "Constant funding cuts, together with severe management problems, have led to a situation of permanent budget crisis."

prevents many students from exercising their writing skills as they learn them. At the secondary level, laboratories are poorly equipped and teaching materials are ill-maintained.

6.32 In the wake of the first structural adjustment program, the country's teacher training schools suspended recruitment in 1988. This helped, over the short and medium term, to reduce the growth in public service staffing levels, and to restrain the public payroll. But it also prevented the Ministry from replacing under-qualified teachers with better trained ones and led to a deficit of 600 teachers at the primary level. Some rural schools, which were functioning with only one or two teachers, were forced to close their doors for lack of staff⁸⁹. The authorities say that there are not always enough candidates to fill approved positions. In the face of this situation, and to make up for retirements, the Ministry of Finance is approving 200 new positions each year for the entire system. Parents have begun to take the initiative: in Haut-Ogooué, parents' associations are paying the salaries of at least 15 supply teachers.

⁸⁹ Such cases were reported, for example, in the school district of Mouila (World Bank mission).

7. THE HEALTH SYSTEM

No adequate statistics are available on the pattern of health problems as they affect urban and rural areas or different socioeconomic groups in Gabon. There is, however, a degree of consensus among specialists that public health indicators are less satisfactory in the rural areas and in the poorer districts of the country's three major cities. Infant and child mortality seems to be less severe in urban than in rural areas. Intestinal ailments are particularly widespread among children of poor families. Children whose mothers have received no education are 35 times more likely to die before the age of 5 than those whose mothers have at least a secondary school diploma.

The economic crisis that has gripped the country since 1986 has aggravated problems of health and sanitation. The crisis has brought a steady decline in the Government's capacity to meet public health needs, while accelerating the decay of health and sanitation facilities and exacerbating the shortage of medical equipment and supplies, particularly outside Libreville.

A. GENERAL CONDITION OF THE HEALTH SYSTEM

Changes Since Independence

7.1 Public health indicators for Gabon have improved significantly over the past three decades, as can be seen from Table 7.1. The gross mortality rate fell from 30 per thousand in 1960 to 15.6 in 1990. Over the same time, the rate of infant and child mortality declined from 287 to 155 per thousand. Life expectancy at birth has climbed to a present level of 52.9 years, compared with 35.2 in 1960. Involuntary sterility has diminished, as shown by the completed fertility rate, which rose from 2.8 in 1960 to 4.3 in 1993.

7.2 This notable improvement reflects the efforts that the country has made since Independence. Rapid economic growth between 1960 and 1993 allowed the Government to expand its budget each year (from CFAF 4.6 billion in 1960 to 388.6 billion in 1990) and to allocate substantial amounts to social programs, including close to US\$ 100 per capita to health. These budgetary allocations allowed the launching of various health programs, particularly the construction and equipping of health facilities. Most of the health facilities in the country (59% of the provincial hospitals, 74% of the medical centers and 69% of the specialized hospitals for endemic diseases, the so-called "Grandes Endémies" hospitals) have been built since Independence.

7.3 Yet the return on investment in the health sector has been relatively low, for a number of reasons: errors at the health policy level, lack of proper planning, failures of program management and supervision, and an inappropriate distribution of resources within the sector. For the past 20 years, Gabon has had a stated policy of basing its strategy on primary health care. This was reflected in the recent issuance (14 January 1995) of Order No. 001-95 on guidelines for Gabonese health policy. That Order introduced a number of reforms, including:

- establishment of health regions for the coordination, supervision and control of health department activities;
- preparation of the "health map" as a basic instrument for planning human and material resource development in the health sector;
- decentralization and increased autonomy in the management of health facilities;
- diversification of health services financing, including direct financial contributions from users;
- standardization of equipment and supplies; and
- encouragement of the use of generic drugs.

7.4 Implementation of the new policy has not always been satisfactory. For example, the Decrees for putting Order No. 001-95 into effect have yet to be issued. Budgetary allocations continue to give preference to tertiary health needs, while the epidemiological profile of the country is still of the primary type.

Table 7. 1: Demographic Indicators for Gabon

| | 1960 | 1970 | 1980 | 1993 |
|---|------|------|-------|---------|
| Population (thousands) | 450 | 536 | 738 | 1014 |
| Urban population (%) | 13 | 26.2 | 39.6 | 73 |
| Gross birth rate (per 1000 inhabitants) | 40.8 | 41.3 | 44.2 | 52.9 |
| Life expectancy at birth (years) | 35.2 | 49 | 48.7 | 52.9 |
| Gross mortality rate (per 1000 inhabitants) | 30 | 20.2 | 18.7 | 15.6 |
| Infant mortality rate (per thousand live births) | 228 | 132 | 109.4 | 99 |
| Child mortality rate under 5 years (per 1000) | 287 | 266 | 172.4 | 155 |
| Maternal mortality rate (per 100.000 live births) | | 700 | 500 | 190-600 |
| Completed fertility rate | 2.80 | | 3.81 | 4.34 |

Sources: MSPP, UNICEF, WHO

Impact of the Economic Crisis

7.5 The economic crisis raised barriers to public access to health services and medication. Among these are the rising cost of medical consultations. Over the past ten years, the fees for such consultations have risen from CFAF 1,500 to 3,000 in the public sector, and from CFAF 10,000 to 15,000 in the private sector. The simplest tests cost CFAF 3,000 at health centers run by the Ministry of Public Health and Population (MSPP).

7.6 Over the same period, and particularly since the devaluation of the CFAF in January 1994, the price of medications has more than doubled. As in other countries of the CFA zone,

Gabon has tried to control the rising prices of drugs and to make available greater supplies of effective and affordable pharmaceutical products. Four draft decrees have been proposed to enforce Order 01/95 on health policy guidelines⁹⁰. Gabon has yet to achieve the results recorded on this same issue by countries such as the Comoros, Benin or the Central African Republic.

7.7 In Gabon, the steep climb in pharmaceutical costs occurred while unemployment was rising and household incomes were falling. This combination dramatically undermined the public affordability of such products. A survey funded by WHO in February 1991 found that 43.6% of households were unable to buy essential drugs. Rising direct and indirect costs of health care combined with diminished household purchasing power to place health services out of reach of the poorer population.

International Comparisons

7.8 Health indicators for Gabon are still far from satisfactory. Despite the high level of per capita health expenditure⁹¹, Gabon's record on health is little better than that of its less well-endowed neighbors, as Table 7.2. shows. Its demographic and epidemiological profiles still betray the typical features of underdevelopment. The maternal mortality rate remains high at about 190 per 100,000 live births and up to 600 per 100,000 in some provinces. Twenty percent of women continue to give birth without a properly-trained attendant, according to a 1991 survey. The infant and child mortality rate remains far above the target of 70 per thousand that the country set under its Child Action Plan for the 1990s. Life expectancy at birth is far below the 65 year mark.

Table 7. 2: Demographic Indicators of Selected Countries in 1992

| | Gabon (1993) | Ghana | Cameroon | Côte d'Ivoire | Costa Rica | South Africa | Brazil |
|---|-----------------|--------|----------|------------------|---------------|-----------------|---------|
| Population (thousands) | 1,014 | 14,875 | 11,739 | 11,902 | 2,807 | 35,919 | 150,368 |
| GNP per capita (US\$) | 3,600 | 390 | 960 | 750 | 1,900 | 2,530 | 2,680 |
| Life expectancy at birth (years) | 52.9 | 54.6 | 57 | 52.4 | 75.2 | 62.0 | 66.2 |
| Gross mortality rate per 1000 people | 15.6 | 12.7 | 11.8 | 12.2 | 3.8 | 9.3 | 7.3 |
| Infant mortality rate (per 1000 live births) | 99 | 84.7 | 88.3 | 94.6 | 16.8 | 65.6 | 57.5 |
| Mortality rate under 5 years (per 1000 live births) | 155 | 136 | 125.6 | 135.2 | 20.2 | 89.8 | 68.8 |

Sources: Gabon, MSPP; World Bank, Social Indicators of Development 1991-92

⁹⁰ These decrees cover : (i) organization and operations of the National Pharmaceutics Office (OPN) to replace PHARMAPRO; (ii) regulations for the import, distribution and promotion of pharmaceutical products, both generic and brand-name; (iii) organization and operation of the Drugs and Pharmacy Directorate of MSPP and (iv) reorganization of the Pharmacy Section of the Office of the Inspector General of Health.

⁹¹ Total health spending per capita (including public spending, private outlays and international aid from bilateral, multilateral and NGO agencies) is more than ten times as high in Gabon as in the rest of Sub-Saharan Africa. The average health expenditure for Africa as a whole amounts to US\$ 14 per capita, while Gabon's figure is US\$ 172 per capita (World Bank estimates in Better Health in Africa).

B. THE PUBLIC HEALTH SITUATION

Epidemiological Profile

7.9 Morbidity remains dominated by parasitic and infectious diseases. Malaria, acute respiratory infections and diarrhea are still the main causes of recourse to health care, especially among children under 5 years of age. These afflictions are the prime cause of hospital deaths.

7.10 Leprosy and tuberculosis must be counted among public health problems. Nearly a hundred cases of leprosy (86 cases in 1993 and 93 in 1994) are recorded every year. The Ministry of Public Health and Population estimates that one Gabonese in every 700 is infected with leprosy. As to tuberculosis, some 500 cases are recorded annually at the country's health facilities. According to some officials, this number may represent only 5% of the actual incidence of the disease.

7.11 The country continues to show a high level of involuntary sterility (male and female), caused in large part by sexually-transmitted diseases and abortions. There has been an alarming advance in HIV infection rates for several years. In Libreville, the rate of HIV infection rose from 1.8% in 1986 to 2.8 in 1991. At 31 December 1992 the health authorities had declared 392 cases of AIDS: almost half of these were recorded in 1992 alone. In 1995 the Ministry of Public Health and Population estimated the number of people who had come into contact with HIV at 14,000.

7.12 There is little information on contraceptive methods, and contraception is prohibited by law. The use of condoms is tolerated, but only in the context of the campaign against AIDS, and other means of contraception are not allowed except for therapeutic purposes. This has had serious consequences for the number of early and unwanted pregnancies and on the number of abortions. According to a study funded by UNFPA⁹² about 50% of women of child-bearing age in the province of Estuaire have already had at least one abortion. Premature pregnancies and the high level of abortions have an inevitable impact on the health of Gabonese women, and contribute to the very high rates of sterility and maternal mortality.

Nutrition

7.13 Nutritional inadequacies have been added to the list of public health problems over the past ten years, especially in the poorer districts of the cities. In Libreville, according to the household survey by the Ministry of Health (1991), a significant percentage of children (11.3%) weigh less than 2,500 grams at birth. Such low birth weights are a reflection, among other things, of the prevalence of malaria, and the generally poor health and nutritional condition of the mothers, and in particular their low iron reserves. More (and more severe) cases of protein-caloric deficiency are being recorded. This form of malnutrition, formerly rare in Gabon, is now

⁹² Ministry of Public Health, "Projet Maternité Sans Risques" [Safe Maternity Project], "Enquête sur la maternité sans risques dans la province de l'Estuaire" ["Safe Maternity Survey in Estuaire Province"], 1996, financed by UNFPA.

among the ten most commonly observed diseases at pediatric centers and maternal-child health units.

Hygiene

7.14 The state of hygiene is low, especially in rural areas and in the disadvantaged quarters of the cities. At present, fewer than 20% of Gabonese homes have insect protection, and most of the population lives in permanent contact with flies and mosquitoes. Potable water supply and sewage collection systems are seriously inadequate, particularly in the poor districts and in public places. A third of the Gabonese population has no access to potable water, and more than 40% of people are forced to drink water that has been exposed to various kinds of pollution before or after it is drawn⁹³.

C. SHORTCOMINGS OF THE HEALTH SYSTEM

7.15 The national health policy has been unable to meet the needs of the poor population. In the countryside (rural areas and secondary towns), discontent with the public health services was readily apparent during the PPA interviews (see Box 7.1). In urban areas, the high cost of drugs and the unhealthiness of living conditions were constantly cited.

Lack of Access to Health Care

7.16 As Table 7.3 makes clear, Gabon has numerous health facilities and health officers. These resources are distributed fairly evenly among the country's nine provinces. In 1992 when the country had barely one million people, its health infrastructure included 31 hospitals, 57 medical centers, nearly 300 health centers, dispensaries and infirmaries, and about 90 local health stations. The stock of medical technical equipment was estimated to be worth more than CFAF 10 billion. Now the country has a hospitalization facility for every 17,500 inhabitants and a medical treatment center for every 2,600 inhabitants. Overall 30% of villages are equipped with a dispensary. In 1995 the country had one medical doctor for every 2,800 inhabitants and one qualified paramedical for every 918 inhabitants.

⁹³ See Chapters 2 and 3.

Table 7. 3: Health Spending and Infrastructure by Province (1993)

| Provinces | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | Gabon |
|--|------|------|------|------|------|------|------|------|------|-------|
| Health facilities: | | | | | | | | | | |
| - Local health stations | 1 | 15 | 7 | 14 | 11 | 23 | 7 | 2 | 1 | 81 |
| - Dispensaries | 17 | 45 | 9 | 32 | 30 | 26 | 41 | 10 | 39 | 249 |
| - Medical centers | 3 | 10 | 1 | 8 | 4 | 3 | 2 | 2 | 4 | 37 |
| - Provincial hospitals | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 9 |
| - National hospitals | 2 | | | | | | | | 1 | 3 |
| Number of hospital beds | 1557 | 450 | 440 | 410 | 204 | 185 | 242 | 425 | 351 | 4264 |
| Outlays per functioning bed (CFAF million) | 3.19 | 2.45 | 3.33 | 1.72 | 1.23 | 0.86 | 1.29 | 2.33 | 1.15 | 1.95 |
| MSPP officers (% of total) | 61 | 9 | 2 | 6 | 3 | 5 | 4 | 4 | 6 | 100 |
| Population (% of total) | 45 | 10 | 4 | 8 | 4 | 5 | 4 | 10 | 10 | 100 |
| Population (thousands) | 462 | 102 | 42 | 78 | 40 | 49 | 43 | 98 | 98 | 1014 |

Source : NC Consulting, Réformes des procédures budgétaires, January 1994

Legend: P1: Province of Estuaire; P2: Province of Haut-Ogooué; P3: Province of Moyen-Ogooué

P4: Province of Ngounié; P5: Province of Nyanga; P6: Province of Ogooué-Ivindo

P7: Province of Ogooué-Lolo; P8: Province of Ogooué-Maritime; P9: Province of Woleu-N'tem

Note: 1. In 1994, MSPP staff consisted of 2,752 officials and about 1,500 "non-permanent" workers

2. National hospitals are the Centre Hospitalier de Libreville (CHL) and the Hôpitaux des Grandes Endémies.

7.17 Despite this imposing array of resources, a sizable proportion of the population (about 46% of the general population and 86% of the rural population in 1992) continues to live more than one hour from the nearest health care center. In the Province of Ogooué Maritime, the villages of Ekata and Mazingo are more than 200 km from the nearest doctor's office, and there is no means of emergency transportation.

7.18 This can be readily explained. The inventory of national infrastructure shows that many of Gabon's existing facilities, mainly in the rural areas, are not in service. The health stations and dispensaries in the villages are often underused. They may be run by incompetent staff and often lack the most basic materials and medications. Several medical centers are in gross disrepair. Those that are in better condition are often closed for lack of staff. Others are managed by untrained, unmotivated and unsupervised staff. In 1992 for example, 36% of the MSPP's medical centers had no doctor. Those facilities that do have competent staff find their operations severely interrupted by frequent absenteeism or lack of medications.

Box 7.1: Health Care for the Poor

The PPA demonstrated the shortage of drug supplies in provincial medical facilities, the scarcity or lack of dispensaries in the villages, and the high costs of health care for the poor. Residents of the secondary towns, ill-provided for as they are, recognized that "medical distress" was even worse in the rural areas. One elderly man said, in a group interview, "You may meet a villager with an injury that has been festering for a year, and he can't get any help for it." Lack of access to health care represents by far the number-one problem for villagers (see Chapter 2). The following sorry picture of the situation emerges from the interviews:

*** In the secondary towns, hospitals are ill-equipped** Because the hospitals are under-supplied and the sick cannot find drugs there, the beds remain empty except for maternity cases. Even in emergencies, it may be impossible to obtain first-aid because there is no alcohol disinfectant.

*** In the villages, there are health posts with no nurse or medications, and nurses with no health post** In some cases, the villagers may build their own health post, but then fail to keep it in repair or to rebuild it when it collapses. Villagers have little incentive to maintain such facilities, because they know that without medical supplies the health post will be of little use to them. In some villages, there may be a dispensary, but it may have been some time since a nurse was there.

*** In Libreville, health care is expensive** The Gabonese are not ready to accept the idea that people should pay for health care at a public facility, especially if they are poor or very ill. "When you're really sick, and you go to the hospital for emergency treatment, and you can't pay for it in advance, they just let you die there in front of them" (A worker in Libreville, earning 60,000 F/month).

Source: PPA, June 1995

7.19 Several provincial hospitals can no longer offer proper care. Even the CHL (Libreville Hospital Center), which is supposed to serve as the national referral hospital, has serious operational shortcomings. For example, some basic tests can no longer be performed for lack of equipment. A 1994 survey by the MSPP assessed the status of equipment at health facilities, and found that 69% was out of service, because it was worn out or because there were no supplies or qualified staff to keep it running. Better-off patients are often obliged to undertake a long and costly trip in search of a center that can provide the care they need. In Minvoul and some other areas, people go to Cameroon where, as one person put it, "You can find drugs and it costs only 1,000 francs to see a doctor." Poor patients do not have this option.

Drug Shortages

7.20 Every year, Gabon imports drugs for a total of at least CFAF 10 million, or more than US\$20 for every resident. These drugs are brought in by private and parapublic companies, or by the National Supply Pharmacy (PHARMAPRO). The mandate of PHARMAPRO is to order drugs through international tenders, to maintain adequate stocks of drugs and surgical materials and keep the facilities run by MSPP in supply. Its budget of CFAF 731 million is supposed to allow the agency to fulfill this mandate.

7.21 But some features of the Gabonese pharmaceutical system conspire to make drugs inaccessible to large parts of the population. First, most of the imported drug supplies consist of very expensive specialty items. Drugs are ordered from catalogues. A list of essential drugs that was supposed to serve as a selection guide was drawn up in 1987, but has never been officially

adopted. Private pharmacies are located for the most part in the major cities. PHARMAPRO is not very efficiently managed. Most of the country's health services are under-supplied with essential products. Patients who can afford to do so are generally obliged to take the prescription they have been given after consultation or surgery at a public facility and go to a private pharmacy, where they will pay an exorbitant price to have it filled (Table 7.4).

7.22 Medical prescriptions are often handed out to little avail, in the absence of a national drug program. Filling the average prescription in Gabon costs about CFAF 20,000. Despite the considerable resources being spent on drug supplies by the Government, businesses and households, many sick people—particularly the poorer ones—are unable to afford what they need. Some resort to medicinal herbs; others buy dubious tablets and remedies available at retail in the market or in small shops (Box 7.2).

Table 7. 4: Unit Price Comparisons for Drugs (in US\$ equivalent)

| Products | Pharmacy Y Libreville 1995 | UNIPAC 1995 | PNAC Comoros 1995 | Central Purchasing Office Benin, 1994 | Supply unit CAR, 1995 |
|------------------------------------|-------------------------------------|----------------|-------------------------|--|--------------------------|
| Ampicillin, 500 mg, 20 ts | 10.20 | 0.05 | 4.37 | 1.14 | 2.40 |
| Paracetamol, 500 mg, 20ts | 2.85 | 0.14 | 0.82 | 0.08 | 0.40 |
| Chloroquine, 100 mg, 10ts | 1.47 | 0.7 | 0.14 | 0.17 | 0.60 |
| Chlorpromazine, 100 mg, 10ts | 0.99 | 0.16 | | 0.17 | |
| Co-Trimoxazole, 400/80 mg, 20ts | 4.50 | 0.29 | | 0.28 | 0.60 |
| | 3.46 | | 1.37 | | 1.44 |
| Dextrose 5%, 500 ml | 11.43 | 0.35 | 3.28 | 0.38 | 0.80 |
| Metronidazole, 250 mg, 40ts | 3.03 | 0.43 | 0.68 | 0.30 | 0.72 |
| Peni.-benzathine, 2,4 MUI, 1 bl | | | | | |

Notes :

1. Prices shown for Benin, the Comoros and CAR are those charged by the central purchasing offices for purchases by health facilities. Except for the Comoros, these prices will be different from those charged by the health facilities for re-sale to patients.
2. In the Comoros, health facilities use prices set by the Pharmacie Nationale Autonome des Comores (PNAC) for re-sale to patients. To cover their administration costs, they receive a commission of 20% from the PNAC.
3. In Benin, prices charged by the Central Purchasing Office had risen 25% by February 1995 from their 1994 level. This increase, however, was not reflected in the price charged to patients at health facilities.
4. In the CAR, health facilities charge patients the Supply Unit price plus a 25% mark-up to cover their administrative expenses.
5. Exchange rate used : 1 US dollar EU equals CFAF 450 and 225 Comorian francs.
6. UNIPAC: United Nations Procurement and Assembly Center

Box 7.2: Health Care Options for the Poor

Modern health facilities. Because care at the hospitals is not free, the poor tend to delay treatment, knowing that they will be unable to pay for their visit, or that, in rural or semi-urban areas, they will not be able to find the drugs prescribed. When a child is seriously ill, the parents tend to turn to relatives for financial help so that they can go to a modern facility. In some places, religious organizations have set up facilities where "Drugs are available at a good price, or even free." In border zones included in the PPA survey (Minvoul), people said they went to the medical centers in Cameroon, where a visit costs CFAF 1,000 and drugs are available.

