

ANNEX 4 – GUINEA-BISSAU

CONTENTS

1 ECONOMIC ENVIRONMENT	260
1.1 Main features	260
1.2 Recent economic developments	261
1.3 Trade performance	263
1.4 Foreign direct investment	265
2 TRADE AND INVESTMENT REGIMES.....	267
2.1 Overview	267
2.2 Trade policy objectives and formulation.....	269
2.3 Trade agreements and arrangements.....	270
2.3.1 Relations with the World Trade Organization	270
2.3.2 Regional and preferential agreements	270
2.4 Investment regime	270
3 TRADE POLICIES AND PRACTICES BY MEASURE.....	273
3.1 Measures directly affecting imports.....	273
3.1.1 Procedures and requirements	273
3.1.2 Customs valuation and inspection	274
3.1.3 Rules of origin	274
3.1.4 Tariffs	275
3.1.5 Other taxes.....	276
3.1.6 Import prohibitions, restrictions and licensing	277
3.1.7 Anti-dumping, countervailing and safeguard measures	277
3.1.8 Other measures.....	277
3.2 Measures directly affecting exports	277
3.2.1 Procedures and requirements	277
3.2.2 Export taxes, charges and levies.....	278
3.2.3 Export prohibitions, restrictions and licensing	278
3.2.4 Export support and promotion	278
3.2.5 Export financing, insurance and guarantees	279
3.3 Measures affecting production and trade	279
3.3.1 Incentives.....	279
3.3.2 Standards and other technical regulations.....	279
3.3.3 Sanitary and phytosanitary measures.....	279
3.3.4 Competition policy and price controls	279
3.3.5 State trading, State-owned enterprises and privatization	280
3.3.6 Government procurement.....	280
3.3.7 Intellectual property rights.....	281
4 TRADE POLICY BY SECTOR	282
4.1 Agriculture, forestry and fisheries	282
4.1.1 Overview	282

4.1.2 Overall agricultural policy	283
4.1.3 Main subsectors.....	283
4.1.3.1 Cashew nuts	283
4.1.3.2 Food crops	285
4.1.3.3 Livestock	286
4.1.3.4 Wood	286
4.1.3.5 Fisheries.....	287
4.2 Mining and energy	291
4.2.1 Mining	291
4.2.2 Hydrocarbons.....	293
4.2.3 Electricity and water	294
4.3 Manufacturing	295
4.4 Services	295
4.4.1 Financial services.....	295
4.4.2 Telecommunications.....	296
4.4.3 Transport services	298
4.4.3.1 Land transport.....	298
4.4.3.2 Maritime and river transport and port services.....	299
4.4.3.3 Air transport.....	299
4.4.3.4 Tourism	300
5 APPENDIX TABLES	302

CHARTS

Chart 1.1 Structure of merchandise trade, 2011 and 2015	264
Chart 1.2 Direction of merchandise trade, 2011 and 2015.....	265

TABLES

Table 1.1 Basic economic indicators, 2011-2016	260
Table 1.2 Balance of payments, 2011-2016.....	262
Table 2.1 Guinea-Bissau's legislative texts relating to trade and investment, 2012.....	268
Table 3.1 Formalities and registration fees, 2017	273
Table 3.2 Fiscal revenue according to main source, 2011-2016.....	275
Table 3.3 Duty and tax concessions at the customs cordon, 2012-2015	276
Table 3.4 Excise duty (<i>imposto especial de consumo</i>), 2017.....	276
Table 3.5 Import controls, 2017.....	277
Table 3.6 <i>Contribuição predial rústica</i> , 2017	278
Table 3.7 Applications forwarded to OAPI, 2011-2016	281
Tableau 4.1 Guinea-Bissau's main crops, 2010-2016	282
Table 4.2 Guinea-Bissau's trade in cashew nuts, 2010-2015.....	284
Table 4.3 Fisheries legislation	288

APPENDIX TABLES

Table A1.1 Structure of imports, 2011-2015.....	302
Table A1.2 Structure of exports, 2011-2015.....	303
Table A1.3 Origin of imports, 2011-2015	304
Table A1.4 Destination of exports, 2011-2015	305

1 ECONOMIC ENVIRONMENT

1.1 Main features

1.1. Guinea-Bissau's economy remains very poorly diversified and highly vulnerable to exogenous shocks, owing to structural weaknesses exacerbated by the socio-political tensions that have been persistent since 1998. The long period of socio-political instability led to a slowdown in investment and the suspension of economic cooperation with the key development partners. The effects of these different problems continue to weigh on the efficiency of public administration, the shortage of basic infrastructure, and the business environment. As a result, Guinea-Bissau's poverty and social development indicators remain among the lowest in sub-Saharan Africa.¹

1.2. Economic activity is still essentially dependent on a single cash crop, cashew nuts, grown mainly on an artisanal basis and exported unprocessed to India and Viet Nam. Guinea-Bissau is also highly dependent on imports for its supply of hydrocarbons, food and manufactured goods, and also for transport services. A severe energy deficit – resulting from inadequate and undiversified generating capacities (mostly based on imported diesel), an electricity grid that only covers the city of Bissau, and the lack of cross-border interconnections – is one of the main impediments to the country's development.