Self-medication. A sick person who cannot get to a hospital may try to reduce fever or ease pain without knowing the cause, and will go to the local retailer or market for an "all-purpose" medication such as phensic, daga, or aspirin imported from Nigeria. Retail sales of this kind have recently been banned, but the practice continues.

Traditional remedies. In both urban and rural areas, the high cost (or lack) of health care and drugs drives some people to traditional "folk" remedies: "I used to go to the company infirmary, but since I lost my job, I use these leaves" (Libreville); "If I'm sick and don't have any money, I use plants. Before, when it was free, I went to the hospital" (farmer, Minvoul).

Going to the *nganga*⁹⁴. While some *ngangas* undoubtedly take advantage of the dysfunctional formal health system to enrich themselves, the care offered by the "true *nganga*" is often preferred to the hospital, because "They look after you right away, and you only have to pay them after you get well."

Source: PPA, June 1995

D. HEALTH POLICY

Political and Strategic Choices

7.23 The ineffectiveness of Gabon's health system stems from mistaken policies adopted in the past. Although Gabon has made primary health care the official cornerstone of its strategy, budget allocations have continued to promote tertiary health care. The Budget for 1988-1990 allotted CFAF 710 million to primary health care programs, 11,010 million to secondary care (at medical centers, provincial hospitals and the Grandes Endémies hospitals), and 610 million to the Libreville Hospital Center, although this tertiary center treats only 5% of the country's caseload. The priority given to sophisticated treatment is mainly of benefit to the wealthier urban classes, and has contributed to widening the country's socioeconomic divisions.

7.24 Several health systems were allowed to grow up in isolation: Gabon now has the MSPP system, the National Education Ministry's system, the National Social Security system (CNSS), the private medical profession, the private non-profit sector (mainly the churches), and the private business sector. These various systems have made no serious attempt at planning or coordination. The siting of Government health facilities has been dictated by political pressures or private initiatives, with little thought to their productivity or to the population base served.

⁹⁴ A *nganga* is a healer generally, but not always, specializing in illnesses related to traditional beliefs, such as "guns going off at night," curses, and witchcraft.

Equipment has been allocated among facilities with no regard to existing stock or to the type of service provided.

7.25 All this has endowed some areas with excess capacity and duplication of services, leaving others with no facilities. Some centers have superfluous equipment: others lack the most basic instruments. Such errors go at least part way to explaining the low use rates of health facilities. A study conducted by SEDES in 1987 showed average outpatient visit rates of only 11% for dispensaries and health posts, 50% for medical centers and 20% for provincial hospitals.

Managing the Health Sector

7.26 Management in the health sector follows principles of centralization and parallelism. The staff of public health facilities are the management responsibility of central departments in three ministries: the MSPP for technical aspects, the Civil Service Ministry for administrative aspects, and the Ministry of Finance for salary-related questions. Under such a management system, local supervisors have no means of effective control, and staff may become lazy and sloppy in their work.

Table 7. 5: Allocation of the MSPP Budget (CFA billions)

| | 1988 | 1989 | 1990 | 1991 | 1992 | 1993 |
|-----------------------------|-------|-------|-------|-------|-------|-------|
| Total budget | 17.16 | 19.10 | 19.36 | 21.27 | 23.95 | 22.50 |
| Capital budget | 1.15 | 0.94 | 1.55 | 2.59 | 4.50 | 5.38 |
| Operating budget, of which: | 16.01 | 18.16 | 17.81 | 18.68 | 19.45 | 17.12 |
| - personnel costs | 9.28 | 7.95 | 8.85 | 9.09 | 9.00 | - |
| - medical supplies | 1.71 | 1.65 | 1.70 | 1.75 | 1.58 | 1.50 |
| - maintenance and repairs | 5.02 | 8.56 | 6.26 | 7.84 | 8.67 | - |

Source: Ministry of Finance

7.27 The criteria followed in allocating funds take no account of the concept of "unit cost of services," and provide no incentive to use resources efficiently. As a result, unit costs of providing health services are very high. Resource management tends to exaggerate "personnel" items at the expense of maintenance and repairs (Table 7.5). The lack of upkeep and preventive maintenance means that many facilities and much equipment wear out or break down prematurely. Attempts to evaluate activities and performance are superficial and sporadic, and the data obtained are not properly analyzed to provide guidance for future programming.

8. SOCIAL SECURITY

Gabon is the only country in Sub-Saharan Africa to have had a policy since the 1980s designed to ensure social protection to all citizens, including the poor. This policy has helped to alleviate poverty, but has proved extremely expensive. Since 1986, the funds available for the social protection system have no longer allowed the authorities to provide poor and vulnerable groups with these safety nets. Budgetary allocations to the National Social Insurance Fund have been halved, and the needy no longer receive family allowances. The inadequacy of the budgetary allocations to the Relief and Assistance Office has made it impossible for the Directorate of Social Affairs to provide the assistance intended.

A. THE MINISTRY OF SOCIAL AFFAIRS

8.1 The Ministry of Social Affairs and National Solidarity implements its policies through the Social Assistance Department (DAS), which is supposed to provide both material and moral support to people in difficulty, and the National Social Insurance Fund (CNGS), which provides social assistance to the most needy.

8.2 The DAS carries out its mandate through its Relief and Assistance Office (*Bureau des Aides et Secours—BAS*) and its field officers, who are distributed among the Ministry's social centers and the social services belonging to the Ministry of Health. It does not have an adequate budget to meet its mandate, and its work is hampered by logistical shortcomings.

The Relief and Assistance Office (BAS)

8.3 The BAS is supposed to provide aid to large families (with 5 children or more), the handicapped, the elderly living alone and poor, disaster victims, and patients suffering from incurable diseases (AIDS, cancer, diabetes). Depending on the situation, the BAS will provide a lump-sum payment (CFAF 130,000 for disaster victims), periodic assistance over a term of up to 3 or 4 years, or permanent support for the life of the beneficiary (CFAF 50,000 per year for a disabled person). The Bureau provides drugs (when its pharmacy supplies allow), fills medical prescriptions, and gives out orthopedic devices (special footwear, tricycles, wheelchairs, canes, crutches, etc). To be eligible for such assistance, a person must be indigent⁹⁵ and must fill out an application form and information file with the help of the social center officer. An inter-ministerial commission meets to examine the cases once a year. Administrative approval procedures are such that a person or family can wait for more than a year before assistance begins, no matter how urgent the applicant's situation.

8.4 In practice, indigent aid from the BAS is very limited. Disabled persons form most of the beneficiaries: of 1,480 new applications submitted to the Entitlements Commission in 1995,

⁹⁵ As defined by law, an indigent is any person of Gabonese nationality who has no regular employment and whose income is below the minimum wage, and who does not receive any other form of social assistance.

there were 813 handicapped persons, 533 disaster victims and 134 indigents, mainly in the provinces of Estuaire and Woleu N'tem.

8.5 The budget is too small to meet all eligible applications, some of which have been pending since 1986. Delays by the Finance Ministry in releasing the annual budget often leave the DAS without funds for many of its activities. In 1994 for example, out of a total budget of CFAF 263 million, the Treasury released only the amounts earmarked for cash transfers (CFAF 163 million). Nothing was provided to pay for material assistance to the handicapped. The last purchase of tricycles was made in 1990.

8.6 A plan to help reintegrate the handicapped into their communities was designed with WHO assistance. Other measures have been introduced, some funded directly by the Gabonese government, to provide assistance for the disabled or chronically ill⁹⁶. A law has been passed to promote employment opportunities for the disabled in industry and small businesses⁹⁷.

The Social Service Centers

8.7 There are only 12 social service centers for the entire country. Two are in Libreville: (i) the Centre Social d'Akébé-Plaine, which in addition to social services includes a kindergarten, a day-care center, a workshop, a cultural center and a building that was formerly a women's center but has been taken over by a dozen disabled people; and (ii) the Centre Social Yacinthe Antini, which belongs to the municipal government. Because there are not enough social service centers, other social workers are attached to 32 offices set up in facilities of the Health Ministry; 16 of these are in Libreville (1990). In Libreville reception centers have been created in each district, under the responsibility of the city government.

8.8 The DAS is staffed predominantly by women,⁹⁸ who approach their work with great motivation, but it is difficult to get them to accept assignments in the interior of the country. As a result, 75% of its staff are working in urban areas. In the provinces, social workers receive little supervision, and feel abandoned. Since June 1995, the DAS has been attempting to assess social service problems in the interior and to provide better-qualified staff. A training course for social workers is once again being offered at ENSAS (the National School of Health and Social Work).

8.9 In the Social Service Centers, the major activities consist of making house visits to identify people in need and handling people who come to the Center for assistance. The most the social workers can usually do is to help applicants fill out their forms and submit them to the

⁹⁶ For example, a small primary school and a sewing, hairdressing and carpentry shop for the deaf-mute association, with CFAF 12 million in funding from the ACCT (Agency for Cultural and Technical Cooperation of La Francophonie), and an anti-leprosy center in Nkembo, supported by the Knights of Malta.

⁹⁷ The disabled are seeking support that will allow them to live independently. Representatives of the association for the disabled interviewed in Libreville suggested that the Government could make better use of earmarked funds if, instead of distributing CFAF 50,000 per year to individuals, it were to establish a job creation fund that could offer lines of credit.

⁹⁸ In 1990 the DAS had 305 women among its total staff of 378.

Department. At the hospitals, social workers try to provide at least moral support for patients who have no family or who are classified as indigent.

8.10 The DAS is fully aware of the limited impact it can have with its current program and budget and is attempting to refocus its attention on community development. Social workers could then try to identify and deal with commonly-shared problems at the neighborhood level. This new initiative of DAS should be encouraged.

Box 8.1: Frustration Among Social Workers

During the PPA survey, several social centers and facilities in Libreville were visited. Discussions with staff members there showed (i) a high degree of motivation; (ii) a feeling that staff were powerless in the face of widespread misery, with no resources to offer help: "All we can do is say nice things to people, and that doesn't help much. We have lots of ideas but no funds. We have to reach into our own pockets to buy someone some milk. We can help these poor people fill out their application forms, but we never know what will be done with them"; (iii) a sense of revolt against the low esteem accorded to them and their work by the authorities. "Social workers are nobodies in Gabon. The big shots don't even know what we're doing. When we try to help the doctors, they tell us we're useless." Staff become discouraged and tend to stick to their offices. "Why bother going out among people if we can't even help the ones who come to us?"

Source: PPA, June 1995

B. OTHER PRIORITY PROGRAMS

Women's Projects

8.11 Until now, the work of the State Secretariat for the Promotion of Women has been largely restricted to occasional projects relating to public festivities. With financial support from donors (FAO, UNIFEM, ILO) the Secretariat is now promoting micro-businesses such as fish smoking (Moyen Ogooué), marketing fish fillets, canning and processing manioc (Woleu-N'tem) and a community development project to improve living conditions in Lebemba (focusing on hygiene by building improved, low-cost latrines). With a loan from the AfDB, the Department is implementing a larger-scale program of income-generating activities.

Help for Orphans and "Street Children"

8.12 The cities lack social facilities that children and adolescents can turn to without feeling that they are being institutionalized. There is a serious problem of homeless children and teenage mothers. It is mainly religious institutions such as the *Mission Sainte Marie* and the *Soeurs de la Béatitude* that take in orphans and children who have been abandoned temporarily or permanently by their parents, or young women who are single and pregnant, or who have just given birth. "SOS Mwana," an NGO, offers shelter to children from birth until they come of age. Its funding is strictly private, and is raised from collections among small enterprises.

C. SOCIAL SECURITY SYSTEMS

8.13 Gabon has in place three social security systems: (i) one for public servants; (ii) one for private-sector employees, the *Caisse Nationale de Sécurité Sociale*; and (iii) one for the poor, independant workers and contract employees of the Government, The *Caisse Nationale de Garantie Sociale*.

The Caisse Nationale de Garantie Sociale (CNGS)

8.14 The CNGS, the National Social Insurance Fund, began operations in July 1983. It is supposed to provide social security for all poor citizens. It also offers services to contract employees of the Government and to independent workers who contribute by paying premiums. Up to 1986, despite its many shortcomings, the CNGS was able to offer at least some help to indigents. In 1982 nearly all indigents were living in rural areas, and three-quarters of them were 55 years of age or older. During this period, mobile teams went out into the provinces to identify indigent people and pay them their benefits. These benefits included:

- family allowances: CFAF 1,000 per child per month (to age 20), paid to the mother (or to the father if there was no mother);
- a school bonus of CFAF 5,000 per child;
- a bonus for infant clothes;
- free health care.

8.15 Most of these benefits were available both to rural and to urban dwellers, and they had a noticeable social and economic impact⁹⁹. The funds were used to buy clothing, school supplies, imported or locally-produced food, or to make minor home improvements, and their injection into the local economies had a multiplier effect in the provinces. The introduction of infant kits (layettes) in the villages helped to reduce the frequency of childhood diseases such as nasal catarrh and ear infections.

8.16 Since 1987, the financial position of the CNGS has deteriorated (see Table 8.1). At present, Government funding covers only 10 to 20% of its budget needs. Indigents no longer receive family allowances. The CNGS is running a CFAF 2 billion deficit with the CNSS, which now refuses to provide further care in its hospitals to the bearers of indigent identification cards. The CNGS is having budget difficulties in paying its staff; it has had to cut their salaries and suspend benefits in kind.

8.17 To restore a social security system and ensure regular and sufficient funding, the CNGS proposed new legislation in September 1995. Despite the social security focus of the draft law, some fear that most of the funds sought for this purpose will be needed to cover CNGS operating

⁹⁹ According to the SEDES study of CNGS, 1989.

expenses. In 1993, of a total State budget allocation of CFAF 1,100 million, 45% was consumed in administration: only 55% was paid out for social services.

Table 8. 1: Budget Allocations for CNGS
(CFAF billions)

| | Total State budget | CNGS budget forecast | Budget request | Budget allocation | Needs coverage ratio | Number of insured 31/12/95 |
|-----------------|--------------------|----------------------|----------------|-------------------|----------------------|----------------------------|
| 1983 (6 months) | 530.0 | 3.000 | 3,000 | 3,000 | 100.00% | 91 946 |
| 1984 | 596.0 | 4.887 | 4,168 | 2,400 | 49.10% | 115 975 |
| 1985 | 679.0 | 5.640 | 4,815 | 2,444 | 43.33% | 147 679 |
| 1986 | 720.0 | 6.863 | 5,323 | 2,344 | 34.15% | 152 628 |
| 1987 | 360.0 | 6.953 | 5,413 | 1,650 | 23.73% | 149 407 |
| 1988 | 325.0 | 4.978 | 3,308 | 1,115 | 23.39% | 147 531 |
| 1989 | 358.0 | 6.600 | 4,985 | 1,000 | 15.15% | 146 625 |
| 1990 | 400.0 | 6.086 | 4,770 | 1,200 | 19.71% | 144 641 |
| 1991 | 468.0 | 6.815 | 5,200 | 1,200 | 17.60% | 144 696 |
| 1992 | 484.0 | 6.672 | 5,057 | 1,150 | 17.23% | 150 828 |
| 1993 | 398.5 | 5.374 | 3,784 | 1,100 | 20.46% | 153 471 |
| 1994 | 716.2 | 5.540 | 5,540 | 1,100 | 19.85% | 155 000 |

Source: Documents of CNGS, 1995

The Caisse Nationale de Sécurité Sociale (CNSS)

8.18 CNSS receives no subsidy from the State. Its services are directed to employees of the private sector¹⁰⁰. Its members have regular incomes, but many wage-earners, particularly those with large families to support, live below the poverty line (see Chapter 3). Eighty percent of its members have monthly earnings ranging from CFAF 80,000 to 120,000¹⁰¹. In addition, some private sector retirees live below the poverty line.

8.19 In past years, several factors combined to place the CNSS in financial straits, including:

- a government-mandated obligation to build dispensaries and hospitals (2 hospitals in Libreville, 1 in Port-Gentil, and 14 public medical centers), which brought in receipts of 5 billion but entailed expenses of 14 billion;

¹⁰⁰ The CNSS guarantees its contributors a family allowance of CFAF 3000 F/child/month (from the first child, to age 20) and a school allowance of CFAF 10,000. For health services, insured members pay only a user fee. Medical consultation fees are CFAF 1,500 for members, compared to CFAF 5,000 for the uninsured. For hospitalization, members must pay 15 to 20% of the costs, depending on their income; they are exempt from any payment if they earn less than the minimum wage.

¹⁰¹ Information provided by CNGS officials.

- an obligation to build moderate-rent housing, on which billions were spent to earn a return of CFAF 300-400 million;
- low membership fees; and
- debts outstanding from companies and public enterprises (including the CNGS) that will never be paid until the State has settled its own accounts with those entities.

8.20 The current economic crisis has aggravated the financial problems of the CNSS. The number of fee-paying members has dropped from 120,000 to 68,000 as companies have shut down and workers have been laid off, the number of retirees has risen. The old-age benefits account has been in deficit for 3 years. Many people who contributed regularly during their working life are now denied their old-age benefits.

8.21 Given the importance of social security payments (family allowances, retirement, health) in helping low-income families to survive, the CNSS has to ensure that it can honor commitments to its members. The Government has undertaken to restructure the social security system, and has introduced legislation to do this. The proposed law calls for workers to pay a supplementary contribution for health insurance. Conditions pertaining to retirement will also be changed: the registration time-limit has been dropped, retirement pensions, which are now calculated directly at a rate of 2% of insured salary levels, will in the future be based on a reference salary (which will be calculated on the basis of the insured salary). This is intended to ensure a decent pension for low salary earners. The CNSS will withdraw from the medical center business and will retain only the health facilities.

D. NON-GOVERNMENTAL ORGANIZATIONS

8.22 The community-movement phenomenon is relatively new to Gabon, for political and economic reasons. The right of association was not implicitly recognized until the National Conference in 1990 and received official blessing only in the new Constitution of 1991. In light of the country's comparative wealth and the existence of the welfare state, development-oriented local NGOs had less success here than in other, less-developed countries. For the same reason, Gabon did not attract much attention from NGOs in the industrialized world. The new socioeconomic setting, however, has created favorable conditions for NGOs to develop: some one hundred NGOs and associations were recorded by the UNDP in 1995.

8.23 Apart from one internationally-based association, the JAYCEES, which has engaged in operations funded with bilateral and multilateral aid, the other associations and NGOs are still at the learning stage. Some NGOs, groups and Gabonese individuals have started activities, despite the difficulties they have encountered with administrative procedures. Some NGOs are attempting to tide themselves over with gifts from individual local donors or corporations. The Christian missionaries continue to assist people in need, but they are overwhelmed by the magnitude of the task. Caritas Gabon is trying to sensitize its Northern partners about the serious plight of the poor.

Box 8.2 : Gabon Medical Assistance

The Gabon Medical Assistance association (GMA) was established in 1994. It currently has 35 members: medical specialists, paramedics, biomedical technicians, and volunteers. Its short-term objectives are: (i) popular education on preventive health topics; (ii) remedial care; (iii) technical assistance (medical equipment maintenance); and (iv) distribution of drugs, medical supplies and basic equipment.