1.3. Limited access to financial services is another major obstacle to the expansion and diversification of the Guinea-Bissau economy (section 1.2). Banking services are still not widely used, and competition in financial intermediation is virtually non-existent. Guinea-Bissau continues to rely heavily on development aid, particularly to finance public investment.

1.4. Despite its advantageous geographical position and membership of both the West African Economic and Monetary Union (WAEMU) and the Economic Community of West African States (ECOWAS), Guinea-Bissau does not take full advantage of the potentials of the regional market, including international transit trade. Moreover, the limited coverage and obsolescence of its basic infrastructure (section 4) impose considerable additional costs, and even cause the seasonal isolation of certain areas of the country. The expansion of foreign trade is also hindered by the lack of operational quality control mechanisms and by supply constraints, including the weak industrial fabric. The total value of trade in goods and services, largely influenced by fluctuations in world prices, is estimated at 63.8% of national gross domestic product (GDP) in 2016, compared to 60.2% in 2011. Moreover, the performance indicators of the Guinea-Bissau economy are no more than estimates, owing to the size of the informal sector (70% of the economy according to the authorities) and weaknesses in statistical data collection.

1.5. Agriculture and services continue to dominate Guinea-Bissau's GDP, while the manufacturing and construction sectors remain embryonic (Table 1.1). Exploitation of its abundant fishery resources does not generate multiplier effects on the national economy, and the high potential of its mineral wealth remains virtually untapped. Guinea-Bissau also has major opportunities in maritime transport, tourism, agricultural development and fishing.

Table 1.1 Basic economic indicators, 2011-2016

	2011	2012	2013	2014	2015	2016
Miscellaneous						
GDP at market prices (€ million) ^a	790.1	770.0	787.7	807.5	916.1	987.6
Real GDP growth rate (2005 prices, %)	8.1	-1.7	3.3	2.7	4.8	5.6
Population (million)	1.5	1.5	1.5	1.6	1.6	1.6
Inflation (CPI, % change)	5.0	2.1	1.2	-1.5	1.4	1.7
Real effective exchange rate (% change) ^b	2.1	-2.5	1.6	-0.9	-2.6	1.9
Nominal effective exchange rate (% change) ^b	0.4	-2.1	2.5	1.2	-3.2	1.5
National accounts at current prices^c						
	(% du PIB)					
Consumption	99.8	102.8	100.8	103.5	96.3	98.1
Private	87.1	89.9	83.0	86.6	81.5	84.8
Public	12.7	13.0	17.8	16.9	14.7	13.3
Gross fixed capital formation (GFCF)	5.3	6.6	5.7	6.6	6.6	6.3
Variation in inventories	0.1	0.8	1.0	1.0	0.9	0.8
Net exports	-5.2	-10.2	-7.6	-11.1	-3.8	-5.2
Exports of goods and non-factor services	25.7	15.5	18.3	20.0	28.4	27.0
Imports of goods and non-factor services	30.9	25.7	25.8	31.2	32.2	32.3

¹ Republic of Guinea-Bissau, *Plan stratégique et opérationnel 2015-2020 "Terra Ranka"* (March 2015).

	2011	2012	2013	2014	2015	2016
Distribution of GDP at current prices^c						
	(% of GDP)					
Agriculture, hunting, forestry and fishing	46.9	48.7	45.6	42.2	40.5	39.7
Mining and quarrying	0.0	0.0	0.0	0.0	0.0	0.0
Manufacturing	11.6	12.7	13.1	13.6	13.0	13.7
Electricity, gas and water	0.7	0.6	0.5	0.7	0.8	0.8
Construction and public works	0.6	0.8	1.3	1.5	1.4	1.3
Services, of which	42.2	39.5	41.4	43.8	46.8	47.4
Commerce (wholesale and retail), restaurants, hotels	21.2	19.5	22.3	22.9	26.9	27.5
Banking, insurance, real estate activities	5.5	5.8	5.2	5.2	5.5	6.0
Transport and communications	5.2	5.4	5.3	5.2	4.8	4.7
Public administration and defence	10.3	8.7	8.7	10.5	9.6	9.3
Financial intermediation services indirectly measured (FISIM)	-2.0	-2.2	-2.0	-1.9	-2.5	-3.0
Public finance						
	(% of GDP)					
Total income and grants	12.5	14.7	12.3	20.0	20.8	17.3
Total income, excl. grants	10.1	9.1	8.0	12.4	14.1	13.1
Tax revenue, of which	7.8	7.7	6.8	8.3	10.3	9.8
Direct taxes	2.3	2.5	2.1	2.1	2.9	2.8
Indirect taxes	5.5	5.3	4.7	6.2	7.4	7.0
Non-tax income	2.4	1.4	1.1	4.0	3.8	3.3
Grants	2.4	5.6	4.4	7.6	6.7	4.3
Expenses and net loans	10.7	17.4	14.8	22.5	23.7	22.3
Total expenses, of which	10.7	16.9	14.8	22.5	23.7	22.3
Current expenses, of which	10.5	12.4	9.7	14.6	15.2	15.4
Wages and allowances	5.6	4.8	4.7	5.9	5.2	4.9
Capital expenses	0.1	4.5	5.1	7.6	8.1	6.6
Net loans	0.0	0.5	0.0	0.0	0.0	0.0
Overall balance (commitments basis)	1.9	-2.8	-2.5	-2.5	-2.9	-4.9
Overall balance excluding grants (commitments basis)	-0.5	-8.3	-6.9	-10.2	-9.6	-9.2
Overall balance, cash basis	2.0	-1.9	-1.6	-2.9	-4.2	-5.3
Financing, of which	0.4	2.6	2.9	3.0	4.2	5.8
Domestic financing	0.4	1.2	1.8	0.6	2.3	4.2
External financing	0.0	1.4	1.1	2.4	1.9	1.7
Financing gap	2.4	0.7	1.4	0.0	0.1	0.6
External public debt	21.4	25.4	26.7	30.8	32.2	33.2

- a The CFA franc, which is the common currency of the WAEMU countries, is pegged to the euro at a rate of: €1 = CFAF 655.96.
- b A minus sign (-) indicates a depreciation.
- c Estimates for 2013; projections for 2014-2016.

Source: Data provided by the authorities; Central Bank of West African States (BCEAO), *Annuaire statistique 2016*; African Development Bank, *African Statistical Yearbook, 2017*; IMF, *International Financial Statistics*, viewed at: <http://elibrary-data.imf.org>; and World Bank, *World Development Indicators*, viewed at: <http://databank.worldbank.org/data/reports.aspx?source=World%20Development%20Indicators>.

1.6. As a member of WAEMU and ECOWAS, Guinea-Bissau has adopted various of the two communities' regulations, which have enabled it to harmonize several policies with the other members, including those in the monetary and banking, foreign exchange and trade spheres (common report, sections 1, 3 and 4).

1.2 Recent economic developments

1.7. Guinea-Bissau's economy has shown resistance to the ongoing socio-political tensions, which have resulted in intermittent periods of government paralysis and the suspension of assistance by the main development partners. Following a relatively brief recession, real GDP grew at a generally sustained pace in 2013-2016 (Table 1.1). This performance partly reflects the combination of improved net terms of trade and measures to support agricultural inputs.

1.8. The long period of political instability has had a negative effect on public finance management, resulting in high levels of non-regularized expenditure (1.1% of GDP in 2016) and a recurrence of domestic payment arrears (1% of GDP).² Moreover, Guinea-Bissau has not yet been able to meet the community target for the ratio of wage bill to tax revenue, recording a figure of 49.6% in 2016 compared to 71.6% in 2011 (common report, section 1). Budget deficits (excluding grants) persisted throughout 2012-2016 and could not be covered by the budgetary support agreed to by its development partners. External debt outstanding relative to GDP has continued to

² IMF (2016), *Guinea-Bissau – First and Second Reviews under the Extended Credit Facility Arrangement, Request for Rephasing of Disbursements, Modification of Performance Criteria and Financing Assurances Review*, IMF Country Report No. 16/384. Viewed at: <http://www.imf.org/external/pubs/cat/longres.aspx?sk=44476.0>.

trend upwards. Legislative initiatives are under way to enhance the transparency and management of the country's public finances, particularly with regard to guarantees and government debt.

1.9. The economic recovery and decline in informal cashew exports in a context of robust international prices helped to bolster tax revenues, which represented about 10% of GDP in 2015-2016. Nonetheless, the average tax burden remains below the WAEMU target (common report, section 1). As a result, the authorities continued the process of collecting tax arrears from State-owned enterprises and set up a computerized system to control the tax base more effectively in the telecommunications sector. Other measures currently under way include: the introduction of a standard invoice bearing the taxpayer's tax ID number; the requirement for a tax certificate (as established by law) for all contracts and payments made by the State; and the introduction of a tax regime for small taxpayers.

1.10. Guinea-Bissau applies the monetary and foreign exchange policies that are common to WAEMU member States (common report, section 1). Nonetheless, its financial sector faces challenges. In 2016, bank credit to the private sector was estimated at 11% of GDP, which is well below the averages for WAEMU (25%) and sub-Saharan Africa (28%). Non-performing loans represented 25.7% of total credit in December 2014, prompting the Government to adopt controversial measures in an attempt to resolve the situation.³

1.11. Inflation in the domestic market, largely driven by trends in the international prices of major import products (grains and fuels), remained at moderate levels (Table 1.1).

1.12. The available preliminary data suggest that the current account of the balance of payments was in surplus in 2014-2016 (Table 1.2). This reflects the buoyancy of migrant remittances, the collapse of world oil prices and the rise in the price of cashew nuts, Guinea-Bissau's main export product.