Since 1994, GMA has conducted missions in the interior of Gabon. Once its reconnaissance tours were completed, it began to provide medical assistance and equipment maintenance. Its funds are raised through membership fees, grants and individual donations, which have helped to send its teams into the interior. The GMA fears, however, that its activities will be curtailed after the election period. Its goal is to equip itself with its own motorized medical caravan, so that it can reach people in the interior more readily and bring emergency assistance during natural disasters.

Source: PPA, June 1995

8.24 A major effort has been undertaken by Ekama, an NGO established in 1990 for the purpose of bringing together the various new NGOs and professional associations, assessing their training needs, helping them draft their by-laws, and taking steps to establish an umbrella organization and identify a responsible authority. In April 1995, with support from UNDP and the European Commission, Ekama hosted a "National Seminar on Support and Capacity Building for Gabonese NGOs". Following this seminar, an umbrella organization was to be set up in October 1995, under the guidance of the Ministry of Planning, or of La Primature¹⁰².

¹⁰² The idea was to bring 35 women's NGOs under the Department of Women's Affairs, a proposal that should be examined further.

9. A POVERTY REDUCTION STRATEGY

This proposed poverty reduction strategy reflects the views of the Government of Gabon, which was instrumental in preparing this study. At the request of the World Bank, the Government set up a Technical Committee to monitor the preparatory work. The Committee reports to the Ministry of Planning and includes representatives of the main ministries, donors and representatives of civil society. In response to comments from committee members, the Planning Ministry drew up broad guidelines for a poverty reduction strategy. Those guidelines are discussed in this chapter. The viewpoint of the poor is given in Box 9.1.

9.1 This chapter starts by defining prerequisites for implementing a poverty reduction strategy, as they relate to the growth model and to questions of governance. It then proposes steps to meet the six priority objectives identified during the study with a view to reducing poverty, as defined by income levels, personal well-being and living conditions:

- 1) Reducing unemployment, a key factor in urban poverty;
- 2) Enhancing the incomes of small rural farmers, who have so far been bypassed by the benefits of economic growth;
- 3) Improving the effectiveness of the health system;
- 4) Rehabilitating the urban environment;
- 5) Reorienting social policies; and
- 6) Setting up a reliable statistics system.

9.2 In the abundance of its natural resources, the relatively high level of education of its people, its political stability and its favorable geographic position (with 800 km of seacoast), Gabon has assets that should help to ensure the success of a campaign to reduce poverty.

Box 9.1 What the Poor Hope For

During the PPA interviews, people talked of their hopes and desires for improving their living conditions. In urban areas and villages alike, improvement means providing the basic services and infrastructure needed to deal with priority problems (see Chapter 2). According to most of the people interviewed, it is up to the Government to invest resources in this area. Yet some people doubted whether this survey would be of any use, or whether it would be like many previous surveys in which they were invited to "speak up and make suggestions, and then nothing happened, just promises." Some said that people facing similar problems should show greater solidarity and should work together to develop their village or their neighborhood.

However, in Libreville and the secondary towns, the ability of people to improve their circumstances depends on finding a job (55% of responses in Libreville, 41% in the secondary towns). Unemployed people (or those with unemployed children) in the capital and in other centers insisted on the need to create SMEs or larger businesses and to open vocational training centers for youth. Village dwellers were less likely to demand local job creation: 30% of responses, mainly from young people or their grandparents, who disliked the idea of seeing the youngsters leave for the city. *"In the village, there is no work, and that is the problem all over Gabon—that's why people are leaving the rural areas."* In Libreville, few respondents thought of seeking financial or material help (28% of responses), compared with the secondary centers (42%). In the rural areas, people who have no intention of leaving their village want mainly material assistance in the form of equipment (chainsaws for clearing brush or cutting trees to build houses), or support in the form of credit. They also want social assistance, such as CNGS used to provide for indigents.

When asked about their children, the best thing that parents can think of for them is a proper education, and a better chance at a steady job. But when they were asked what they expected for the future, some parents feared that their children had little prospect of a better life, because they were "children from poor families" or because they, too, will suffer from the country's continuing economic crisis: *"Yesterday it was the devaluation, today it's the VAT, what will it be tomorrow?"*

Source: PPA, June 1995

A. PREREQUISITES

9.3 Gabon's poverty reduction strategy will have to be implemented as part of a long-term policy aimed at diversifying its sources of growth, and particularly at promoting activities that will increase employment opportunities among the poor. If such a strategy is to succeed, the productivity of labor will have to be enhanced, in order to reduce its cost. This is all the more important because past policies led to heavy but unproductive investments that distorted the economy and raised labor costs. Over the longer run, and given Gabon's unique situation within the region, improving the quality of its manpower could well represent the country's best hope, by paving the way for labor-intensive and high value-added sectors such as services. In the short run, measures to reduce poverty will only bear fruit if public resources are managed more efficiently, particularly in priority sectors.

Adopting a Growth Model that benefits the Poor

9.4 In the face of the country's economic, financial and social difficulties, and in the wake of the CFA franc devaluation, the Government of Gabon has begun to revise the growth model it had been pursuing. The program of reforms is aimed at: (a) diversifying the economy; and (b) redefining the role of the State, both of which are prerequisites for an anti-poverty campaign.

Diversifying the Economy

9.5 As long as the economy continues to be driven by the capital-intensive petroleum sector, there will be no reduction in the vulnerability of Gabon's economy to external shocks and little employment creation. The Government should diversify the economy into sectors with a high intensity of demand for unskilled labor, by developing the non-oil private sector, and increasing labor productivity through better social services. Encouraging competition, promoting the private sector, and disengaging the State from the production and commercial sectors are the three main means of diversifying the economy.

9.6 Over the short and medium term, this diversification policy could be based on Gabon's comparative advantage in raw materials by encouraging a greater degree of local processing. If Gabon were selling finished or semi-finished products on world markets, it could retain a greater part of the value-added: some of this would flow through to labor. Gabon also has the potential to increase its output of certain foodstuffs currently imported. It will also be important to determine whether specific measures could be taken to promote growth in highly labor-intensive sectors.

9.7 Forestry, fishing, and agriculture offer high potential as sectors that could utilize highly labor-intensive modes of production and still remain competitive. Once a framework favorable to development of the private sector is in place, other industries and businesses will gradually emerge.

9.8 **Timber.** The forest sector creates the most employment (by volume of business), but accounted for only 2.3% of GNP in 1993. The country's forests have been developed to only a limited extent, with an exploitation rate estimated at 0.6% of the country's surface area each year. Above all, local processing is very limited: in 1992, only 11% of output was processed locally into lumber, plywood, or particle board. A study of the sector's regulatory and fiscal framework would provide a better understanding of the incentives system, identify possible bottlenecks, and allow suitable steps to be taken to eliminate them.

9.9 **Fisheries** could be a promising sector. FAO estimates suggest that this has been the fastest-growing primary sector since 1980. Between 1979 and 1987, output grew at a rate of 8.3% per year (from 13,099 tons to 79,740 tons), yet, although traditional fishing (inland and marine) represents 75% of domestic production, it manages to meet only 30% of domestic demand for fishery products. Gabon imports 70% of its fish consumption, although it has 800 km of coastline. An in-depth study should be undertaken into the constraints on growth of the traditional fishery.

9.10 **Agricultural production and processing.** Gabon imports a large part of its food consumption: in 1991 food imports represented 18% of all imports. The country's farming potential is still little exploited because of the backwardness of its factors of production (equipment, inputs, production techniques) and/or inadequacies of its transportation infrastructure. Although Gabon's soils are of only average quality, it

should be possible to improve farming productivity (see Objective 2), introduce new processing techniques, and encourage the marketing of farm products, and to focus these actions on areas to produce the greatest benefits, given the pattern of population distribution.

9.11 Services: Over the longer term—provided that considerable quality improvements are made to the education system—Gabon could become a service center for the entire sub-region in such fields as tertiary health, professional and university education, and finance.

Redefining the Task of the State

9.12 Disengaging the State from economic and commercial activity. The progressive withdrawal of the State from economic and commercial sectors would free public funds to finance activities of greater benefit to the poor. With donor assistance, the Government has undertaken a program to privatize public enterprises in transportation, agro-industry, telecommunications, electricity, and water. A privatization law was issued in February 1996. Disengagement should allow the Government to concentrate its attention on developing and introducing clear rules of the game for a market economy and providing a level playing field.

9.13 Redirecting public spending towards the poor. Public spending is a powerful tool to reduce poverty, in both the short and long term. The national budget should be restructured to allow low-income groups to derive greater benefit from such spending. The priority sectors include water, primary health, basic education, rural and urban transportation, other urban infrastructure, agricultural services, and social programs. The capital budget should be reserved for projects that have undergone a prior poverty-impact analysis. Operating budgets must be available for these investment projects so as to ensure their sustainability.

9.14 Reviewing public spending in cooperation with the World Bank is intended to help improve the allocation of budgetary resources within and among sectors, and so ensure that priority sectors receive adequate amounts of funding. For this, mechanisms should be introduced to allow spending to follow pre-established priorities. The present information on the geographic distribution of services and infrastructure is sufficient to lay down some broad priorities. However, a more precise re-allocation of spending will eventually require more detailed and accurate data on the impact of public expenditure on the poor. To measure this impact, a national household survey is needed. Surveys of this kind can furnish data on the utilization rates of public services (including transfers) by region and by social group. When combined with accurate information on public spending, these data can then be used to target actions towards the groups in greatest need.

Laying the Groundwork for Better Governance

Resource Management

9.15 Although it has declined since 1986, the level of government revenues has not been a constraint on introducing programs to combat poverty. In Gabon's current circumstances, however, the effectiveness of such programs will depend on good management of public resources. Existing budgetary mechanisms are not conducive to effective and transparent resource management. This is particularly true in sectors of high priority, notably health and education, where results do not reflect the amounts allocated. Human resource management must also be improved. At the local level, this management is deficient, particularly because local administrators have no authority over their personnel.

9.16 The Government of Gabon has attempted to correct these deficiencies. Under the 1995 Extended Arrangement with the IMF, it committed to improve budgetary procedures and bring greater transparency to its operations (revenues and expenditures). The Government is currently pursuing these efforts with technical assistance from the World Bank.

Institutional Reforms

9.17 **Reforming the public service.** Gabonese officials and citizens alike have long been concerned about the quality and organization of public administration. According to a report entitled "Longer-term Strategic Thinking - Gabon 2025"¹⁰³, more than 97% of Gabonese complain of the inefficiency of the public service, and want to see it overhauled; more than 80% are concerned at its lack of transparency. As part of its agreement with the IMF, Gabon has tried to improve the performance of the public service and to curtail its costs by: (i) limiting the public service payroll by containing wages and salaries and reducing employment levels; (ii) preparing staffing plans (structured positions) for all ministries and departments and conducting audits of staffing levels against budget provisions; (iii) implementing a policy of linking public service pay increases to performance. For maximum effectiveness, these efforts should be accompanied by a program to exert closer supervision over the officials involved in budget execution.

9.18 **Promoting greater public input.** The public service would be more efficient if there were mechanisms to give the community a greater share in and oversight of the management of public resources. Gabon has almost no experience to date with community participation. Up to now, the Government has invested in equipment and infrastructure without involving the potential beneficiaries or asking them to state their needs. Given this lack of experience with community-based projects in Gabon, public

¹⁰³ "Gabon 2025 - Réflexion stratégique à long terme," October 1994. Study prepared by the Planning Ministry with UNDP support.

participation will have to be organized before they can be implemented. The role of the Economic and Social Council should be re-examined. Tripartite bodies such as the ONE should be encouraged.

9.19 Strengthening the role of NGOs. NGOs' nimble and flexible structures can make them more effective than Government in channeling assistance to the poor. NGOs should therefore be encouraged to emerge in Gabon. Some are already operational; others need training support. Technical assistance could be provided by suitable local or foreign NGOs via study tours in countries where NGOs are very active (Senegal, Mali, Burkina Faso for example) or via training seminars for local NGOs. Some "model" NGOs could be identified whose successful records could be models for NGOs just starting out. The NGO umbrella organization should be strengthened to fulfill its task as coordinator and intermediary among the various partners. It should also introduce a quality control system for new NGOs (along the lines of a law or medical society). When capacities are developed, NGOs should be closely involved at all the successive stages of projects financed by the Government and donors.

9.20 Coordinating social initiatives. With the growing sense of urgency at every level of decision making, initiatives of various kinds can be expected to emerge. But this ferment risks inconsistency, competition, and waste without proper cooperation and coordination among the development partners. A social planning project now being prepared with UNICEF support will help to address this issue by involving all ministries of the Government. The project will attempt to define an appropriate direction for social policy in each sector, provide the budgetary resources for implementing it, and help focus the attention of donors and the Government towards priority sectors. Better communication among the various partners (central and sectoral ministries, donors, civil society) is also needed.

B. SIX PRIORITY OBJECTIVES

Objective 1: Reducing Unemployment

9.21 Unemployment is an essential factor in the rising urban poverty rate. Reducing unemployment will demand new strategies for promoting private sector growth and making the education system more effective.

Developing the Private Sector

9.22 The creation of new employment opportunities will depend on expansion of the private sector, particularly SMEs. This will require the establishment and strict and transparent enforcement of a more flexible legal and regulatory framework. Small and micro-entrepreneurs will be challenged to display a new dynamism—something that the country's socioeconomic environment has not encouraged until now—and will have to be

given easier access to credit. As part of its work of revising the Investment Code, the Planning Ministry has produced proposals on these subjects¹⁰⁴. Some are discussed here.

9.23 The Legal and Regulatory Framework:

- Some provisions of the new Labor Code, which are ostensibly aimed at protecting employment, can in fact have counterproductive effects. The articles in question have already been identified in discussions with the IMF. The Code now needs to be revised to reflect the recommendations of the committee responsible for reviewing it.
- Some of the laws governing companies and business relationships need to be updated and simplified. Although Gabon was one of the initiators and signatories of the treaty to harmonize business law within the franc zone, it has yet to ratify that text. Greater transparency and discipline are needed in the way the judicial system handles business law, if investors are to have confidence in the system.
- The formalities involved in creating a new business are cumbersome, time-consuming, and expensive. They need to be simplified by creating a one-stop administrative "window" for investors, and reducing the cost of the approvals process (registration fees, etc.).

9.24 Promoting a spirit of enterprise. This spirit has not received much encouragement in Gabon. This is partly because the Government used its oil revenues to create a coddled para-public sector that, together with the public service itself, attracted large numbers of Gabonese by offering steady, salaried employment. The full employment that resulted and the economic conditions that then prevailed offered little inducement to the Gabonese to venture into the more risky world of entrepreneurship. But today, with the economic crisis, mounting unemployment, and spreading poverty, officials at ONE claim that more and more Gabonese would like to start their own business in a craft or trade. Women seem particularly eager to do so. Two programs have been designed with this in mind. One, prepared by UNDP and the Ministry of SMEs, is aimed primarily at mobilizing and coordinating public and private mechanisms that provide support of various kinds and in different areas for SMEs; it ensures that those agencies have the resources and the demonstrated capacity to encourage the creation of new enterprises, or to help existing ones to grow. The other program, financed by the AfDB, is targeted at women and attempts to ease their entry into productive and income-generating activities. It will have a large training component, and will include a special Fund to provide start-up credit. These programs deserve encouragement. The education

¹⁰⁴ *Secrétariat général de la Commission nationale des Investissements, Commissariat au Plan et au Développement: Analyse et recommandations préparatoires à la refonte du Code des investissements, February-April 1996.*

system should be examined to see what contribution it might make in preparing young entrepreneurs (see para 9.35).

9.25 Access to credit: A number of programs are aimed at facilitating access to credit. These include the Assistance and Guarantees Fund (FGA) and more recently the Economic Growth and Development Fund for SMEs (FODEX). Despite these government initiatives, access to credit remains a major problem and is especially difficult for very small businesses. Procedures and methods specifically tailored to the needs of different groups are needed. Experiments with micro-credits in West Africa suggest some guidelines that Gabon could apply in creating a durable system of micro-business lending (see Box 9.2).

Box 9. 2: Ten Principles for creating a Sustainable System for Micro-business Loans:

- 1) **Provide short-term loans:** Offer start-up loans for 3 to 6 months, repayable in frequent installments.
- 2) **Encourage small start-up loans:** Start with small loans, tailored to the day-to-day funding needs of micro-enterprises, and encourage repayment by offering larger loans to clients in good standing.
- 3) **Focus working capital loans on companies with a proved track record:** New companies have a high failure rate, and they should seek their initial funding from family members or friends. Micro-financing institutions should limit their working capital contributions to companies that are already up and running.
- 4) **Specialize services, diversify portfolios and avoid diluting objectives:** Lending institutions should specialize in providing technical assistance or financial services, but they should not try to do both. The lending portfolio should be diversified, not the range of services offered. Diversified portfolios are needed to counterbalance targeted or tied lending programs, and to avoid the risk of having too many borrowers in the same category.
- 5) **Simplify services:** Simplify lending procedures for clients. Use a straight-forward application form (less than one page if possible), bearing in mind the low levels of literacy and mathematical skills, and rationalize processing procedures to reduce the waiting time for each loan.
- 6) **Localize services, and maximize the number of loans:** Set up services very close to potential borrowers. Hire staff from the local community, including people whose education level (and salary) are lower than those of formal bank staff. Set up where there are a good number of potential clients, to reduce transaction costs and ensure a sufficient volume of lending so that the operation can be self-sustaining.
- 7) **Reduce the processing time for loan applications:** Reduce the period between application and disbursement dates. Since most loans will be used as working capital, speedy processing of requests is essential to the borrower, and helps the lender reduce administration costs. Processing times can be cut by relying on cooperatives to pre-select borrowers and decentralize loan approvals.
- 8) **Encourage repayment:** Encourage loan repayment by working with cooperatives and including joint-liability provisions. Lending to groups can be profitable by externalizing costs. Lending to reputable individuals (as opposed to groups) can be worthwhile when there is a cohesive social structure and little risk of political interference.
- 9) **Recognize that the poor are savers:** Experience shows that credit programs are more sustainable when financed by personal savings. Savings are an aspect of informal finance often overlooked. Accepting deposits, however, places heavy demands on staff and can be costly. Note that an uncertain lending program can put poor people's savings at risk. Caution is the watchword for any institution that accepts fiduciary responsibilities.
- 10) **Charge interest at a rate that reflects the institution's real costs:** Taking account of inflation, lending losses, defaults and the cost of funding loans. The high administrative costs of lending to the poor mean that interest rates must be higher than a commercial bank would charge. But even so, micro-entrepreneurs have shown their willingness to pay high interest rates for services that meet their needs.

Sources: Taken in part from Rhyne and Holt, 1994 and from Malhotra, 1994, in The informal sector and micro-financing institutions in West Africa (World Bank, 1996).

Making the Education System More Effective

9.26 Better basic social services (education, health, hygiene) will help increase the well-being of the poor—and not only the poor—by enhancing their productivity and lowering the cost of labor. This will make the Gabonese economy more competitive in highly labor-intensive sectors. Better distribution of human capital will help to reduce the currently high degree of social inequality. Improving basic social services is an easily attainable goal, if public resources are managed efficiently.

9.27 A poverty reduction strategy for the education sector should have these central objectives: (i) give the poor easier access to education by combating the factors that induce drop-outs; (ii) raise the quality of instruction while limiting the scope for repetition of courses; (iii) compensate for poor people's lack of basic education through literacy programs and measures to attract primary-level drop-outs back to school; and over the longer term (iv) make lasting improvements in the quality of education offered during the years of mandatory schooling and attune it more closely to the needs of the labor market.

Improving Education for the Poor

9.28 **Reducing the cost of instruction.** A main factor in the high drop-out rate among mandatory school-age students is that education is expensive for poor families (both in direct cost and its opportunity cost, i.e. a child at school cannot be put to work). Ways should therefore be sought to reduce the cost of education for all families (abolishing uniform requirements, for example) and reducing the cost of primary education for the poorest families. A study should be conducted to identify the kinds of assistance that such families may need (for example: allowances for education materials and school supplies, exemptions from student insurance, school meals in poor districts). It is important that this assistance should not generate exorbitant operating costs.

9.29 **Limiting numbers of school repeaters:** In the cities (Libreville and Port-Gentil), a major factor in the poor quality of primary and secondary education is that classes are too large. Approaches to this problem should include placing limits on repeater rates: as a first step, the number of pupils per class could be reduced by limiting the students allowed to repeat a year (many students do so while waiting for an opening in the next level of schooling). If the repeater rate could be cut by 50%, this would lower the average class size by 19% (from 48 to 39 pupils), and the average load per teacher by 18% (from 52 to 43). Because of the political risks inherent in such a move, the school-repeater phenomenon should be carefully analyzed and a range of solutions considered.