Table 1.2 Balance of payments, 2011-2016

(€ million, unless indicated otherwise)

	2011	2012	2013	2014 ^a	2015 ^a	2016 ^a
Current account balance	-10.1	-64.8	-39.5	4.7	18.9	0.8
Goods and services	-41.2	-78.7	-59.6	-88.7	-44.4	-51.7
Merchandise balance	-1.5	-39.2	-22.6	-36.3	40.9	12.5
Exports of goods f.o.b.	171.2	102.3	115.1	125.2	227.5	237.8
Imports of goods f.o.b.	-172.7	-141.5	-137.7	-161.4	-186.6	-225.3
Imports of goods c.i.f.	-200.9	-164.5	-161.1	-195.9	-226.4	-269.5
Balance of services trade	-39.6	-39.5	-37.0	-52.4	-85.2	-64.2
Credit	32.2	16.9	28.7	35.4	32.8	29.1
Of which travel	10.1	10.5	7.0	15.7	15.5	11.6
Debit	-71.7	-56.4	-65.7	-87.8	-118.0	-93.3
Of which freight and insurance	0.0	-22.7	-19.5	-28.5	-37.2	-25.2
Primary income	-13.3	-25.8	-6.1	28.2	23.0	12.3
Of which debt interest	-1.1	-0.5	-0.2	-2.0	-1.7	-1.8
Secondary income	44.4	39.6	26.1	65.4	40.2	40.1
Public administration	26.4	18.1	2.9	36.0	9.9	10.7
Other sectors	18.0	21.5	23.3	29.4	30.3	29.4
Of which migrant transfers	22.9	18.9	22.6	29.3	29.6	27.9
Capital account	41.2	24.2	24.1	41.8	54.0	42.5
Financial account	-13.3	2.6	-24.2	-55.9	6.3	-20.6
Direct investment	-17.4	-5.3	-14.8	-19.7	-14.6	-16.3
Portfolio investment	0.0	0.0	0.0	-14.5	-7.6	-3.8
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	4.1	7.9	-9.5	-21.8	28.5	-0.5
Errors and omissions, net	-3.5	-7.5	7.6	9.3	-11.9	0.0
Overall balance	40.9	-50.6	16.3	111.7	54.6	63.9
Memorandum item:						
Current account (% of GDP)	-1.3	-8.4	-5.0	0.6	2.1	0.1
Gross official reserves (US\$ million)	220.0	164.6	186.3	287.0	332.1	n.a.
In months of imports of goods and services	7.1	6.8	7.8	n.a.	n.a.	n.a.

³ IMF (2016), *Guinea-Bissau – First and Second Reviews under the Extended Credit Facility Arrangement, Request for Rephasing of Disbursements, Modification of Performance Criteria and Financing Assurances Review*, IMF Country Report No. 16/384. Viewed at: <http://www.imf.org/external/pubs/cat/longres.aspx?sk=44476.0>.

	2011	2012	2013	2014 ^a	2015 ^a	2016 ^a
Inward FDI (€ million)	18.0	5.2	14.8	21.7	16.5	n.a.
Percentage of GDP	2.3	0.7	1.9	2.7	1.8	n.a.
Inward FDI stock (€ million)	60.3	71.8	88.0	97.5	120.8	n.a.
Percentage of GDP	7.6	9.3	11.2	12.1	13.2	n.a.

n.a. Not available.

a Preliminary figures.

Source: BCEAO, *Annuaire statistique 2016*; World Bank, *World Development Indicators*. Viewed at: <http://databank.worldbank.org/data/reports.aspx?source=World%20Development%20Indicators>; and UNCTADstat. Viewed at: <http://unctadstat.unctad.org/FR/Index.html>.

1.13. The latest IMF forecasts see the economic recovery continuing in 2017-2018, with real GDP growth of about 5% and budget deficits (including grants) below 3% of GDP. The revival of private-sector demand is likely to drive up prices, but inflation is expected to remain at moderate levels (2.8%). The authorities predict a sustained acceleration in nominal economic growth (from 5.4% in 2017 to 6% in 2020), with annual inflation rates fluctuating between 1.5% and 2% in 2017-2020. They also forecast an overall budget deficit of -2.3% of GDP in 2017, followed by small surpluses in 2018-2020.

1.14. The outlook for economic growth depends heavily on making a definitive break in the cycle of socio-political instability, the performance of the cashew sector and the continuity of reforms to improve public administration. The use of external financing, including support from development partners, will likely continue to play an important role in Guinea-Bissau's economic development.

1.3 Trade performance

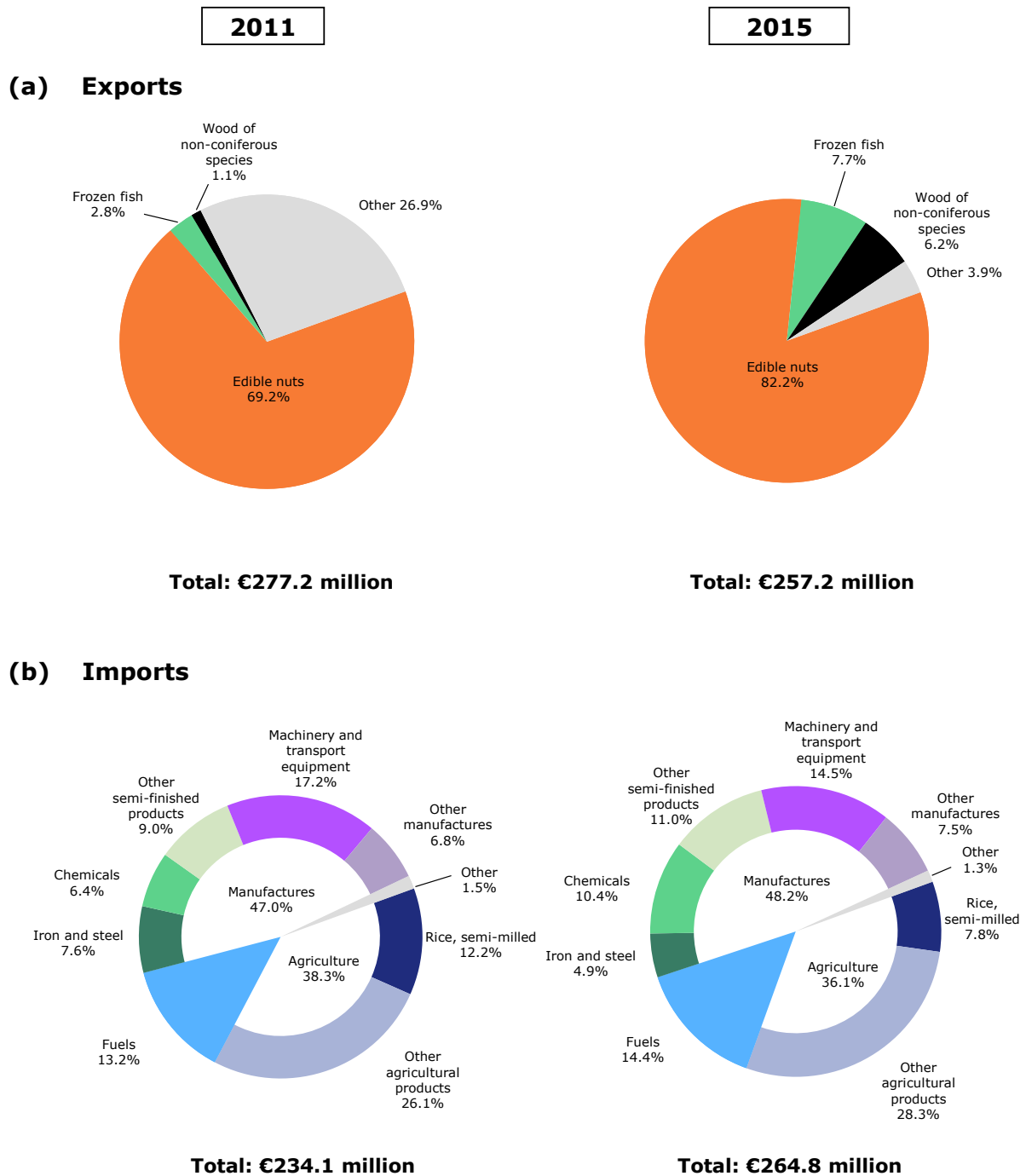
1.15. The composition and geographic distribution of Guinea-Bissau's foreign trade remains difficult to pin down, owing to the importance of informal channels and opportunities for fraud at the country's porous land borders and across the many islands. Thus, the extent of the country's external trade, in particular its community dimension, is probably not fully reflected in the available statistics.

1.16. Guinea-Bissau's trade structure has not changed significantly since its last review (Tables A1.1 and A1.2). The main imports include food products (particularly rice), fuels, materials and equipment, vehicles, cement and medicines. Fluctuations in the prices of oil and foodstuffs on international markets have affected the trend of their respective shares in total import value. The European Union, particularly Portugal, remains the main source of merchandise imports, followed by Senegal and China (Table A1.3).

1.17. Guinea-Bissau's exports remain highly concentrated in a single product and one main outlet, which entails significant risks (Charts 1.1 and 1.2). Unprocessed cashew nuts continue to dominate total exports, taking an 82.2% share in 2015, up from 69.2% in 2011. The majority of formal exports of this product go to India (70.6% in 2015), despite some signs of diversification to Viet Nam (Table A1.4).