9.30 **Literacy programs.** Literacy campaigns should be targeted as a first priority at children and secondly at adults, who are in the greatest need of functional literacy. The approach to literacy may differ between urban and rural areas. In the city, functional literacy courses should be offered on school premises. These courses should be aimed at attracting and retaining young people in the formal education system, and at meeting the day-to-day practical needs of older participants. In rural areas, primary-level teachers

could offer evening classes for small groups, which would require funding to pay teachers an additional honorarium. As with the recruitment of new teachers, however, this measure must not be allowed to increase the public payroll.

9.31 Bringing back the drop-outs at the primary level can be accomplished through specially designed courses. Because the intended beneficiaries are young, and have some school experience, it is not advisable to direct them towards basic literacy classes for youth or adults. They need their own programs, which could be offered on school premises.

Sustainable Improvement in the Quality of Instruction

9.32 An education sector strategy must be defined to avoid reducing education policy to the routine application of annual budgetary allocations. This strategy must identify the priority objectives of education policy, and specify the means for assessing whether they are being achieved over time. The strategy should address other basic issues, such as the roles of the public and private sectors in education.

9.33 Technical and vocational education needs to be reformed. The Government has already moved in this direction, with UNDP support. Besides improving the conditions of instruction in technical and vocational establishments, this reform should create a mechanism for consultation with potential employers, including those in the informal sector, so that their needs can quickly be taken into account in designing training programs.

9.34 Making the education system more effective will require changes to *teaching curricula* to better equip young people for the demands of the labor market and develop a spirit of enterprise. To familiarize them with modern techniques, these pupils need to be exposed to introductory science programs in primary school, and study the natural sciences (biology, physics, chemistry) in the first cycle of secondary education. More interactive teaching methods will awaken their intellectual curiosity, arouse a critical attitude and enhance their skills in the use of French and in the application of mathematics to real-life problems. The current curriculum should be assessed, and options for improving it considered.

9.35 Expanding the capacity of the school system. The system is incapable of handling the volume of demand created by the legislated mandatory schooling for 6 to 16 year-olds. To remedy this, the number of primary schools must be increased, along with the number of teachers (see Annex D, Table D.5 and Figure D.2): the teacher shortage is estimated at between 1,450 and 2,700.¹⁰⁵ This goal can be attained without increasing the total payroll of teachers or officials, but it will require an education policy that : (i)

¹⁰⁵ The lower figure relates to the current pupil-teacher ratio, the higher one to lower the current ratio to 37 pupils per teacher at the primary level and 22 in secondary school. The starting monthly salary for a teacher is estimated at CFAF 216,000 (data from MEN). The cost of this step would fall between CFAF 3,764 and 7,008 million a year.

encourages the growth of private secondary education; (ii) makes greater use of contract services and (iii) finances this contracting by cutting personnel costs in areas of lower priority in the anti-poverty campaign.

9.36 In rural areas, the major obstacles to improving primary education relate to the scattered pattern of settlement, which makes many teachers unwilling to work in regions remote from urban centers, and the scarcity of teaching materials. **Decentralizing administration and budget management** could go far to remedying these problems. The quality of school buildings and classroom equipment and desks needs to be improved.

Objective 2: Enhancing the Incomes of Small Rural Producers

9.37 Because so many of Gabon's poor live outside the main urban centers, income levels in these areas must be raised. Rural people live primarily from subsistence farming, fishing and hunting. They need the means to increase their earnings from such activities, and help them find alternative sources of income. The ongoing withdrawal of the State from the agro-industrial sector should free government funding for measures to raise the incomes of small producers. This withdrawal should be accompanied by a policy to deregulate prices and abolish monopolies (the Coffee and Cocoa Fund, for example).

Incomes in the Primary Sector

9.38 Given Gabon's widely dispersed population distribution, strategies will have to be adapted to the degree of isolation and economic potential of each area.

- **Areas with adequate transportation facilities.** These include areas along the major highways: Libreville-Cocobeach (north-east), Libreville-Ebora (north) and Libreville-Ndendé (south). In these areas, farm products can readily be marketed. Poor people's incomes here could be raised by enhancing productivity. Although the factors determining productivity are not clearly understood, they are likely to include the use of appropriate techniques, farming inputs and modern equipment. Attention should also be paid to expanding the local processing of farm products.
 - a) The productivity of small farmers could be raised through training, extension services and research focused on their needs. The Agricultural Services Pilot Project financed by the World Bank is one effort towards this end. Such activities are essential for disseminating more efficient farming techniques, encouraging food processing, and developing proper storage systems. According to IFAD, from 20% to 50% of food produced spoils because it is not regularly collected, and small farmers have no means of adequate storage. Extension services must be organized by the State, but some activities or products (for example, market gardening, training extension workers, agricultural research) would be better provided by the private sector (IGAD, NGOs, etc.).

- b) Small farmers have almost no access to credit. Without credit, they have no access to modern tools and inputs, nor to the equipment (peelers, shredders, oil presses) needed to process their products. Access to credit is especially important for women, who bear the heaviest workload. Some examples of successful micro-credit programs can already be found in the region, in which lending institutions are often called upon to offer not only funding but technical assistance, savings programs and other financial services (Box 9.2). Gabon should take advantage of these experiments, and adapt them to its national context. NGOs could serve as intermediaries in channeling credit.
- **Intermediately endowed areas.** These areas are located in Estuaire, Haut-Ogooué, Woleu N'tem, Ngounié and Ogooué Ivindo¹⁰⁶. Here, the major constraint in raising incomes among the poor is the marketing of their products. If people could sell their goods, this alone would sharply increase local foodstuffs production, even without any appreciable increase in productivity. Farmers tend to cut back output when they cannot rely on the middlemen to collect it regularly. Once these marketing problems have been solved, attention can then focus on enhancing the productivity of small farmers. To improve marketing conditions, the following actions are needed:
 - a) Facilitate the transport of products to urban centers. Improving transportation thereby lowering the market price of goods in the city would stimulate demand for Gabonese products and expand the supply of goods for sale. To achieve this, the production potential, population density and current state of infrastructure should be mapped throughout the country, before defining a transportation strategy and undertaking priority investment and maintenance programs. Such a project is underway as part of the World Bank-financed Urban and Transportation Sectors Adjustment and Planning (PAPSUT) project. Least-cost ways to overcome the isolation of certain areas should include the development of multi-modal transport links (road, river, air). The construction as well as the rehabilitation and maintenance of roads should make use of low-cost and highly labor-intensive methods. Transport is a sector with significant job-creation potential. The beneficiaries themselves should be involved in road maintenance work, by setting up local management committees.
 - b) In the better-endowed and intermediate areas, "primary" marketing (at the village level) should be encouraged by building and organizing weekly rural markets. IFAD is conducting a pilot operation that could determine how this policy could be implemented. To make it easier for the middlemen to do their job, the Government should gather and publish regular information (at least once a week) on farm product prices by sampling representative markets in each area.

¹⁰⁶ These intermediate areas are found along the following highway corridors: Mounana-Franceville-Léconi (Haut Ogooué), Kougoulev-Bibas(Estuaire-Woleu N'tem) and Mitzi-Sam (Woleu N'tem), Lalara-Boué (Woleu N'tem-Ogooué Ivindo) and Ndendé-Bigou(Ngounié), the region within the triangle formed by Bitam-Minvoul-Oyem(Woleu N'tem).

- **Disadvantaged areas.** The most isolated areas are in Haut Ogooué, Ogooué Ivindo, Ogooué Lolo and Nyanga. Here, investment costs are high in relation to the benefits that can be expected, because the population is small and widely scattered. Poverty reduction activities in these areas must focus exclusively on making minor investments to improve the supply of basic social services: access to safe drinking water, primary health care, and basic education.

Diversifying Income-generating Opportunities

9.39 Regional development. It is difficult to induce businesses (via tax exemptions, for example) to locate in the interior of Gabon, in more or less isolated areas, without causing distortions that will produce artificial profits that cannot be sustained over time. However, the Government could help by removing some of the obstacles that now discourage companies by ensuring the supply of basic services and infrastructure in transportation, water supply, health systems and education.

Objective 3 : Improving Basic Health

9.40 To improve the health of the poor, the authorities will need to adopt a coherent policy for the sector to enhance the efficiency of the system. The emphasis should be on preventive measures, efficient management of the health system, and ensuring the availability and accessibility of medications for the poorer people.

Prevention Policy

9.41 Morbidity and mortality from intestinal diseases, malaria and infectious and parasitic illnesses dominate the epidemiological profile of Gabon. The poor are more susceptible to these diseases because they have less access to safe drinking water (especially outside the cities), live in unhealthy conditions (particularly in the major cities and the secondary urban centers), and are not sufficiently educated in matters of hygiene. A preventive health policy could bring considerable benefits at relatively little cost. It should focus primarily on access to safe water, sanitation (sewage and garbage collection and removal), and education in hygiene.

9.42 Water supply. The efforts that have already resulted in providing access to potable water for 66% of the population should continue. The PPA showed that water was a priority concern for the rural population, residents of secondary centers and city dwellers.

- In rural areas and small towns: the village water supply program should be continued with direct community participation. During the 1980s with help from donors, this program equipped more than 300 villages. Yet once the works were completed, the communities were unable to keep the pumps running or manage the wells. Many pumps are out of service. This demonstrates the importance of putting in place proper maintenance systems at the time the pumps are installed. Experience in other

countries (Benin, for example) shows that the breakdown rate of pumps can be reduced by organizing communities to be closely involved in management and pump care, selecting sturdy and easily repaired types of pumps, which may be cheaper, and training a network of local repair workers, which creates jobs. One village water supply project is underway using these principles, with financing from the European Development Fund. The project will create 300 new wells and rehabilitate 210 pumps, benefiting 80,000 villagers, including 47,000 who will have access to well-water for the first time, in three provinces (Haut-Ogoué, Ngounié, Woleu-Ntem). In the other six provinces, the *Caisse Française de Développement* (CFD) is funding a 350-well village water supply project.

- In urban areas: the poor tend to buy water from the owners of water connections, where access may be very limited and the price very high. To ensure better access to drinking water, the system of public standpipes needs to be expanded, and water pricing set at levels that poor families can afford.

9.43 Hygiene campaigns: The launching of information, education and communication (IEC) campaigns would help people better understand the relationship between poor hygiene and disease, and would encourage them to adapt their behavior to prevent the transmission of disease and participate in programs to improve hygiene conditions. IEC campaigns should promote the use of hygienic latrines and should publicize methods for protection against mosquitoes.

Availability and Cost of Medications

9.44 The scarcity and high price of drugs should be corrected by adopting a coherent national pharmaceutical policy. The following measures should ensure permanent and low-cost access to medications for the most disadvantaged segments of the population:

- revise pharmaceuticals legislation to meet the needs of the primary health care policy, with respect to the registration, distribution, prescription and sale of drugs. To ensure that rural areas have better access to drugs (without building needless new infrastructure) legislation should authorize and encourage pharmaceutical assistants to open and run drug depots. The law should establish a list of current medications that pharmacies and drug depots would be allowed to sell without a prescription.
- reinforce the units of the Ministry of Public Health responsible for pharmacy inspection so that they will be capable of applying drug legislation at all levels of the pharmaceutical industry, can promote the proper use of drugs (through public education) and can collect, organize and disseminate objective and intelligible information about drugs.
- draw up a list of essential drugs for each level of the health pyramid (village or community pharmacy, health center, provincial hospital, regional hospital and national hospital).

- issue appropriate regulations to increase the availability and use of essential drugs in generic form. The principal provisions should relate to pricing, marketing conditions and the ability of pharmacists to substitute these for the prescribed medication. People should be educated in the use of generic drugs. Experience in other countries shows that charging for drugs—provided the price is low—does not prevent even the poorest people from buying them¹⁰⁷. Consequently, availability of generic drugs would make it easier to apply a cost-recovery policy for drugs (recently legally adopted by the Government).
- introduce a generalized system of **standard treatment plans** to limit the issuing of improper and inappropriate drug prescriptions.
- encourage **competition between the public and private sectors** in the supply of pharmaceuticals, in ways that will lower the price of medications while safeguarding their quality.

Managing the Health Sector

9.45 Improving the management of the health sector depends above all on defining a strategy for the sector. This strategy must set out priorities for public spending on health and define the respective roles of the private and public sectors and the means by which to assess whether objectives have been achieved.

9.46 The current mode of managing public health services will have to be revised if value for money is to be obtained. Political will be the determining factor in achieving better results, which will require the establishment and implementation of transparent management mechanisms. These should be accompanied by a reorientation of basic management principles, along the following lines:

- ensuring decentralization of health sector management. Public health districts should be created, consistent with the resolution adopted by the World Assembly of the WHO in 1986. Local health teams, comprising representatives of the providers and the beneficiaries of services, should be set up at the district level, to look after the daily running of basic health services. These teams should be given sufficient discretionary power to effectively adapt sectoral initiatives to local health conditions. Similarly, framework legislation should be adopted to give hospitals greater management autonomy. These steps—which are indicated in Order No. 001-95 of 14 January 1995—would give local authorities the power to initiate and carry out all decisions needed for proper functioning of the system at the local level, in particular with regard to medication supplies, infrastructure maintenance and the

¹⁰⁷ Cf the World Bank study, "The Poor and Cost Recovery in the Social Sectors of Sub-Saharan Africa" (September 1995).

assignment, administration and remuneration of personnel. This would help to combat absenteeism among health workers. The central level would then focus its attention on designing a coherent policy for the entire sector, and on assessing and monitoring its performance.

- developing a health map of the country, to be used in assessing the number, distribution and scale of health facilities throughout Gabon, and taking measures to rationalize them.
- making revisions to laws, regulations and procedures, with a view to promoting diversity, complementarity and competition among the providers of health services. Public health officials should be authorized to contract out the provision of health services to the private sector.

Objective 4: Rehabilitating the Urban Environment

Sectoral Policy

9.47 Improving living conditions for most inhabitants particularly the poor, of the country's major urban centers (Libreville and Port-Gentil) will require a new sectoral policy (now being prepared under the Urban and Transportation Sectors Adjustment and Planning Project - PAPSUT). This entails new arrangements for the organization and financing of the sector. Given the extremely diverse housing conditions and the complexity of occupancy status and land tenure, such a policy will have to use selective measures (primarily in areas already urbanized) that are well-targeted and developed with the close involvement of the people they are to benefit. The policy must avoid (at least in the short term) undertaking large-scale redevelopment or improvement schemes and should minimize evictions and relocations, which merely transfer the problem to the outskirts of the city.

Road and Sanitation Projects

9.48 The PPA showed that people interviewed in Libreville place high priority on ending the isolation of their neighborhoods and making their living conditions more healthful. Overcoming unsanitary urban conditions will entail building or rehabilitating the main collector systems and drainage canals for waste water, setting up an effective garbage and solid waste removal system, rehabilitating public spaces and private concessions, and treating living quarters, inside and out, with insecticides. These operations should be designed on a modest scale, using highly labor-intensive technologies (in road paving, for example) and with the minimum displacement of residents. Beneficiaries should take some of the initiative and responsibility for rehabilitation work, especially for equipment maintenance. Projects of the Avea type (PAPSUT) should be extended to the larger secondary centers, where unsanitary living conditions are most acute.

Procedures for Managing Public Works and Contracting

9.49 Procedures for delegating the management and contracting of public works should use as a model the AGETIP system (Public Works and Employment Executing Agency), by which local SMEs can bid for and undertake drainage, sanitation and road-building projects, performing to modest standards and displacing the minimum number of people.

Appropriate Regulatory and Fiscal Instruments

9.50 For financing the public share of such projects in existing neighborhoods, and planning human settlements in urban expansion areas, a system of urban taxation and development charges of the kind currently lacking in Gabon will be needed. Urban taxes could be levied (on a priority basis) on the occupants of properties (whether they have title to them or not), and could be administered by public bodies in charge of basic urban services (Government and municipal entities, depending on their jurisdiction). The introduction and careful enforcement of a simple and effective system of urban development charges would help to resolve the problem of irregular land occupancy. Such a reform should be accompanied by a comprehensive review of the task of government in real property ownership. These aspects should be defined under the PAPSUT.

Urban Property Rights

9.51 The land tenure system should be reformed to lead to Government withdrawal from land management, freeing building sites and establishing a modern real estate market.

Objective 5: Redirecting Safety Nets and Social Integration Policies

Dealing with Unemployment

9.52 Over the medium and long term, policy aimed at reducing unemployment and under-employment will have to focus on diversifying the economy into highly labor-intensive sectors, promoting private sector growth, and adjusting the education system to the needs of the labor market. In the short run, employment policy should contain immediate relief measures to absorb the growing numbers of jobless people.

9.53 **Highly labor-intensive public works projects.** Urban infrastructure development projects can create temporary jobs for unskilled workers, while enhancing living conditions in urban areas. Projects of the AGETIP type could meet this double objective.

9.54 **National Employment Office and the Labor Market Entry and Re-entry Fund.** These institutions offer support to the unemployed to ease their re-entry into the labor market, whether as wage-earners or self-employed entrepreneurs. The work of the

Office and Fund should be evaluated, and perhaps strengthened, and both should be complemented by introducing a suitable system for providing credit (See para 9.26).

9.55 The "social" component of the privatization program. Because of its strong emphasis on returning formerly state-owned businesses to competitiveness quickly, privatization often leads to major changes in modes of production and to reductions in their workforce. One should look for solutions that limit the need to lay off workers from such enterprises. Several African countries, including Gabon, have undertaken privatizations that were successful from a social point of view. One key factor in finding acceptable solutions is to involve workers in discussions and planning from the outset.

9.56 Training unskilled workers and the unemployed. To temporarily mitigate some of the inadequacies of the education system (pending the more thorough reform to come), a number of short-term measures could be taken:

- Introduce and promote an apprenticeship program. This form of training is little used in Gabon, yet it has been shown elsewhere to be an effective workforce entry route for young people who have not done well in school and a means of pointing them towards occupations in demand.
- It would be useful to assess the formula initiated by ONE, which offers a financial incentive to firms that agree to take on several trainees for a given position, and to upgrade their skills in training sessions alternating with practical work shifts. Businesses and beneficiaries should both participate financially. The introduction of on-the-job training sessions for employees would encourage the internal promotion of Gabonese workers. Funding for such initiatives—including that provided by donors—should be restricted to branches of industry that meet specific market needs.
- Technical and vocational education should be reformed so that Technical Education Centers (industrial and commercial) can equip their students with the skills needed to move directly into productive employment. Vocational training managed by the Ministry of Labor should be open to entrants from the informal sector. Training for rural occupations, such as agriculture, animal husbandry and fisheries, should be offered. An inventory of existing capacity in the country's entire training establishment, to reveal its rate of use and the quality of training provided, should be taken as soon as possible. All social partners, particularly the employers, should have a stake in the funding of technical and vocational education. Establishment of a vocational training fund would be one means of ensuring such funding.

Safety Nets

9.57 Recommendations for improving the public system of social protection for the poor follow.

9.58 Social safety nets should be directed at people who have no chance to take advantage of economic opportunities, because of age (orphaned children, the

impoverished elderly) or disabilities. To provide for such people, the DAS should refocus its efforts in order to limit its operating expenses. As much as possible, the DAS should enlist NGOs to run its operations, restricting itself to a coordinating role (as it does now in relation to charitable associations for orphans). Until proper budgetary allocations can be made, the DAS could concentrate efforts on projects that can attract international or bilateral financing, as was done in the case of the community re-integration project for the disabled.

9.59 Social assistance as practiced in Gabon during the 1980s offers no long-term solution for indigent people who are physically active. Experience with the CNGS showed the very high cost of using the indigent ID card as a means of targeting low-income people for assistance. In 1993 administrative costs represented 45% of the total budget of CNGS. Efforts to improve the lot of the poor should help them to become economically independent. In urban areas, projects similar to AGETIP could be used to create jobs, and at the same time improve infrastructure in under-served neighborhoods. This system could perhaps be extended over the medium term into the larger interior towns where basic facilities are lacking, and to the building of small rural roads. Such efforts could be supplemented by creating a better environment for the growth of micro-businesses. In more isolated rural areas, where transport costs and low population density limit economic potential, attention should focus not on increasing incomes but on improving access to essential services such as safe water and primary health care, and enhancing the quality of primary education.