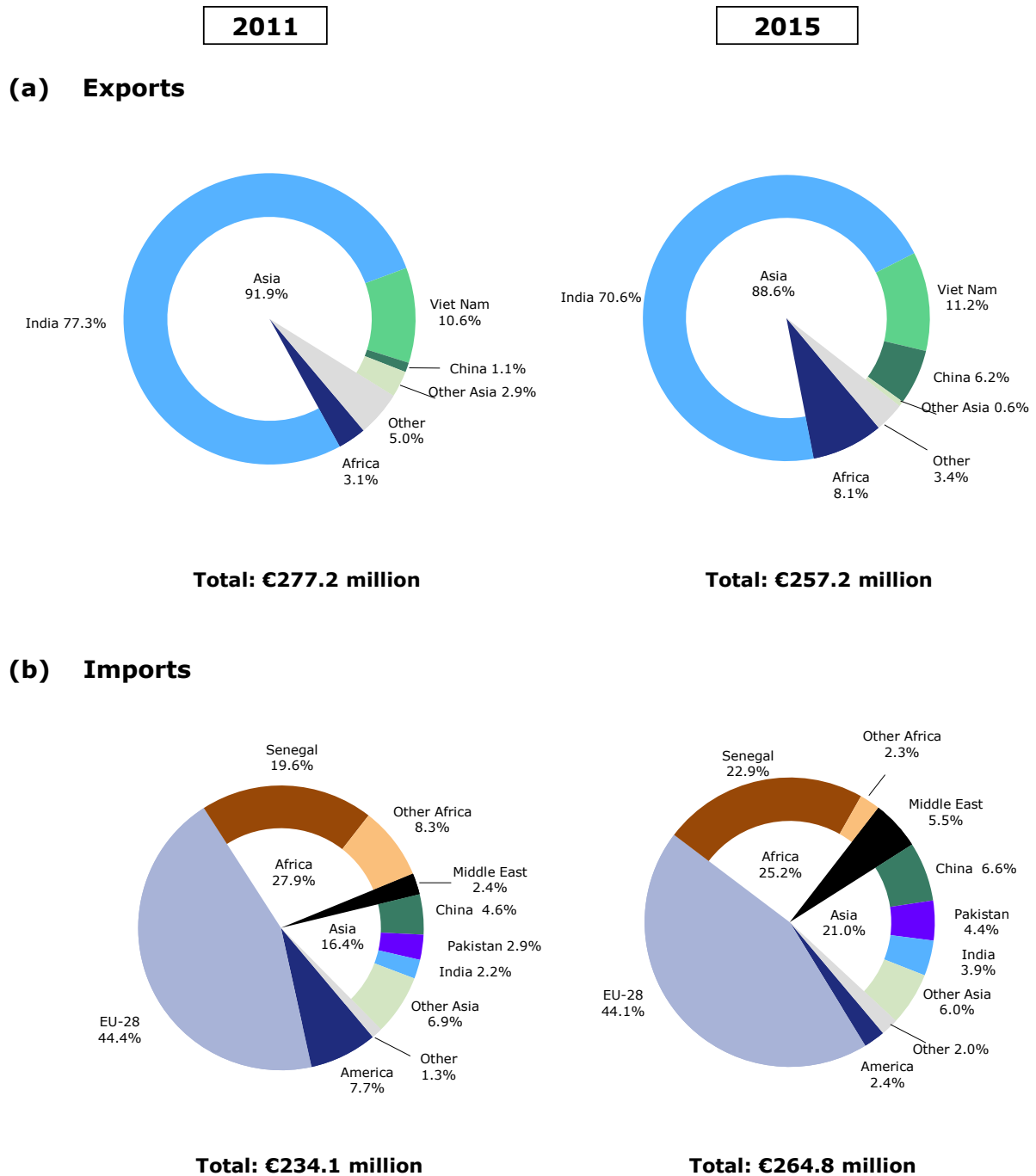
1.18. Guinea-Bissau is traditionally a net importer of services, with freight transport and travel the largest categories. The authorities report that imports of telecommunications, management consulting and IT services are also on the rise.

Chart 1.1 Structure of merchandise trade, 2011 and 2015



Source: WTO Secretariat calculations based on data from the UNSD Comtrade database (SITC Rev.3).

Chart 1.2 Direction of merchandise trade, 2011 and 2015



Source: WTO Secretariat calculations based on data from the UNSD Comtrade database (SITC Rev.3).

1.4 Foreign direct investment

1.19. Private investment in Guinea-Bissau remained well below potential during the review period. The climate of socio-political instability has cramped the business environment, both directly and through burdensome public administration, deficiencies in basic infrastructure and constraints on access to credit.

1.20. According to the authorities, in 2011-2015 foreign direct investment (FDI) mainly targeted the hotel and retail trade. In contrast, sectors such as agribusiness, commercial fishing, tourism, and mining have not yet attracted significant investment, despite their strong potential. FDI comes mainly from the European Union (Spain and Portugal), while investments from the WAEMU area accounted for about 2% of the total stock of direct investment in 2015.

2 TRADE AND INVESTMENT REGIMES

2.1 Overview

2.1. A former Portuguese colony, Guinea-Bissau declared its independence on 24 September 1973, and was recognized as such by Portugal on 10 September 1974. The country's history to date has been one of almost uninterrupted political instability.

2.2. Article 62 of the present 1984 Constitution, which was amended in 1991, 1993 and 1996, provides that the President of the Republic is Head of State, guarantor of national independence and guardian of the Constitution, and Commander-in-chief of the Armed Forces. He is elected by direct universal suffrage, by a majority of the votes cast. If no candidate obtains an absolute majority, a second ballot between the two highest-placed candidates takes place 21 days later. The President is elected for a five-year term. He may not stand for a third consecutive term, or during the five years following the end of his second term (Article 66). The Speaker of the National People's Assembly takes over as interim Head of State if the office of president falls vacant (Article 71), as was the case following the death of the President in January 2012. In principle, he has 60 days within which to organize a new presidential election. The next presidential election is set for April 2018.

2.3. The President appoints and dismisses the ministers and ratifies international agreements, treaties, and conventions. He may legislate by decree (Article 70) and enact decree-laws. The latter, which are a means for the Executive to substitute itself for the Legislature, must in principle be ratified by the Assembly (Article 85); however, if they are not opposed within 30 days (Article 92) they are automatically deemed ratified. In the hierarchy of norms, the Constitution takes precedence, followed by treaties (and international agreements and conventions), laws, decree-laws, decrees and orders.