9.60 The DAS attempts to support community development efforts and to help local groups undertake micro-projects to address problems in their neighborhoods should be encouraged. Gabon needs to enhance cooperation between social workers—to whom people bring their requests for help in setting up small projects—and the Social Integration Fund and NGOs, which are in a position to contribute credit and management training support. Workers at the social centers could be given additional training in steering requests of this kind.

9.61 A more efficient approach to managing public spending would free government resources that could be devoted to social programs. The Government needs to raise its contributions to the DAS and the vocational entry and reintegration Fund, both of which are under-financed. The public expenditure review that Gabon is currently conducting should determine the scope of financial contributions that the Government could make, and what it should do in providing assistance to disadvantaged groups, as compared to other institutions, NGOs for example.

9.62 Finally, restructuring the CNSS to create a viable social security system would have a direct effect on reducing poverty, particularly among retirees.

Objective 6: Establishing a Reliable Statistical System

9.63 This study has highlighted the lack of adequate and reliable data for the country as a whole. Such data are essential for the proper understanding and monitoring of living conditions in Gabon. To date, the Government has not allocated human or material resources to the Department of Statistics (DGSEE) at levels that would allow it to conduct the surveys that are essential for proper economic and social management. Donors have tended to concentrate their support in countries poorer than Gabon, which have now highly-developed statistical tools, such as Côte d'Ivoire (Box 9.3) and Zambia.

9.64 The DGSEE budget does not cover the cost of gathering the data from which macro- and microeconomic indicators could be prepared, and the lack of qualified human resources makes it impossible to perform the kind of regular analysis and studies that the Government must have.

Box 9.3 : Social Statistics and Economic Policy Choices: The Example of Côte d'Ivoire

Côte d'Ivoire, a country with a relatively well-developed capacity to collect and analyze data, shows how useful social indicators are in arriving at macroeconomic policy decisions. An analysis of available data indicates that the economic recession of the early 1980s, and the adjustment measures subsequently taken to address it, have improved the distribution of income between the urban and rural sectors, and within the urban sector itself, despite a fall of some 25% in real income per capita. The ratio of average urban income-per-capita to that in rural areas stood at 3.5 to 1 in 1980, and had fallen to 2 to 1 by 1985, thanks in part to changes in government agricultural pricing policy. During that period, income distribution among urban groups showed a marked improvement. This can be seen by comparing disposable income for various socioeconomic groups: in 1980 disposable income for the richest groups was 35 times greater than that for the poorest groups; in 1984, the ratio was 18 to 1. These results reflected the vigor and adaptability of the urban informal economy at a time when secondary and tertiary activity in the formal sector was in a severe crisis.

These gains were consolidated during two years of growth in 1986 and 1987. Data from household surveys at that time showed that spending per capita was gradually rising, and that it was more equitably shared. The number of poor people declined and their degree of poverty became less acute, especially in rural areas. The availability of detailed socioeconomic statistics was of great help to the authorities in designing reforms to help the poorest groups.

Source: World Bank, *The Social Dimensions of Adjustment in Africa*, 1990

9.65 Sectoral statistics are weak and sporadic, again because of the lack of qualified staff. Users complain that the coverage of surveys is insufficient in space and time. Insurance companies, and international agencies such as the WHO, UNICEF, UNFPA and the ILO gather and publish data, but these go only part way towards supplementing official statistics.

9.66 With UNDP assistance, the Department of the Economy has prepared analytical charts on social and economic trends¹⁰⁸, which are intended to provide regular data on economic performance and social conditions in the country. If put to proper use, they could become the foundation for a permanent monitoring system of socioeconomic conditions in Gabon.

108 These charts are planned to appear every two years. The first social chart was produced in 1995.

9.67 UNDP is planning to set up a Social Change Monitoring Agency in Gabon (OSCG): the social trends chart would be one of its products. It is based on the principle of "lookout posts" that UNICEF has introduced, and consists of setting up selective monitoring points among geographically delimited groups of people. This allows swift and effective monitoring of selected indicators of living conditions, relating mainly to nutrition and health. However, these are not sufficient by themselves to provide a comprehensive picture of social problems at the national level.

9.68 The OSCG will be composed of a series of monitoring posts targeting urban households, rural households and employment. While there is already an employment monitoring post in the form of the National Employment Office (ONE), those for urban and rural households would be located in the DGSEE and in the Ministry of Agriculture respectively. The data flowing from these monitoring posts would be assembled and coordinated by the organization now responsible for preparing the social trends chart.

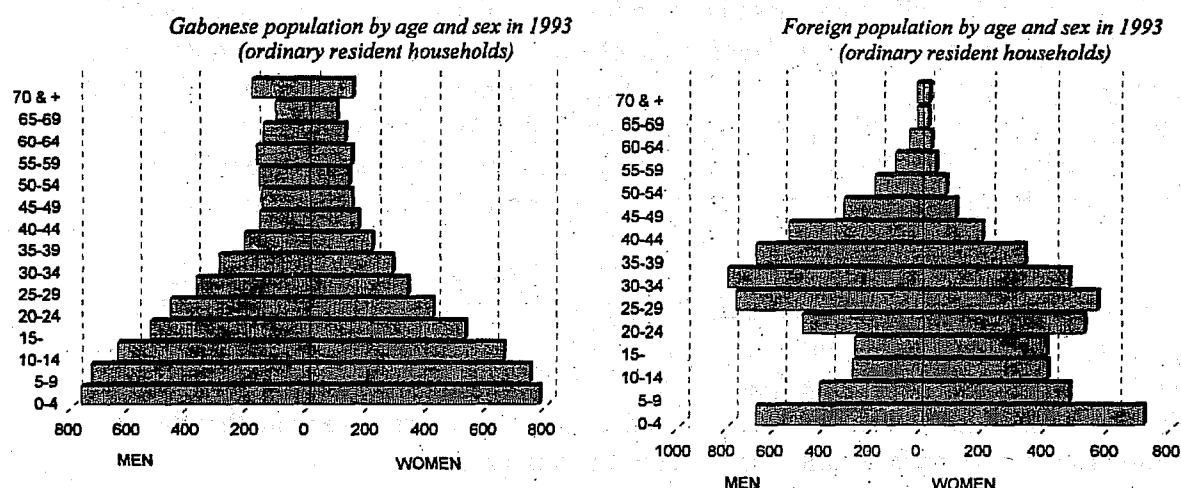
9.69 If either of these new structures is to be fully and effectively operational, the various bodies responsible for collecting and processing basic statistical data will have to be strengthened in order to ensure a regular source of information at the national and regional level. The Government should work with major donors to establish a proper poverty monitoring and analysis system, and to define measures to ensure that the information provided is fed into the decision-making process.

9.70 As in many other African countries, a nation-wide survey of household living standards should be conducted. Such a survey would tell the Government more about the income sources of the poor where they live geographically and their level of access to economic and social infrastructure. This information would enable the Government to adopt a regulatory framework more favorable to them and improve the efficiency of its social policies. The nation-wide survey could be complemented by a Demographic and Health Survey to provide more information on the health status of the population of Gabon and to monitor changes to it.

ANNEX A

DEMOGRAPHIC AND SOCIAL DATA

Figure A. 1: Age Pyramids



Source: General Population Census (GPC), 1993

Table A.1-A.8: Indicators of Living Standards

Table A. 1: Distribution of Households by number of rooms in the dwelling and Occupancy Status , by Province.

| Province | Households | Rooms | Occupancy Status (%) | | | | | Total |
|-----------------|------------|-------|----------------------|--------|----------|--------|------------|-------|
| | | | Owner | Renter | Employer | Family | Free/Other | |
| Estuaire | 91330 | 3.7 | 40.2 | 49.1 | 6.9 | 2.4 | 1.4 | 100 |
| Haut Ogooué | 20077 | 3.8 | 59.9 | 13.9 | 20.6 | 4.5 | 1.2 | 100 |
| Moyen Ogooué | 8496 | 4.6 | 63.1 | 13.4 | 18.6 | 3.5 | 1.4 | 100 |
| Ngounié | 14141 | 4.7 | 79.1 | 7.6 | 6.0 | 5.3 | 2.0 | 100 |
| Nyanga | 7246 | 5.0 | 75.1 | 7.9 | 10.1 | 4.7 | 2.3 | 100 |
| Ogooué Ivindo | 8161 | 4.7 | 70.8 | 6.3 | 17.4 | 4.0 | 1.5 | 100 |
| Ogooué Lolo | 8994 | 4.7 | 74.1 | 5.8 | 10.7 | 7.8 | 1.6 | 100 |
| Ogooué Maritime | 20378 | 4.0 | 42.4 | 44.2 | 9.6 | 2.7 | 1.2 | 100 |
| Woleu Ntem | 16956 | 5.2 | 75.6 | 10.3 | 9.0 | 3.1 | 1.9 | 100 |
| Total | 195779 | 4.5 | 53.4 | 31.8 | 9.9 | 3.4 | 1.5 | 100 |

Source: GPC 1993

Table A. 2: Distribution of Households by Type of Potable Water Supply, by Province

| Province | Households | Village | Neighbor | Concession | Piped | Boat | Lake/River | Well | Other | Total |
|-----------------|------------|---------|----------|------------|-------|------|------------|------|-------|-------|
| Estuaire | 91330 | 5.0 | 37.1 | 20.0 | 22.4 | 84.5 | 6.1 | 3.9 | 5.6 | 100 |
| Haut Ogooué | 20077 | 13.1 | 8.9 | 11.6 | 21.3 | 54.9 | 23.6 | 6.3 | 15.3 | 100 |
| Moyen Ogooué | 8496 | 19.5 | 4.4 | 5.9 | 8.1 | 37.9 | 45.2 | 9.3 | 7.6 | 100 |
| Ngounié | 14141 | 10.0 | 1.6 | 2.6 | 4.1 | 18.3 | 60.9 | 11.4 | 9.5 | 100 |
| Nyanga | 7246 | 3.4 | 2.2 | 3.9 | 7.1 | 16.6 | 48.4 | 7.5 | 27.5 | 100 |
| Ogooué Ivindo | 8161 | 9.1 | 2.0 | 3.5 | 5.7 | 20.3 | 62.7 | 15.8 | 1.3 | 100 |
| Ogooué Lolo | 8994 | 9.6 | 2.1 | 3.8 | 4.3 | 19.8 | 52.2 | 18.6 | 9.4 | 100 |
| Ogooué Maritime | 20378 | 6.4 | 14.1 | 13.6 | 19.2 | 53.3 | 9.9 | 4.7 | 32.0 | 100 |
| Woleu Ntem | 16956 | 8.0 | 2.5 | 7.0 | 5.7 | 23.2 | 62.4 | 13.6 | 0.8 | 100 |
| Total | 195779 | 7.5 | 20.5 | 21.4 | 16.5 | 65.9 | 24.9 | 7.2 | 10.1 | 100 |

Source: GPC, 1993

Table A. 3: Distribution of Households by Type of Lighting, by Province

| Province | Households | None | Oil | Electricity | Other | Total |
|-----------------|------------|------|------|-------------|-------|-------|
| Estuaire | 91330 | 0.1 | 12.6 | 0.3 | 1.9 | 83.7 |
| Haut Ogooué | 20077 | 0.4 | 42.3 | 0.3 | 1.9 | 54.8 |
| Moyen Ogooué | 8496 | 0.2 | 53.1 | 0.6 | 17.9 | 28.0 |
| Ngounié | 14141 | 2.7 | 72.2 | 0.5 | 3.4 | 21.2 |
| Nyanga | 7246 | 0.8 | 71.0 | 0.5 | 2.4 | 25.2 |
| Ogooué Ivindo | 8161 | 0.9 | 72.6 | 0.4 | 9.8 | 16.1 |
| Ogooué Lolo | 8994 | 1.1 | 68.5 | 0.3 | 7.2 | 22.4 |
| Ogooué Maritime | 20378 | 0.1 | 17.9 | 0.3 | 1.3 | 79.2 |
| Woleu Ntem | 16956 | 0.4 | 68.2 | 0.5 | 5.5 | 24.6 |
| Total | 195779 | 0.5 | 34.3 | 0.4 | 3.5 | 60.4 |

Source: GPC, 1993

Table A. 4: Distribution of Households by Type of Cooking Fuel, by Province

| Province | Households | No supply | Wood | Charcoal | Gas | Electricity | Other | Total |
|-----------------|------------|-----------|------|----------|-----|-------------|-------|-------|
| Estuaire | 91330 | 1.8 | 12.9 | 0.7 | 6.9 | 74.9 | 1.0 | 2.0 |
| Haut Ogooué | 20077 | 0.6 | 49.6 | 0.6 | 5.0 | 42.1 | 1.4 | 0.6 |
| Moyen Ogooué | 8496 | 0.4 | 62.6 | 0.3 | 2.1 | 33.4 | 0.8 | 0.3 |
| Ngounié | 14141 | 0.2 | 82.9 | 0.4 | 1.1 | 14.7 | 0.3 | 0.2 |
| Nyanga | 7246 | 0.1 | 83.5 | 0.6 | 0.9 | 14.3 | 0.4 | 0.1 |
| Ogooué Ivindo | 8161 | 0.1 | 80.4 | 1.2 | 2.2 | 16.7 | 0.3 | 0.2 |
| Ogooué Lolo | 8994 | 0.1 | 85.1 | 0.4 | 1.8 | 12.3 | 0.2 | 0.1 |
| Ogooué Maritime | 20378 | 1.1 | 15.9 | 0.5 | 1.4 | 78.2 | 1.6 | 1.3 |
| Woleu Ntem | 16956 | 0.2 | 83.9 | 0.3 | 3.1 | 11.3 | 0.9 | 0.2 |
| Total | 195779 | 1.1 | 39.1 | 0.6 | 4.5 | 52.7 | 0.9 | 1.2 |

Source: GPC, 1993

Table A. 5: Distribution by Type of Sanitary Installation, by Province

| Province | Households | Latrine | Flushing toilet | Other | Total |
|-----------------|------------|---------|-----------------|-------|-------|
| Estuaire | 91330 | 71.0 | 25.4 | 3.6 | 100 |
| Haut Ogooué | 20077 | 63.1 | 21.1 | 15.7 | 100 |
| Moyen Ogooué | 8496 | 81.4 | 9.1 | 9.6 | 100 |
| Ngounié | 14141 | 90.6 | 4.1 | 5.3 | 100 |
| Nyanga | 7246 | 81.1 | 6.2 | 12.7 | 100 |
| Ogooué Ivindo | 8161 | 87.8 | 7.1 | 5.1 | 100 |
| Ogooué Lolo | 8994 | 95.2 | 4.0 | 0.7 | 100 |
| Ogooué Maritime | 20378 | 70.3 | 20.2 | 9.5 | 100 |
| Woleu Ntem | 16956 | 88.3 | 6.1 | 5.7 | 100 |
| Total | 195779 | 75.7 | 18.0 | 6.3 | 100 |

Source GPC 1993

Table A. 6: Distribution by Type of Construction, by Province

| Province | Households | Traditional | Improved | Modern | Total |
|-----------------|------------|-------------|----------|--------|-------|
| Estuaire | 91330 | 2.0 | 38.6 | 27.3 | 100 |
| Haut Ogooué | 20077 | 7.6 | 51.8 | 21.0 | 100 |
| Moyen Ogooué | 8496 | 11.4 | 55.0 | 21.3 | 100 |
| Ngounié | 14141 | 14.9 | 62.4 | 15.6 | 100 |
| Nyanga | 7246 | 24.6 | 46.3 | 22.4 | 100 |
| Ogooué Ivindo | 8161 | 10.0 | 70.2 | 12.1 | 100 |
| Ogooué Lolo | 8994 | 9.5 | 76.0 | 8.8 | 100 |
| Ogooué Maritime | 20378 | 5.7 | 32.4 | 39.9 | 100 |
| Woleu Ntem | 16956 | 11.9 | 48.1 | 29.0 | 100 |
| Total | 195779 | 6.7 | 45.9 | 25.3 | 100 |

Source: GPC, 1993

Table A. 7: Distribution by Type of Housing

| City | Temporary | Traditional | Improved | Modern | Total | Households |
|--------------|-----------|-------------|----------|--------|-------|------------|
| Libreville | 1.0 | 35.1 | 29.0 | 35.0 | 100 | 81781 |
| Port-Gentil | 0.5 | 28.4 | 46.9 | 24.2 | 100 | 16226 |
| Franceville | 5.4 | 44.3 | 26.4 | 23.9 | 100 | 5813 |
| Oyem | 9.8 | 25.6 | 38.2 | 26.4 | 100 | 3599 |
| Moanda | 8.7 | 41.6 | 24.9 | 24.8 | 100 | 3693 |
| Mouila | 2.3 | 55.6 | 22.5 | 19.6 | 100 | 2762 |
| Lambarene | 8.7 | 48.0 | 22.6 | 20.8 | 100 | 2904 |
| Tchibanga | 1.7 | 43.2 | 43.2 | 11.9 | 100 | 2378 |
| Koulamoutou | 0.9 | 69.1 | 16.2 | 13.9 | 100 | 2165 |
| Makokou | 3.4 | 54.3 | 25.1 | 17.2 | 100 | 1539 |
| Bitam | 1.8 | 29.4 | 37.9 | 30.9 | 100 | 1225 |
| Gamba | 3.9 | 43.2 | 21.9 | 31.0 | 100 | 1506 |
| Mounana | 9.8 | 27.7 | 8.2 | 54.3 | 100 | 1140 |
| Ntoun | 6.3 | 52.9 | 17.4 | 23.5 | 100 | 1181 |
| Lastourville | 3.5 | 63.4 | 21.8 | 11.2 | 100 | 1108 |
| Okondja | 4.8 | 62.7 | 16.9 | 15.6 | 100 | 968 |
| Total | 2.0 | 36.8 | 30.5 | 30.6 | 100 | 129988 |

Source: GPC, 1993

Table A. 8: Distribution by Availability of Amenities

| City | Piped water | Electricity | Flushing toilet | Dwellings |
|--------------|-------------|-------------|-----------------|-----------|
| Libreville | 45.8 | 90.9 | 27.4 | 81781 |
| Port-Gentil | 36.6 | 91.7 | 21.3 | 16226 |
| Franceville | 37.6 | 72.7 | 19.5 | 5813 |
| Oyem | 34.0 | 75.1 | 17.8 | 3599 |
| Moanda | 43.0 | 77.2 | 27.5 | 3693 |
| Mouila | 22.4 | 63.9 | 13.3 | 2762 |
| Lambarene | 29.6 | 62.2 | 17.5 | 2904 |
| Tchibanga | 21.6 | 58.8 | 12.7 | 2378 |
| Koulamoutou | 18.4 | 59.7 | 10.0 | 2165 |
| Makokou | 27.4 | 67.9 | 13.5 | 1539 |
| Bitam | 30.0 | 70.6 | 15.6 | 1225 |
| Gamba | 42.2 | 70.4 | 38.0 | 1506 |
| Mounana | 55.9 | 76.5 | 53.5 | 1140 |
| Ntoun | 30.2 | 61.9 | 23.5 | 1181 |
| Lastourville | 18.5 | 64.4 | 9.6 | 1108 |
| Okondja | 37.4 | 73.5 | 14.2 | 968 |
| Total | 41.3 | 85.6 | 24.8 | 129988 |

Source: GPC, 1993

ANNEX B

METHODOLOGY AND TABULATION OF RESULTS OF THE PARTICIPATORY POVERTY ASSESSMENT

The Participatory Poverty Assessment (PPA) was conducted between May 20 and June 22, 1995, to supplement poverty statistics with qualitative information gathered during the interviews.

Survey Zone Selection

Survey zones were selected in cooperation with the Statistics and Economic Studies Directorate and the Gabonese consulting sociologist in charge of the PPA. In *Libreville*, interviews were conducted in representative shantytown areas of the capital, typified by lack of infrastructure and facilities and sub-standard housing: behind the Petit Paris Hospital, Venez-Voir-Bellevue, PK8 and Avéa. For the *semi-urban and rural areas*, three provinces were selected:

- In the North, *Woleu-Ntem* (Minvoul and villages in the region). This region is more densely populated than the average rural area (2.5 pers/km²), and is ethnically homogenous (essentially Fang). Its poor road connections isolate it from Libreville; its orientation is more towards the Cameroon frontier. Its cocoa-based economy is in virtual collapse;
- In the North-East, *Ogooué-Ivindo* (Makokou and its surrounding region). This very isolated area has low population density (1.1 pers/km²). Most of its people are of the Fang and Kota ethnic groups. Cocoa production is not profitable, and young people are abandoning it to seek their fortunes in the area's gold mining operations. Social services are poor in Ogooué-Ivindo, and the province has little development potential;
- In the Southwest, *Ngounié* (Mouila and its surrounding regions). This zone's population density is average (2.1 pers/km²). Its people are mainly of the Pounou and Eschira ethnic groups, and are largely engaged in subsistence farming.