2.4. Legislative power is exercised by a unicameral parliament, the National People's Assembly (ANP). The legislative term is four years, and the deputies are elected by direct universal suffrage. The most recent legislative election took place in May 2014; the next is therefore due to be held in May 2018. By virtue of Article 76 et seq., the ANP adopts legislation, motions and resolutions, as well as treaties brought before it by the Government. Thus, both the WTO Agreements and the WAEMU Treaty were adopted by means of legislation. The ANP also adopts, annually in principle, the finance laws and the State accounts. Members of the Government may sit, and take the floor, in the ANP. According to the authorities, all legislative texts are apparently published in the Official Journal (*Boletim Oficial*).

2.5. The Government is appointed by the President of the Republic based on the outcome of the legislative election, and is led by the Prime Minister (Article 98). The Government is accountable to the ANP, and its programme must be approved by the latter.

2.6. At the pinnacle of Guinea-Bissau's judicial system is the Supreme Court, followed by the regional and sectoral courts and tribunals. Its independence is enshrined in the Constitution (Article 95). Under Article 92, Supreme Court judges are appointed by the President, as is the Public Prosecutor.

2.7. According to a recent report on Guinea-Bissau to the Human Rights Council by the United Nations Special Rapporteur on the Independence of Judges and Lawyers¹, "the major issues faced by Guinea-Bissau in the area of justice are not normative; rather, they lie in the deficient or even absent implementation of existing domestic and international provisions". The weakness of the judicial system is significantly hampering the country's economic development, as the laws and regulatory framework which are a precondition for the confidence of economic operators are not being applied effectively, and the protection of contracts and other economic rights is not assured. The country's few tribunals and courts are reportedly overburdened and under-resourced, and their rulings, by and large, are not enforced. According to the same report, judges, members of the prosecution services and the judicial police as well as lawyers are sometimes subject to intimidation. Given the difficulties of access to justice, many citizens turn to the traditional justice system and to customary law, the role of which is expressly recognized under the Constitution.

¹ A/HRC/32/34/Add.1 of 4 April 2016. Viewed at: https://uniqbis.unmissions.org/sites/default/files/a_hrc_32_34_add1.pdf.

2.8. The weakness of the judicial system partly explains the scale of illicit traffic and helps fuel the climate of violence. The United Nations Office on Drugs and Crime (UNODC) is working to strengthen the justice system and the rule of law in Guinea-Bissau, in particular by giving judges and prosecutors specialist training to deal with cases involving drug trafficking and organized crime, and by supporting the creation of a modern penitentiary system and the establishment of a central authority for international cooperation in criminal matters and for mutual legal assistance. In December 2010, a Transnational Crime Unit (TCU) was created under the West African Coast Initiative (WACI), and extended in 2015 to 2018.² Guinea-Bissau also participates in the Crimjust project, unveiled in October 2016 by UNODC, in partnership with the European Union, Interpol and Transparency International. The four-year project (2016-2020) is designed to undergird criminal investigations and criminal justice cooperation along the cocaine route from South America to Europe via West Africa.

2.9. Since 2002 Guinea-Bissau's business legal framework has, in principle, been harmonized with that of the other countries of the region through the implementation of the Uniform Acts of the Organization for the Harmonization of Business Law in Africa (OHADA). These Acts automatically have legal force in Guinea-Bissau, and may in principle be invoked directly before the courts.³ Guinea-Bissau has a commercial court, established in 2009 in the OHADA framework. The authorities are seeking assistance for the establishment of the OHADA National Commission.

2.10. Against the backdrop of the political instability that has so far plagued Guinea-Bissau, trade and investment policies have not been a government priority and the country is lagging behind significantly with the modernization of its regulatory framework for trade in general, and for customs in particular (section 3). Trade-related legislative activity has been rather limited since the previous TPR in 2012. It is difficult to access the laws regulating trade (Table 2.1).

Table 2.1 Guinea-Bissau's legislative texts relating to trade and investment, 2012