Table B. 1: Geographic Distribution of the Survey Population

| Survey zone | Number | Percentage |
|--------------|------------|------------|
| Libreville | 80 | 25 |
| Mouila | 48 | 15 |
| Makokou | 46 | 14 |
| Minvoul | 46 | 14 |
| Milieu rural | 105 | 32 |
| TOTAL | 325 | 100 |

Source: PPA, 1995

Survey Techniques

The qualitative survey relied essentially on individual and group interviews conducted among a representative sample of people. Other techniques were used to obtain supplementary information on living conditions among the poor. Some life histories were collected, and pupils at the Grade 3 and 4 level were asked to write about poverty (in Mouila and Minvoul). At the same time, interviews were conducted with managers and development workers in various government departments: health, education, social affairs, rural development, and with representatives of NGOs and charitable institutions.

Sample Characteristics

The qualitative nature of the survey relied on in-depth interviews with a small sample (325 interviews, with 277 individuals and 48 groups), rather than a more cursory survey of greater numbers. The individuals in the sample were drawn from categories identified as to age, sex, household status (head or dependent member), economic activity and standard of living. The sample groups (generally comprising 6 to 10 people) were drawn from the same population strata, and included groups of men, or of women, or mixed groups of young unemployed people, the elderly, or poor household heads. People and groups were selected for interview by their housing (shantytowns, sub-standard dwellings), and from suggestions from neighborhood or village leaders.

Table B. 2: Sample Distribution by Sex and Age (individual interviews)

| Age | Men | Women | Total | Percentage |
|------------|-----|-------|-------|------------|
| Under 25 | 26 | 34 | 60 | 22 |
| 25 to 50 | 62 | 91 | 153 | 55 |
| Over 50 | 38 | 26 | 64 | 23 |
| Total | 126 | 151 | 277 | 100 |
| Percentage | 45 | 55 | 100 | |

Source: PPA, 1995

The Interview Guide

This was designed to permit a statistical approach, while respecting the principles of qualitative surveys. It combined non-directed or thematic interview techniques with direct, detailed questions about education and health. Interviewers were instructed to let their subjects talk initially about their problems in general, and to follow their line of thought and record their responses as given. After allowing time for these spontaneous views, the interviewer would move the dialogue to themes related to survival mechanisms, education, health and farming, posing more specific questions. To avoid the risk of bias on either side, and to encourage the flow of information, questions were designed to be open-ended, with no pre-coded answers. The results were subjected to computer processing and to content analysis.

PERCEPTIONS OF POVERTY

The group descriptions of poverty provide a general idea of living conditions among the poor, and raise issues that individual interviews might not have revealed in discussions of personal life. Talk focused on the characteristics of poverty in both urban and rural settings.

General description. Interviewees described poor individuals and families by their physical and their psychological characteristics. A poor person can be recognized by his "sad look"; it will be pale and dull. His personality will be marked by depression and instability. When he can't cope with the basic problems of life, he may become aggressive, angry and even dangerous, or he may seek refuge in religion. In city and rural areas alike, the poor are subject to constant lack of food, hygiene and the comforts of home. The poor may often go for a day or two without eating: in the rural areas they may be able to find roots in the fields. They live in old dwellings made of boards (or of straw, in rural areas), infested with insects and rodents. The roof offers no protection against the rain. The children are dirty and do not go to school.

Box B. 1: A Poor Person as Described by Schoolchildren

In their descriptions of "poor families", pupils gave their general impression of living conditions for poor families; sometimes they wrote about their own situation.

General description: In the city, a poor person lives in a family where no one has work, or he has no family at all. He survives by asking for money from rich people, or by digging through garbage pails. In the village, a poor person has no crops, no gun or ammunition. He lives on roots and papaya. He is thin, his clothes are worn-out, he has no shoes. He is dirty, and he has no soap to wash his clothes. He has lice and his toes are swollen. He lives in an old shack with a leaky roof; there is no mattress and he sleeps on the ground with mosquitoes all around. He has no education.

Personal description: Pupils who wrote about their own situation were generally children being raised by elderly relatives. They are orphans, or their parents live elsewhere. The most frequent themes in their description of their own living conditions were: lack of food, the family cannot grow food any more because there is no one to do the work, their grandparents are old and sick.

Urban and rural poverty. In the city, being poor is associated with having no work, or having lost a job. But even if the household head has a job, his family may still be poor if its numbers are growing rapidly and he is the only one who works. In rural areas, the idea of wealth is positively related to fertility. A poor person is single and has no children, while a rich man is one who has many wives and a large family. In the cocoa-growing areas, the main reason for poverty is that the plantations have been abandoned.

A comparison of living conditions for the urban and rural poor suggests that their lot is better in the villages. This is the opinion both of villagers themselves and of people living in the cities. In the village, the poor can survive by gathering roots or by hunting and fishing, but in the city everything has to be bought. Yet apart from being able to find the basic nutritional needs of life, people in the villages have no facilities and few means of earning money: "In the village, we eat what we can grow. But it's hard to find a liter of gasoline or a bar of soap. There is no transportation, no drugs, no medical services. Money is hard to come by. People who plant cocoa have to wait 9 months until they can sell it. For the others, the only source of income is growing food, or hunting and fishing." By contrast, in the city, the poor have more opportunity to make a little money in the informal sector, or to find assistance of some kind: "If you are going to live in a village, you have to be resourceful, you have

to set traps or go hunting. I don't know how to do those things. That's why I prefer to live in town, where I can get odd jobs, and where my relatives give me CFAF 5,000 at the end of each month." (a former worker at Ciment du Gabon, who has been unemployed for 7 years).

TABULATION OF RESULTS

Table B. 3: Comparison of City and Village Life
(percentage of total responses)

| Comments | Libreville | Secondary centers | Rural | Total |
|------------------------|------------|-------------------|-------|-------|
| City life difficult | 46 | 43 | 37 | 44 |
| Village life difficult | 11 | 12 | 19 | 12 |
| City life easy | 4 | 5 | 9 | 5 |
| Village life easy | 39 | 40 | 35 | 39 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 4: Housing Problems
(percentage of total responses)

| Problems cited | Libreville | Secondary centers | Rural | Total |
|-----------------------|------------|-------------------|-------|-------|
| Sub-standard housing | 63 | 64 | 75 | 63 |
| Insecurity (theft) | 18 | 18 | 10 | 16 |
| Cost of rent | 9 | 3 | 1 | 9 |
| Flooding | 3 | 3 | 2 | 3 |
| Location | 5 | | | 2 |
| No comment | 2 | 12 | 12 | 9 |
| Total (all responses) | 100 | 100 | 100 | 102 |

Source: PPA, 1995

Table B. 5: Water Supply Problems
(percentage of total responses)

| Problems cited | Libreville | Sec. centers | Rural | Total |
|------------------------------|------------|--------------|-------|-------|
| Standpipes (too few or none) | 22 | 28 | 27 | 26 |
| High cost | 38 | 17 | 7 | 20 |
| Hard to reach | 15 | 24 | 26 | 22 |
| Unsanitary water source | | 15 | 18 | 12 |
| No comment | 25 | 16 | 22 | 20 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 6: Lighting Problems
(Percentage of total responses)

| Problems cited | Sec. centers | Rural | Total |
|--------------------------|--------------|-------|-------|
| High cost | 51 | 60 | 56 |
| Public lighting sporadic | 27 | 24 | 25 |
| Too far away | 1 | 1 | 1 |
| No comment | 22 | 15 | 18 |
| Total (all responses) | 101 | 100 | 100 |

Source: PPA, 1995

Table B. 7: Personal Problems
(Percentage of total responses)

| Problems cited | Libreville | Sec. centers | Rural | Total |
|--------------------------|------------|--------------|-------|-------|
| No source of income | 69 | 62 | 55 | 62 |
| Disease | 9 | 10 | 14 | 11 |
| Depression | 6 | 11 | 13 | 10 |
| Bad neighborhood | 5 | 7 | 10 | 8 |
| Large family to care for | 6 | 5 | 4 | 5 |
| Need to find housing | 5 | 5 | 4 | 4 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 8: Survival Strategies
(Percentage of total responses)

| Strategy | Libreville | Sec. centers | Rural | Total |
|-----------------------|------------|--------------|-------|-------|
| Solidarity | 43 | 36 | 31 | 36 |
| Field work | 5 | 27 | 40 | 26 |
| Odd jobs | 22 | 21 | 22 | 21 |
| Misc. income | 22 | 12 | 3 | 12 |
| Selling foodstuffs | 3 | 3 | 3 | 3 |
| Strict budgeting | 5 | 1 | 1 | 2 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 9: Reasons for Not Joining a Tontine

| Reason | Libreville | Sec. centers | Rural | Total |
|--------------------------------|------------|--------------|-------|-------|
| Poverty | 72 | 70 | 88 | 76 |
| Lack of interest or confidence | 28 | 29 | 10 | 23 |
| Too ill | | 1 | 2 | 1 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 10: Causes of Poverty
(Percentage of total responses)

| Causes of poverty | Libreville | Sec. centers | Rural | Total |
|--------------------------|------------|--------------|-------|-------|
| drop in purchasing power | 50 | 50 | 46 | 49 |
| illness (invalid) | 21 | 19 | 28 | 22 |
| lack of assistance | 12 | 11 | 13 | 12 |
| waste (bad management) | 6 | 6 | 3 | 5 |
| laziness | 2 | 7 | 7 | 6 |
| "evil eye" | 4 | 4 | 1,5 | 3 |
| natural disasters | 2 | 2 | 0,5 | 1 |
| family burdens | 2 | 1 | 0,5 | 1,5 |
| illiteracy | 1 | | 0,5 | 0,5 |
| total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 11: Quality of Schools
(Percentage of total responses)

| Comments | Libreville | Sec. centers | Rural | Total |
|---|------------|--------------|-------|-------|
| Schools not as good as they used to be | | | | |
| - teachers too few or incompetent | 19 | 24 | 31 | 25 |
| - inadequate facilities | 25 | 20 | 25 | 22 |
| - no parental guidance | 25 | 18 | 7 | 16 |
| - modern cultural influences | 18 | 16 | 10 | 15 |
| Schools are now better | | | | |
| - new methods | 7 | 14 | 19 | 14 |
| - new programs | | | | |
| Depends on student effort | | 1 | 1 | 1 |
| no comment | 6 | 7 | 7 | 7 |
| Total (all responses) | 100 | 100 | 100 | 100 |

Source: PPA, 1995

Table B. 12: Farming Problems
(Percentage of total responses)

| Problems | Sec. centers | Rural | Total |
|---------------------------------|--------------|-------|-------|
| no technical assistance | 52.3 | 51.9 | 52.0 |
| hard to sell food crops | 13.6 | 20.7 | 19.5 |
| natural predators and parasites | 9.1 | 11.8 | 11.3 |
| depression | 13.6 | 10.9 | 11.3 |
| low prices for coffee and cocoa | 4.6 | 2.8 | 3.1 |
| work-related accidents | 4.6 | 1.9 | 2.3 |
| no comment | 2.2 | | 0.4 |
| Total (all responses) | 100.0 | 100.0 | 99.9 |

Source: PPA, 1995

ANNEX C

ABSOLUTE POVERTY LINE CALCULATION AND RESULTS OF HOUSEHOLD EXPENDITURE SURVEY (HES)

ABSOLUTE POVERTY LINE - URBAN

The demand function relating the consumption share of a product or group of products (here, food consumption) to total spending is expressed by the following equation :

$$w(k) = a(k) \cdot \log C + b(k) \quad (1)$$

where $w(k)$ represents the share of food consumption and C is the value of the average monthly basic caloric needs of an individual; $a(k)$ is a coefficient and $b(k)$ is a constant. The equation can be improved by adding household size as a socioeconomic variable.

The Budgetary Coefficient (CB) is the portion of total household spending devoted to food and drink. The Engel curve for the overall population of the two cities was estimated as follows:

Budgetary coefficient = $78.6529 - (1.16495 \cdot \text{Household size}) - \log_2 (\text{consumption per person}/16,605F)$: where 16,605F represents the food poverty line². If CB is the Budgetary Coefficient of the food line,

$$CB = 78.65 - (1.165 \cdot 5.49) - 16.22 \cdot \log(16,605/16,605)$$

$$CB = 78.65 - 6.40 - \log(1) = 72.26 \%$$

where 16,605F is the value of basic caloric intake and 5.49 is average household size.

In the two cities, it takes 16,605F per person per month to cover basic caloric needs of 2,038 calories per day for 30 days. In the remainder of this study, we have used the standard FAO limit of 2,100 calories (see Table 6.5).

Hence, spending on non-food needs is estimated as follows:

¹ J-L. Dubois, D. Blaizeau, Connaître les conditions de vie des ménages dans les pays en développement, T3: Analyser les résultats, Série Méthodologie, Min. Coopération et Développement, 1989.

² Average individual caloric needs are calculated using a caloric equivalent table consisting of: conversion table % food/weight (see Blaizeau/Dubois), and the FAO table. These values vary with age. For the overall population of the two cities, these are estimated at 61,150 calories per month (30 days) or 2,038 cal/day. The low average level of calory intake per person (compared with the FAO standard of 2,100 calories) reflects the high number of children in households, who tend to reduce the average calculated on the basis of adult equivalents.

$$\text{Non-food line} = \text{Food line} * (1 - 0.7226) = 16,605 * 0.2743$$

The non-food line thus equals 4,607F per month.

The poverty line is then found by summing the two sub-lines, to give 21,212F per person per month.

This represents the “low” poverty line. A household where per-person consumption is barely equal to the food line, and which therefore must devote part of its consumption to other purchases at the expense of food. That supposes, moreover, that non-food needs are not fully met.

We also calculated a “high” poverty line, by taking a household that meets its basic caloric needs by consuming food at exactly the minimum food line, and using Engel’s curve to estimate the portion devoted to non-food spending.

$$\text{Budgetary Coefficient} = 78.65 - (1.16495 * \text{Household size}) - \log. (\text{line (2)}/16,605\text{F})$$

$$\text{CB}(2) = 78.65 - (1.165 * 5.49) - 16.22 * \log (\text{line (2)}/16,605)$$

$$\text{We know that } \text{CB}(2) - \text{food line} * 100/\text{thresh.}(2) = 1,660,500/\text{line (2)} \text{ (in \%)}$$

Hence: Line (2) = 1,660,500/CB(2) by replacing

$$\text{CB}(2) = 78.65 - 6.40 - [16.22 * \log(1,660,500/\text{CB}(2)/16,605)]$$

$$\text{CB}(2) = 78.65 - 6.40 - [16.22 * \log(100/\text{CB}(2))] = 72.26 + [16.22 * \log(\text{CB}(2)/100)]$$

which gives the equation $\text{CB}(2) = 65.36 \%$

$$\text{Hence, Line (2)} = 16,605 / 0.6536$$

The “high” poverty line is thus 25,406F per person per month, with a non-food line of 8,801F.

TABLES AND BOXES ON POVERTY

Table C. 1: Household Consumption in Libreville and Port Gentil, by Income Quartile, per Consumption Unit (1)

| Expense Items | Total | | | First | | | Second | | | Third | | | Fourth | | |
|-------------------------------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|--------|-------|-------|
| | LBV | POC | Toi | LBV | POC | Toi | LBV | POC | Toi | LBV | POC | Toi | LBV | POC | Toi |
| | | | | | | | | | | | | | | | |
| Food | 35.75 | 30.68 | 34.91 | 50.3 | 53.7 | 50.88 | 42.49 | 40.18 | 42.13 | 35.2 | 29.67 | 34.28 | 26.91 | 18.16 | 25.41 |
| Beverages | 5.99 | 5.74 | 5.95 | 6.49 | 5.42 | 6.31 | 8.05 | 7.14 | 7.91 | 5.64 | 6.65 | 5.8 | 4.9 | 4.57 | 4.84 |
| Total Housing /2 | 26.42 | 31.86 | 27.33 | 19.65 | 14.54 | 18.78 | 19.98 | 20.06 | 19.99 | 24.54 | 28.12 | 25.14 | 33.87 | 46.53 | 36.05 |
| Hygiene, clothing | 10.12 | 10.28 | 10.15 | 10.07 | 9.21 | 9.92 | 11.31 | 11.96 | 11.47 | 12.07 | 11.23 | 11.93 | 8.09 | 9.22 | 8.28 |
| Transport | 9.4 | 9.96 | 9.5 | 7.31 | 5.23 | 6.95 | 7.81 | 6.21 | 7.56 | 9.06 | 14.37 | 9.95 | 11.32 | 10.64 | 11.20 |
| Tobacco, leisure, ceremonies | 3.06 | 2.52 | 2.97 | 1.34 | 1.81 | 1.42 | 2.38 | 3.6 | 2.56 | 3.07 | 1.81 | 2.86 | 4.09 | 2.71 | 3.85 |
| Health | 4.51 | 3.57 | 4.35 | 3.79 | 4.19 | 3.88 | 3.96 | 6.04 | 4.29 | 4.37 | 4.37 | 4.37 | 4.83 | 2.29 | 4.44 |
| Education | 2.72 | 2.62 | 2.7 | 0.21 | 2.52 | 0.58 | 0.9 | 1.24 | 0.96 | 3.24 | 3.5 | 3.29 | 3.38 | 2.52 | 3.24 |
| Newspapers, communications | 1.22 | 1.71 | 1.31 | .14 | .67 | .23 | .49 | 1.14 | .59 | 1.1 | 1.27 | 1.13 | 2.13 | 2.65 | 2.21 |
| Taxes, fines | 0.4 | 0.38 | 0.39 | .12 | .07 | .11 | .02 | 0 | .02 | .09 | .71 | .19 | .92 | .46 | .84 |
| Various (excluding undefined) | 0.4 | 0.7 | 0.45 | .05 | .4 | .11 | .26 | .18 | .25 | .38 | .42 | .39 | .61 | 1.25 | 0.72 |
| Total (excluding undefined) | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |

Source: HES 1993

Notes : 1): excluding grants and gifts to other households
2): no rent equivalent

Table C. 2: Distribution and Characteristics of Gabonese and other African Household Consumption, by Income Quartile

Gabonese Households

| Household consumption (CFAF/mo) | Total consumption month | Food CFAF/month | Calories/month = (CFAF/mo) x 1000 | Food coverage % | No. of households | Population | Cost (CFAF) of food | NOV needs | Calories month | Calories month | % food in consumption | Average of members | |
|---------------------------------------|-------------------------------|--------------------|---|-----------------------|----------------------|------------|------------------------|--------------|-------------------|-------------------|--------------------------|-----------------------|-----|
| < or = 59 273 | 3,923,017,371 | 2,057,485,074 | 7,627,382,914 | 91 | 84,310 | 18,043 | 139,415 | 270 | 60123 | 99419 | 52% | 217,426 | 7.7 |
| 59 274 - 99 956 | 5,959,244,656 | 2,497,081,638 | 9,406,473,335 | 117 | 80,049 | 17,296 | 132,075 | 265 | 60672 | 100104 | 42% | 344,545 | 7.6 |
| 99 957 - 154 548 | 6,533,645,531 | 2,279,583,735 | 7,657,500,560 | 136 | 57,305 | 15,085 | 90,647 | 298 | 62179 | 98356 | 35% | 433,122 | 8.0 |
| > 154 548 | 9,121,458,681 | 2,450,140,407 | 7,308,036,214 | 153 | 49,332 | 15,137 | 76,262 | 335 | 62633 | 96824 | 27% | 602,594 | 5.0 |
| Total | 25,537,366,239 | 9,284,290,854 | 31,999,393,023 | 119 | 270,996 | 65,561 | 438,399 | 290 | 61150 | 98924 | 36% | 389,521 | 6.7 |

Other African Households

| Household size (month 1965-66) | Total consumption month | Food CFAF/month | Calories/month | Calories/month used/month | Cost (CFAF) of food | No. of households | Population | NOV needs | Calories month | % food in consumption | Average of members | | | |
|--------------------------------------|-------------------------------|--------------------|----------------|------------------------------|------------------------|----------------------|------------|--------------|-------------------|-----------------------------|-----------------------|-----|---------|-----|
| < or = 59 273 | 628,703,550 | 487,477,450 | 1,565,325,829 | 1,475,788,710 | 106 | 15,651 | 6,601 | 23,152 | 311 | 63743 | 94294 | 78% | 95,244 | 3.5 |
| 59 274 - 99 956 | 848,936,054 | 332,102,640 | 886,720,406 | 732,094,230 | 121 | 8,251 | 5,486 | 10,341 | 375 | 70795 | 88728 | 39% | 154,746 | 1.9 |
| 99 957 - 154 548 | 1,382,152,465 | 544,488,305 | 1,496,731,949 | 998,323,290 | 150 | 11,242 | 6,645 | 15,167 | 364 | 65822 | 88803 | 39% | 207,999 | 2.3 |
| > 154 548 | 2,491,586,647 | 695,403,296 | 1,667,834,465 | 1,121,896,050 | 149 | 12,422 | 7,453 | 16,205 | 417 | 69231 | 90315 | 28% | 334,307 | 2.2 |
| Total | 5,351,378,716 | 2,059,471,691 | 5,616,612,649 | 4,328,102,280 | 130 | 47,566 | 26,185 | 64,865 | 367 | 66725 | 90992 | 38% | 204,368 | 2.5 |

Source: HES 1993

Annex C
Page 5 of 14

| Mobility data | Quartiles | Total household income | | | | Income per consumption unit | | | |
|---------------------------------|-----------|------------------------|------------------|-------------------|------------------|-----------------------------|-------------------|-------------------|------------------|
| | | First | Second | Third | Fourth | First | Second | Third | Fourth |
| Population | Total | <=16,000 GFAF | <=24,000 GFAF | <=403,000 GFAF | >505,000 GFAF | <=59,000 GFAF | <=100,000 GFAF | <=155,000 GFAF | >155,000 GFAF |
| Housing | 6.82 | 10.45 | 9.72 | 5.29 | 6.17 | 3.29 | 5.14 | 6.38 | 9.37 |
| Water and electricity | 5.17 | 5.20 | 6.21 | 4.83 | 5.03 | 5.29 | 5.36 | 4.14 | 5.73 |
| Energy excluding electricity | 1.06 | 1.00 | 1.48 | 1.02 | 0.97 | 1.25 | 1.02 | 1.49 | 0.71 |
| Improvements, const. materials | 6.42 | 2.06 | 1.40 | 5.43 | 8.97 | 4.11 | 2.02 | 7.20 | 9.17 |
| Household personnel | 1.59 | 1.39 | 0.51 | 1.15 | 2.12 | 0.94 | 0.91 | 0.92 | 2.65 |
| House maintenance/repair | 0.53 | 0.02 | 0.57 | 0.54 | 0.60 | 0.56 | 0.88 | 0.20 | 0.56 |
| Household maintenance products | 1.20 | 1.00 | 1.38 | 1.10 | 1.23 | 1.32 | 1.34 | 1.28 | 1.03 |
| Recreation equipment | 0.50 | 0.43 | 0.82 | 0.39 | 0.48 | 0.11 | 0.52 | 0.76 | 0.46 |
| Household goods | 1.03 | 0.54 | 0.68 | 0.62 | 1.39 | 0.80 | 0.86 | 0.63 | 1.49 |
| Household equipment | 0.80 | 0.98 | 0.39 | 1.04 | 0.76 | 0.14 | 1.17 | 0.30 | 1.18 |
| Furniture | 1.79 | 0.50 | 1.43 | 0.49 | 2.70 | 0.60 | 0.37 | 1.61 | 3.14 |
| Repairs to articles | 0.42 | 0.07 | 0.36 | 0.47 | 0.46 | 0.37 | 0.40 | 0.24 | 0.57 |
| Total house | 27.33 | 23.64 | 24.95 | 22.36 | 30.89 | 18.78 | 19.99 | 25.14 | 36.06 |
| (Rent equivalent) | 12.47 | 24.42 | 12.54 | 13.47 | 10.15 | 26.66 | 14.41 | 10.09 | 7.73 |
| Total house and rent equivalent | 39.79 | 48.06 | 37.49 | 35.84 | 41.03 | 45.44 | 34.40 | 35.22 | 43.78 |

| Monthly data | | Total household income | | | | Income per consumption unit | | | |
|-----------------------------------|-------|------------------------|---------------------|---------------------|---------------------|-----------------------------|---------------------|---------------------|---------------------|
| Quartiles | | First | Second | Third | Fourth | First | Second | Third | Fourth |
| Population | Total | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL | PERCENTAGE OF TOTAL |
| Clothing, footwear | 6.80 | 3.33 | 5.85 | 7.33 | 7.36 | 6.12 | 7.32 | 8.30 | 5.75 |
| Jewels, ornaments | 0.88 | 1.08 | 0.69 | 0.97 | 0.86 | 1.49 | 1.05 | 0.88 | 0.55 |
| Underwear | 0.54 | 0.17 | 0.72 | 0.46 | 0.58 | 0.52 | 0.81 | 0.81 | 0.21 |
| Hygiene and beauty | 1.93 | 0.90 | 2.48 | 1.86 | 1.96 | 1.78 | 2.29 | 1.94 | 1.77 |
| Total hygiene and clothing | 10.15 | 5.48 | 9.75 | 10.61 | 10.76 | 9.92 | 11.47 | 11.93 | 8.28 |
| Public transport | 6.97 | 5.81 | 6.12 | 7.83 | 6.99 | 6.57 | 6.67 | 5.59 | 8.24 |
| Private transport | 2.52 | 0.05 | 0.35 | 0.98 | 4.24 | 0.39 | 0.89 | 4.36 | 2.96 |
| Total transport | 9.50 | 5.86 | 6.47 | 8.81 | 11.23 | 6.96 | 7.56 | 9.95 | 11.20 |
| Tobacco, cigarettes, matches | 0.58 | 1.69 | 0.86 | 0.58 | 0.34 | 0.60 | 0.85 | 0.74 | 0.32 |
| Entertainment, leisure | 0.33 | 0.16 | 0.10 | 0.19 | 0.48 | 0.18 | 0.24 | 0.45 | 0.34 |
| Gambling | 0.29 | 0.11 | 0.33 | 0.18 | 0.35 | 0.13 | 0.32 | 0.35 | 0.29 |
| Recreation, leisure | 0.13 | 0.08 | 0.07 | 0.12 | 0.15 | 0.04 | 0.16 | 0.10 | 0.16 |
| Children's games | 0.23 | 0.04 | 0.08 | 0.11 | 0.35 | 0.19 | 0.08 | 0.31 | 0.27 |
| Total leisure | 0.97 | 0.39 | 0.58 | 0.61 | 1.34 | 0.54 | 0.79 | 1.21 | 1.06 |
| Associations | 0.47 | 0.07 | 0.03 | 0.42 | 0.86 | 0.08 | 0.05 | 0.48 | 0.84 |
| Dances and funerals | 0.66 | 0.54 | 0.37 | 0.75 | 0.72 | 0.15 | 0.81 | 0.30 | 1.02 |
| Offerings | 0.29 | 0.02 | 0.10 | 0.03 | 0.50 | 0.05 | 0.06 | 0.13 | 0.61 |
| Total associations and ceremonial | 1.42 | 0.63 | 0.50 | 1.20 | 1.90 | 0.28 | 0.92 | 0.91 | 2.47 |
| Health | 4.35 | 3.86 | 4.29 | 4.37 | 4.44 | 3.91 | 5.00 | 3.87 | 4.49 |
| Education | 2.70 | 0.58 | 0.96 | 3.29 | 3.24 | 1.38 | 2.51 | 4.47 | 2.10 |
| Newspapers and similar | 0.30 | 0.06 | 0.06 | 0.22 | 0.44 | 0.06 | 0.21 | 0.27 | 0.45 |
| Communication | 1.01 | 0.06 | 0.47 | 0.33 | 1.52 | 0.17 | 0.38 | 0.86 | 1.76 |
| Taxes and fines | 0.39 | 0.21 | 1.09 | 0.25 | 0.30 | 0.11 | 0.02 | 0.19 | 0.84 |

| Monthly data | | Total household income | | | | Income per consumption unit | | | |
|------------------------------------|--------|------------------------|-----------------|-----------------|----------------|-----------------------------|-----------------|-----------------|----------------|
| Quartiles | | First | Second | Third | Fourth | First | Second | Third | Fourth |
| Population | Total | <=15000 GEAF | <=28000 GEAF | <=50500 GEAF | >50500 GEAF | <=5000 GEAF | <=10000 GEAF | <=15000 GEAF | >15000 GEAF |
| Insurance/retirement contributions | 0.22 | 0.00 | 0.00 | 0.08 | 0.37 | 0.04 | 0.02 | 0.16 | 0.43 |
| Hotel, motel | 0.08 | 0.00 | 0.00 | 0.21 | 0.05 | 0.00 | 0.00 | 0.10 | 0.13 |
| Fees and services | 0.01 | 0.00 | 0.01 | 0.01 | 0.02 | 0.01 | 0.01 | 0.01 | 0.02 |
| Photo processing | 0.14 | 0.04 | 0.15 | 0.12 | 0.16 | 0.06 | 0.21 | 0.12 | 0.14 |
| Other undefined | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total, various (excl. undefined) | 0.45 | 0.04 | 0.16 | 0.43 | 0.60 | 0.11 | 0.26 | 0.39 | 0.72 |
| Total (excl. undefined) | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Total with rent equivalent | 112.47 | 124.42 | 112.54 | 113.47 | 110.15 | 126.66 | 114.41 | 110.09 | 107.73 |

Table C. 4: Private Assistance Received, by Sex and Nationality
(in CFAF per individual per month)

| Nationality | Men | Women | Total |
|--------------------------------------|--------|--------|--------|
| Gabonese | 14 439 | 35 825 | 25 776 |
| Equatorial African countries, others | 9 144 | 35 257 | 21 917 |
| Francophone and Moslem West Africa | 4 339 | 553 | 3 851 |
| Francophone West Africa, others | 8 249 | 3 816 | 6 425 |
| Non-francophone West Africa | 11 371 | 962 | 9 430 |
| Total | 12 918 | 34 293 | 23 634 |

Source: HES, 1993

Table C. 5: Private Assistance Received, by Sex and Family Status
(Gabonese only)
(in CFAF per individual per month)

| Age | Women | | | | Men | | | Total |
|-------|---------|--------|-----------|-------|-------|-----------|-------|-------|
| | C.M | Cjt CM | Dependent | Total | C.M | Dependent | Total | |
| 16-20 | 137 096 | 20507 | 15873 | 20229 | 0 | 7556 | 7556 | 14606 |
| 21-25 | 173 333 | 18235 | 49739 | 52658 | 50824 | 12616 | 16328 | 33779 |
| 26-35 | 93693 | 15360 | 62557 | 43212 | 19219 | 14698 | 17203 | 31730 |
| 36-45 | 67507 | 15964 | 32837 | 34926 | 16281 | 8069 | 15613 | 25333 |
| 46-55 | 70480 | 12584 | 9459 | 33528 | 18129 | 21847 | 18856 | 27519 |
| 56-65 | 36726 | 4437 | 0 | 13123 | 16822 | 0 | 13402 | 13302 |
| 66 + | 15274 | 0 | 1009 | 5248 | 6799 | 0 | 5118 | 5196 |
| Total | 84644 | 15344 | 31689 | 35825 | 18930 | 11034 | 14439 | 25778 |

Source HES, 1993

**Table C. 6: Characteristics of Households Below the Poverty Line
(CFAF 28,863 per month)**

Part 1: Demographics and Economic Flows

| | Consumption less than 29 000 CFAF. | | Cons.>29 000 CFAF | Total |
|--|------------------------------------|-----------------------|----------------------|---------|
| | Below 80% of needs | Above 80% of needs | | |
| <i>No. of households by city</i> | | | | |
| Libreville | 5 220 | 2 804 | 3 601 | 11 625 |
| Port Gentil | 1 500 | 546 | 726 | 2 772 |
| Total | 6 720 | 3 350 | 4 0327 | 14 397 |
| <i>Population by city</i> | | | | |
| Libreville | | | | |
| Port Gentil | | | | |
| Total | 61 289 | 17 226 | 24 235 | 102 750 |
| <i>Average no. of members</i> | | | | |
| Libreville | | | | |
| Port Gentil | | | | |
| Total | 9,12 | 5,14 | 5,60 | 7,14 |
| <i>% population below the poverty Line</i> | | | | |
| Libreville | | | | |
| Port Gentil | | | | |
| Total | 12,18 | 3,42 | 4,82 | 20,42 |
| <i>Economic flows (monthly average by household category)</i> | | | | |
| Inflows | 158 646 | 118 125 | 139 713 | 143 527 |
| Outflows | 159 343 | 114 392 | 223 201 | 168 076 |
| Average household income | 148 622 | 116 023 | 128 813 | 135 083 |
| Household consumption | 154 109 | 117 885 | 212 787 | 159 115 |
| <i>Per capita aggregates</i> | | | | |
| Income per capita (IC) | 16 296 | 22 563 | 22 999 | 18 927 |
| Consumption per capita (CC) | 15 910 | 22 925 | 37 992 | 22 295 |
| % deficit I/C (/Line) | -43,54 | -21,83 | -20,32 | -34,42 |
| % deficit C/C (/Line) | -44,88 | -20,57 | 31,63 | -22,76 |
| <i>Average calorie needs and consumption per household</i> | | | | |
| Average calorie needs | | | | |
| Average calorie contribution | | | | |
| Coverage of food needs | | | | |
| <i>Household inflows (monthly resources): average household income</i> | | | | |
| Income from wages | 99 453 | 71 025 | 72 838 | 84 839 |
| Resale of water, electricity... | 2 132 | 675 | 0 | 1 152 |
| Rental income | 8 668 | 11 600 | 6 863 | 8 808 |
| Savings income | 1 533 | 3 034 | 2 170 | 2 074 |
| Private transfers | 34 455 | 29 662 | 37 651 | 34 300 |
| Public transfers | 2 355 | 0 | 9 291 | 3 892 |
| Sundry income | 27 | 28 | 0 | 19 |
| Average household income | 148 622 | 116 023 | 128 813 | 135 083 |
| <i>Loans</i> | | | | |
| Loans and IOUs | 10 024 | 2 102 | 10 900 | 8 444 |
| Total inflows | 158 646 | 118 125 | 139 713 | 143 527 |

Part 2: Family Burden, Housing

| | Consumption less than 29 000 CFAF. | | Cons.>29 000 CFAF | Total |
|---|------------------------------------|---------------|-------------------|---------|
| | <80% of needs | >80% of needs | | |
| Family pressure and contribution (minimum costs of other members and other households in the family) | | | | |
| (a) Gross family burden | 196 657 | 93 567 | 112 090 | 147 252 |
| (b) Family contribution and transfers | 59 020 | 34 136 | 54 476 | 51 864 |
| (a)-(b) Burden - contribution | 137 636 | 59 431 | 57 613 | 95388 |
| Income of head of household | 89 602 | 81 887 | 74 337 | 83 219 |
| Income - net burden | -48 034 | 22 457 | 16 723 | -12 169 |
| Housing occupancy status (%) | | | | |
| Owner | 57,32 | 43,91 | 40,49 | 49,14 |
| Renter | 22,41 | 43,94 | 44,46 | 34,05 |
| Tied to job | 0 | 0 | 9,36 | 2,81 |
| Free | 20,27 | 12,15 | 5,69 | 14,00 |
| Total | 100 | 100 | 100 | 100 |
| Potable water supply (%) | | | | |
| Individual meter | 17,83 | 17,37 | 11,95 | 15,95 |
| From owner | 29,66 | 22,69 | 27,76 | 27,46 |
| From neighbor | 5,63 | 16,42 | 9,29 | 9,24 |
| Company | 29,91 | 18,90 | 28,20 | 26,83 |
| No access (standpipe, rainwater) | 16,98 | 28,61 | 22,64 | 21,39 |
| Total | 100 | 100 | 100 | 100 |
| Electricity supply | | | | |
| Individual meter | 41,58 | 34,63 | 44,79 | 40,93 |
| From owner | 7,83 | 16,42 | 24,77 | 14,92 |
| From neighbor | 39,15 | 29,16 | 22,19 | 31,73 |
| Company | 0 | 0 | 0 | 0 |
| No hook-up | 11,44 | 19,79 | 8,25 | 12,43 |
| Total | 100 | 100 | 100 | 100 |
| Expanded family needs and income(%) | | | | |
| Income = Needs | 41,93 | 75,19 | 35,41 | 47,71 |
| Income > Needs | 5,54 | 0,00 | 15,81 | 7,33 |
| Income < Needs | 52,53 | 24,81 | 48,79 | 44,95 |
| Total households | 100 | 100 | 100 | 100 |

Part 3: Characteristics of Household (size, equipment) and its Head

| | Consumption less than 29 000 CFAF. | | Cons.>29 000 CFAF | Total |
|--|---------------------------------------|---------------|----------------------|-------|
| | <80% of needs | >80% of needs | | |
| Age of head (distribution %) | | | | |
| Under 31 | 14,46 | 14,87 | 22,28 | 16,91 |
| 21-50 | 60,30 | 77,25 | 41,58 | 58,62 |
| Over 51 | 25,24 | 7,88 | 36,15 | 24,48 |
| Total | 100 | 100 | 100 | 100 |
| Number of members (%) | | | | |
| 1 - 2 | 12,69 | 5,67 | 13,66 | 11,35 |
| 3 - 8 | 42,05 | 86,33 | 59,76 | 57,68 |
| 9 and more | 42,25 | 8,00 | 26,58 | 30,97 |
| Total | 100 | 100 | 100 | 100 |
| Activity of head of household (%) | | | | |
| Inactive | 36,55 | 26,99 | 58,33 | 40,87 |
| Manager/professional | 7,98 | 8,00 | 0 | 5,58 |
| Non-professional public/parapublic | 16,06 | 5,37 | 19,71 | 14,67 |
| Private non-professional | 17,95 | 40,81 | 11,56 | 21,34 |
| Independent | 21,47 | 18,64 | 40,40 | 17,53 |
| Total | 100 | 100 | 100 | 100 |
| Nationality of head (%) | | | | |
| Gabonese | 85,21 | 72,30 | 75,78 | 79,37 |
| Non-Gabonese | 14,79 | 27,70 | 24,22 | 20,63 |
| Total | 100 | 100 | 100 | 100 |
| Educational level of head | | | | |
| None | 9,93 | 8,15 | 21,56 | 13,01 |
| Primary | 29,49 | 28,48 | 33,15 | 30,96 |
| Secondary | 47,89 | 33,82 | 33,93 | 40,42 |
| School-leaving and higher | 12,69 | 29,55 | 9,36 | 15,61 |
| Total | 100 | 100 | 100 | 100 |
| Type of household | | | | |
| Female head | 21,68 | 49,10 | 24,71 | 28,97 |
| Single man | 9,55 | 7,55 | 20,68 | 12,43 |
| Couple, male head | 68,76 | 43,34 | 54,61 | 58,60 |
| Total | 100 | 100 | 100 | 100 |
| Household equipment (%) | | | | |
| Vehicle | 7,43 | 0 | 14,92 | 7,93 |
| Color TV | 18,50 | 10,95 | 32,07 | 20,91 |
| Black/white TV | 16,73 | 39,94 | 0 | 17,30 |
| Refrigerator/freezer, no TV | 35,40 | 0 | 0 | 15,17 |
| No TV, no refrigerator | 21,93 | 49,09 | 53,01 | 39,70 |
| Total | 100 | 100 | 100 | 100 |

Part 4: Activities of Household Members and Structure of Expenditure

| | Consumption less than 29 000 CFAF. | | Cons.>29 000 CFAF | Total |
|---|---------------------------------------|---------------|----------------------|---------|
| | <80% of needs | >80% of needs | | |
| <i>Number of active household members by type of activity</i> | | | | |
| Students | 3,79 | 2,04 | 1,92 | 2,82 |
| Housewives | 0,70 | 0,58 | 0,46 | 0,60 |
| Retirees | 0,16 | 0 | 0,27 | 0,15 |
| Unemployed | 0,96 | 0,34 | 0,55 | 0,69 |
| Other inactive | 2,58 | 1,45 | 1,55 | 2,01 |
| Occ. workers | 0,18 | 0,14 | 0,06 | 0,13 |
| Family helpers | 0 | 0 | 0,17 | 0,05 |
| Stable employees | 0,76 | 0,59 | 0,61 | 0,68 |
| Total | 9,12 | 5,14 | 5,60 | 7,14 |
| <i>Rent category (%)</i> | | | | |
| Pays no rent | 75,28 | 61,19 | 55,54 | 66,07 |
| Less than 15 000 CFAF/month | 6,49 | 22,57 | 8,74 | 10,91 |
| 15 000 - 25 000 // | 6,98 | 2,48 | 18,58 | 9,42 |
| 25 000 - 35 000 // | 5,63 | 11,28 | 9,29 | 8,04 |
| 35 000 - 50 000 // | 5,63 | 2,48 | 7,86 | 5,56 |
| Over 50 000 // | 0 | 0 | 0 | 0 |
| Total | 100 | 100 | 100 | 100 |
| <i>Structure of expenditure in CFAF/month, by household</i> | | | | |
| Food at home | 59 421 | 66 318 | 97 928 | 72 599 |
| Food outside | 5 238 | 1 820 | 7 122 | 5 009 |
| Beverages | 10 044 | 6 413 | 14 341 | 10 490 |
| Housing and energy | 22 209 | 15 802 | 33 985 | 24 257 |
| Household equipment and leisure | 6 979 | 3 137 | 5 809 | 5 734 |
| Clothing, hygiene, beauty | 12 235 | 3 358 | 8 442 | 9 030 |
| Transport | 9 900 | 6 036 | 18 085 | 11 461 |
| Tobacco and leisure (sic) | 1 932 | 995 | 802 | 1 375 |
| Funerals, ceremonies, associations | 525 | 45 | 1 299 | 646 |
| Health | 4 481 | 1 080 | 10 462 | 5 487 |
| Education | 742 | 194 | 2 979 | 1 287 |
| Various expenses | 335 | 325 | 207 | 295 |
| Loans and aid to other households | 6 129 | 1 006 | 17 712 | 8 418 |
| Repayments of loans | 15 054 | 7 196 | 2 130 | 9 341 |
| Savings and tontine | 3 837 | 667 | 1 899 | 2 517 |
| Unclassifiable (theft, losses) | 281 | 0 | 0 | 131 |
| Total outflows | 159 343 | 114 392 | 223 201 | 168 076 |

Part 5: Structure of Current Household Expenditure (excl. Transfers and Loans)

| <i>Structure of expenditure in CFAF/month, by household</i> | | | | |
|---|--------|--------|--------|--------|
| Food at home | 44.3 | 62.8 | 48.6 | 49.2 |
| Food outside | 3.9 | 1.7 | 3.5 | 3.4 |
| Beverages | 7.5 | 6.1 | 7.1 | 7.1 |
| Housing and energy | 16.6 | 15.0 | 16.9 | 16.4 |
| Clothing, hygiene, beauty | 5.2 | 3.0 | 2.9 | 3.9 |
| Household, equipment and leisure | 9.1 | 3.2 | 4.2 | 6.1 |
| Transport | 7.4 | 5.7 | 9.0 | 7.8 |
| Tobacco and leisure (sic) | 1.4 | 0.9 | 0.4 | 0.9 |
| Funerals, ceremonies, associations | 0.4 | 0.0 | 0.6 | 0.4 |
| Health | 3.3 | 1.0 | 5.2 | 3.7 |
| Education | 0.6 | 0.2 | 1.5 | 0.9 |
| Various expenses | 0.2 | 0.3 | 0.1 | 0.2 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |
| Amount | 134041 | 105523 | 201461 | 147670 |

ANNEX D

EDUCATION SECTOR STATISTICS

Table D. 1: Highest Education Level Attained
(% of the population by province)

| PROVINCE | None | Pre-elementary | Primary | Secondary (1 st cycle) | Secondary (2 nd cycle) | Higher education | Vocational | No info. | Total |
|-----------------|------|----------------|---------|-----------------------------------|-----------------------------------|------------------|------------|----------|-------|
| Estuaire | 15.2 | 1.4 | 40.5 | 23.1 | 8.9 | 5.2 | 3.0 | 2.7 | 100 |
| Ogooué Maritime | 16.4 | 1.9 | 47.8 | 18.6 | 6.6 | 3.1 | 2.9 | 2.8 | 100 |
| Haut Ogooué | 25.4 | 1.4 | 50.2 | 14.6 | 3.0 | 1.3 | 1.6 | 2.6 | 100 |
| Woleu Ntem | 27.6 | 0.9 | 45.0 | 17.3 | 3.6 | 0.9 | 1.6 | 3.2 | 100 |
| Moyen Ogooué | 28.0 | 0.9 | 49.2 | 15.1 | 3.1 | 1.0 | 0.8 | 1.8 | 100 |
| Ogooué Ivindo | 29.9 | 0.8 | 51.8 | 11.9 | 2.0 | 0.5 | 0.6 | 2.4 | 100 |
| Nyanga | 36.4 | 0.7 | 45.4 | 12.2 | 2.0 | 0.8 | 0.7 | 1.8 | 100 |
| Ngounié | 37.1 | 0.8 | 46.1 | 10.6 | 2.1 | 0.7 | 0.6 | 2.0 | 100 |
| Ogooué Lolo | 39.4 | 0.6 | 46.3 | 10.1 | 1.6 | 0.6 | 0.7 | 0.8 | 100 |
| TOTAL | 22.4 | 1.2 | 44.4 | 18.4 | 5.9 | 3.1 | 2.1 | 2.5 | 100 |

Source: General Census of the Population, 1993.

Table D. 2: Non-durable Literacy
(% of individuals who completed primary education declaring themselves illiterate)

| Province | Proportion |
|-----------------|------------|
| Estuaire | 4.6 |
| Ogooué Maritime | 3.7 |
| Haut Ogooué | 7.9 |
| Woleu Ntem | 6.3 |
| Moyen Ogooué | 2.4 |
| Ogooué Ivindo | 12.0 |
| Nyanga | 7.5 |
| Ngounié | 2.1 |
| Ogooué Lolo | 6.0 |
| TOTAL | 5.4 |

Source: GPC, 1993

Table D. 3: Structure of the Training System in Gabon

| Type of institution/center | Number |
|---|-----------|
| <i>Technical and vocational education (1994/95*) of which:</i> | 11 |
| short-cycle establishments | 4 |
| long-cycle establishments | 5 |
| specialized establishment | 2 |
| <i>National Vocational Training and Development Agency (ANFPP) 1992** of which:</i> | 07 |
| CFPP (Vocational Training and Development Centers) | 6 |
| INC (Institut National des Cadres) | 7 |
| <i>Other training institutions under public control**</i> | 16 |
| <i>Business Centers**</i> | 09 |
| <i>Private centers (authorized and unauthorized)** of which:</i> | 36 |
| for profit | 31 |
| non-profit | 05 |
| Total | 79 |

Sources: * Ministry of National Education, Statéduc, Libreville 1995

** Barcia, Paulo, Formation Professionnelle, p. 15

Note: All data on vocational training refer to 1992.

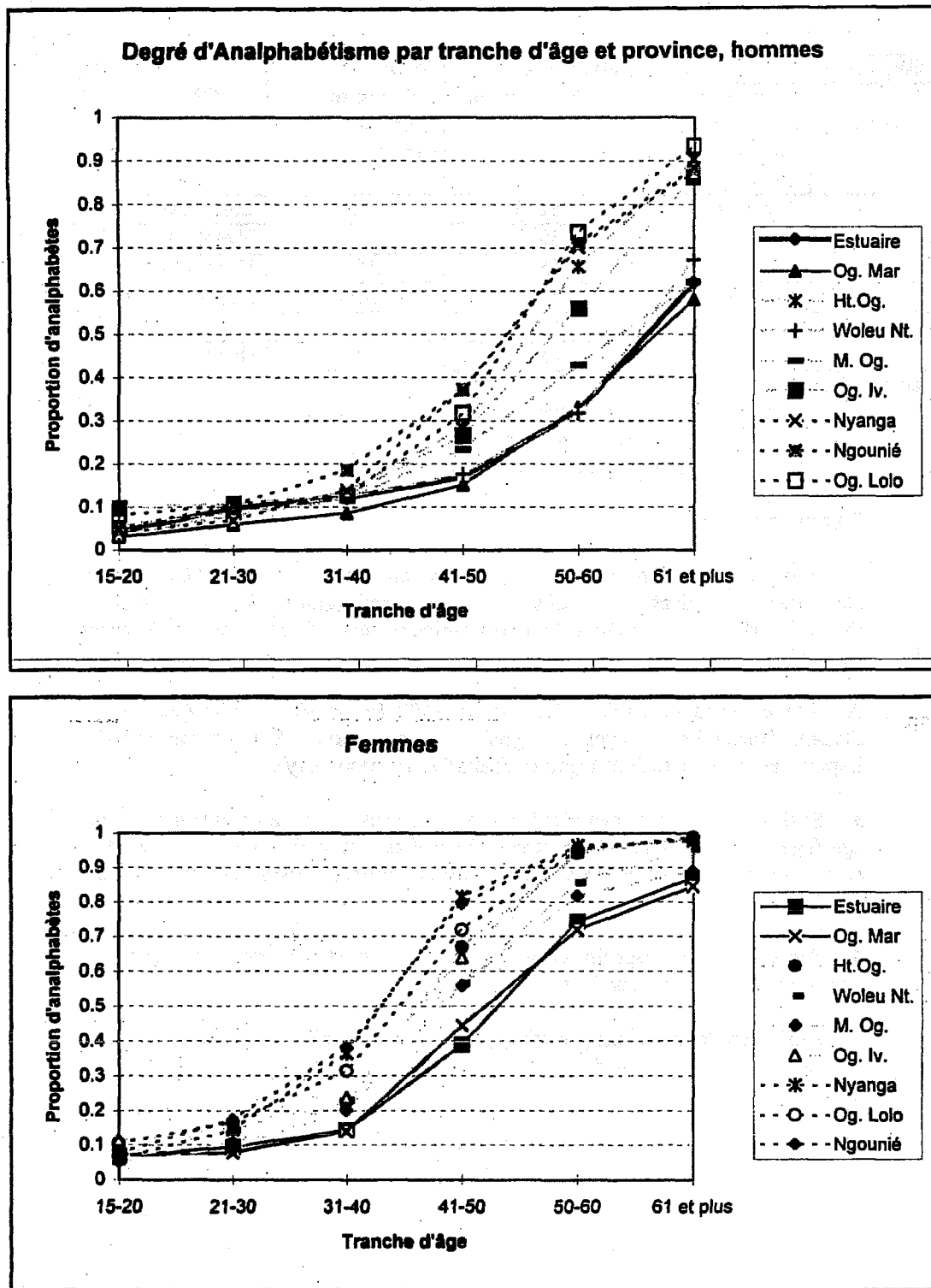
Table D. 4: Ineffectiveness of Education, by Province

| Population | | | | Enrollment | | Ineffectiveness | | Adjusted ratios | |
|-----------------|----------------------|--------------------------|------------------------------|-----------------|-------------------|--------------------------|-----------------------------------|--------------------|-----------------|
| PROVINCE | Total 6 - 11 years * | 6 - 11 attending school* | at primary school, all ages* | net rate (in %) | gross rate (in %) | % of "over age" students | places occupied by the "over-age" | pupils/classroom** | pupils/teacher* |
| Estuaire | 73531 | 65269 | 95899 | 88.8 | 130.4 | 31.9 | 30630 | 41.4 | 39.0 |
| Ogooué Maritime | 16326 | 14594 | 23158 | 89.4 | 141.8 | 37.0 | 8564 | 35.7 | 36.9 |
| Haut Ogooué | 19336 | 17101 | 28462 | 88.4 | 147.2 | 39.9 | 11361 | 29.4 | 35.9 |
| Woleu Ntem | 16166 | 14360 | 19395 | 88.8 | 120.0 | 26.0 | 5035 | 23.5 | 24.9 |
| Moyen Ogooué | 6640 | 5837 | 9437 | 87.9 | 142.1 | 38.1 | 3600 | 24.0 | 34.1 |
| Ogooué Ivindo | 8377 | 6992 | 11777 | 83.5 | 140.6 | 40.6 | 4785 | 22.8 | 30.4 |
| Nyanga | 6324 | 5485 | 9571 | 86.7 | 151.3 | 42.7 | 4086 | 21.9 | 25.6 |
| Ngounié | 12463 | 10939 | 19659 | 87.8 | 157.7 | 44.4 | 8720 | 19.6 | 25.0 |
| Ogooué Lolo | 7286 | 5994 | 11227 | 82.3 | 154.1 | 46.6 | 5233 | 21.8 | 25.2 |
| GABON | 166449 | 146571 | 228585 | 88.1 | 137.3 | 35.9 | 82014 | 30.5 | 33.2 |

Source : * GPC, 1993

** Ministry of National Education, Statéduc, Libreville 1995

Graph D. 1: Illiterary Level, by Age Segment, Province and Sex



Source: GPC, 1993

The graphs indicate that inter-provincial deviations are becoming smaller for the younger age group. The enrollment effort has had a significant impact. If school performance improves markedly in the medium term, there could be few new illiterates in future.

Table D. 5: Teacher Deficit

| Hypothesis | | Number of teachers needed | Deficit in relation to current situation | Observations |
|------------|---|---------------------------|--|-------------------|
| Quality* | Secondary education absorption capacity | | | |
| = | unchanged | 6130 | 0 | Current situation |
| + | | 6930 | 800 | Hypothesis (i) |
| ++ | | 8530 | 2400 | Hypothesis (ii) |
| = | corresponds to demand | 7574 | 1444 | Hypothesis (iii) |
| + | | 8002 | 1872 | Hypothesis (iv) |
| ++ | | 8859 | 2729 | Hypothesis (v) |

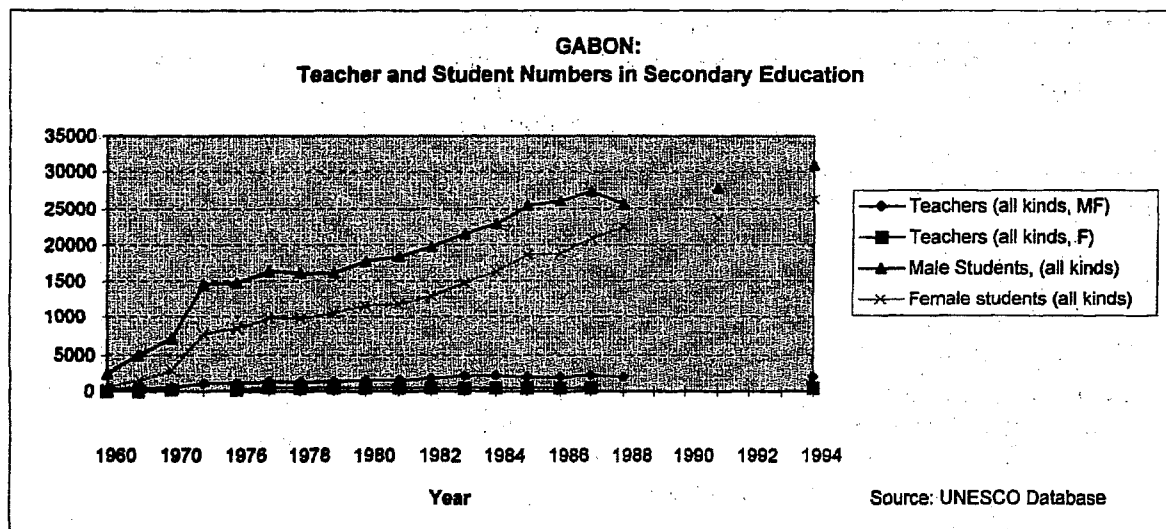
Source : WB Simulation

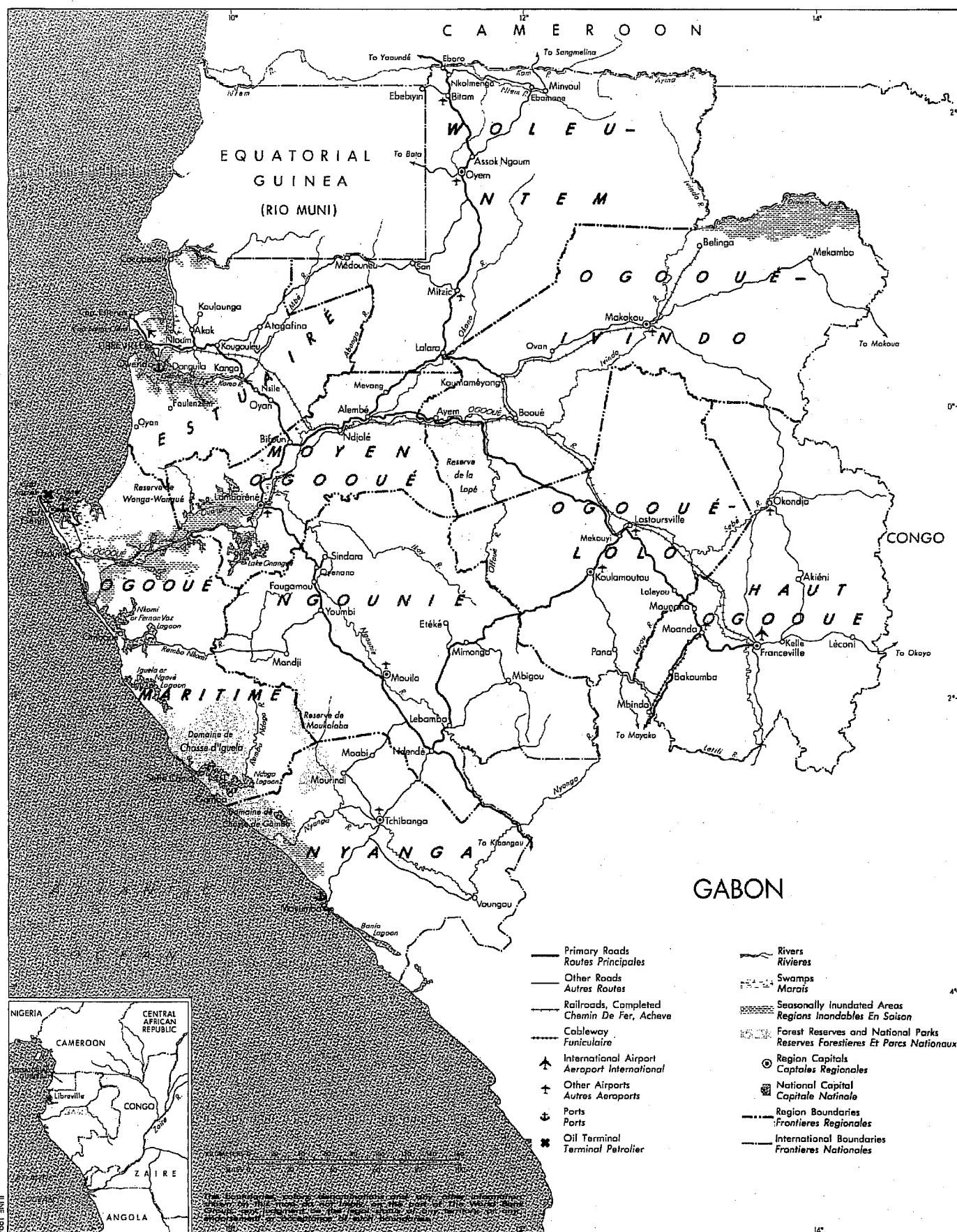
Notes : * Quality expressed by teacher/student ratio
 + 45.6 in primary, 26.1 in secondary
 ++ 36.8 in primary, 21.6 in secondary.

Five hypotheses were studied:

1. The numbers of primary and secondary teachers increase by 600 and 200 respectively. Student distribution by cycle and grade does not change. Student/teacher ratios improve to 45.6/1 (primary) and 26.1/1 (secondary), which should improve quality.
2. The numbers of teachers increase by 1800 (primary) and 600 (secondary). Student distribution by cycle and grade does not change. Student/teacher ratios improve even more, to 36.8/1 (primary) and 21.6/1 (secondary).
3. Sufficient secondary capacity is created to accommodate all children of school age (age 12-15 for junior high school, 16 and up for high school). All children completing primary education go on to secondary school. Teacher/student ratios are unchanged.
4. Same secondary capacity creation as 3. Teacher student ratios are 45.6/1 in primary and 26.1/1 in secondary.
5. Same secondary capacity creation as in 3. Teacher/student ratios are 36.8/1 (primary) and 21.6/1 (secondary).

Graph D. 2 : Teacher and Student Numbers in Secondary Education





IMAGING

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