Legislation	Area
Decree No. 19/2011 of 3 May 2011 Decree No 3/2005 of 16 April 2005 Decree-Law No. 01/2005 Order (<i>despacho</i>) No. 3/2011 of 8 April 2011 Decree No. 9 /2012 of 6 November 2012	Regulation of production and exports of raw cashew nuts; creation of a development fund
Decree No. 0017/GMCI/2009 of 21 May 2009 Decree No. 4/99 of 18 August 1999	Mandatory weighing of cashew nuts at exportation On plant quarantine National Shippers' Council (<i>Conselho nacional de carregadores da Guiné-Bissau</i>) Import minimum values Import reference values National Shippers' Council (<i>Conselho nacional de carregadores da Guiné-Bissau</i>)
Opinion by the State Secretariat for Transport	Cargo tracking note Fees (<i>emolumentos pessoais</i>) for customs services rendered Advance payment of industrial profits tax (<i>Adiantamento da contribuição industrial</i>) Transshipment (<i>taxa of baldeação</i>) Transit tax (2%)
Service Order No. 31/GDGA/2011 of 12 September 2011 Decree No. 6/2000 of 22 August 2000 OHADA Uniform Acts	Excise duties on imports Quality controls on foodstuffs OHADA Legislation
Decree-Law No. 1/2005 of 16 April 2005 Law No. 13/2011	Single Window (<i>Centro de formalização de empresas</i>) Investment Code
Decree No. 13/2012 of 19 December 2012	Status of the Investment Promotion Agency, <i>Guinea-Bissau investimentos</i> (GBI)
Law No. 5/98 of 23 April 1998 Decree-Law No. 12/2010 of 25 March 2010	Land law Regime governing commercial companies and traders operating in their own name
Decree-Law No. 8/2011 of 10 May 2011	Limiting the system of licensing of economic activities to some sectors and replacing it with activity start-up declarations and a system of tacit approval for the remaining sectors
Decree-Law No. 9/2011 of 7 June 2011 Order (<i>despacho</i>) No. 02/2016 of 23 March 2016	Trade in fishery products Conditions for access to fisheries resources in the exclusive economic zone

² The WACI is a partnership between UNODC, the United Nations Office for West Africa (UNOWA), the United Nations Department of Political Affairs, the United Nations Department of Peacekeeping Operations, ECOWAS and Interpol.

³ Online information from OHADA, viewed at: <http://www.ohada.org>.

Legislation	Area
Decree-Law No. 4/86 of 29 March 1986 Decree No. 33/87 of 30 December 1987 Law No. 1/2000 of 24 July 2000 Decree-Law No. 4/2006 of 26 July 2006 Decree-Law No. 6/2006 of 26 July 2006 Law No. 3/2014 of 29 April 2014	Mining Regime
Law No. 3/95 of 24 May 1995 Law No. 10/2010 of 24 September 2010	On the tax identification number Establishing a procedure for the environmental assessment of projects, leading to the issuance of an environmental licence

Source: WTO Secretariat, based on information provided by the authorities.

2.2 Trade policy objectives and formulation

2.11. In principle, the Ministry of Trade takes the leading role in the development and administration of Guinea-Bissau's trade policy. Other ministries and agencies help set and implement trade policy within the scope of their general or sectoral powers. These include the Ministry of Industry and Energy, the Ministry of the Economy and Finance, the Ministry of Agriculture and Rural Development, the Ministry of Tourism, the Ministry of Foreign Affairs, Cooperation and Communities, the State Secretariat for Transport and Communications, the State Secretariat for Fisheries and the Maritime Economy, the Investment Promotion Agency (*Guinea-Bissau investimentos*, GBI), the Foreign Investment Management and Support Board (*Conselho de Fiscalisação e Acompanhamento*), the Central Bank of West African States (BCEAO) and the Business Formalization Centre (CFE), the National Cashew Agency of Guinea-Bissau (ANCA-GB) and the Fund to Promote Industrialization of Agricultural Products (FUNPI).

2.12. The Interministerial Committee on Trade (CIC) was established by decree in March 2017, but is not yet functioning. It is chaired by the Minister for Trade and co-chaired by the Minister for Finance. Its members are currently being appointed.

2.13. The private sector is involved in the formulation of trade policy on an ad hoc basis; the main bodies consulted are the Chamber of Commerce, Industry, Agriculture and Services (CCIAS), the recently created Chamber of Commerce of Guinea-Bissau (CDC-GB), the Association of Transporters (ASTRA), the National Association of Guinean Cashew Nut Producers (ANAG) and the agri-food producers association Agro-Safim. As shown in Table 2.1, the main laws pertaining to international trade have been implemented by decree or by decree-law of the President of the Republic, the Prime Minister, or the Minister for the Economy and Finance; the latter can change rates and suspend or restore all or part of the duties and charges stipulated in the Tariff. By way of example, the recent surcharge on cashew nut exports was introduced by decree.

2.14. Guinea-Bissau's trade policy objectives are framed within the country's global development strategy, the "Terra Ranka" Plan, drawn up in collaboration with UNDP and the European Union and adopted in September 2014. The plan covers the period 2015-2025. It proactively pursues the following aims:

- Diversification of export earnings, of which 99% is so far generated by cashew nuts and largely concentrated on a single trading partner, namely India, to include other agricultural crops such as mangoes, sesame and rice, as well as marine products.
- Quadrupling earnings from the cashew nut by improving the quality of production (tree spacing and intercropping) and a target of 30% local processing, as well as accessing more efficient distribution channels.
- Becoming self-sufficient in rice by 2020 and a net rice exporter by 2025, boosting output from 200,000 tonnes in 2015 to 450,000 tonnes by 2020 and 500,000 tonnes by 2025, with the creation of storage and distribution capacity as well as funding mechanisms for marketing campaigns and processing.
- Tripling sales in the fishing and aquaculture sector and creating 100,000 jobs in the sector by 2025 through stricter surveillance of territorial waters, methodical collection of fees payable by foreign vessels, the setting of rules for sustainable fishery resource management, and promotion of private investment, initially focusing on small-scale processing and aquaculture, then on industrial processing in a special economic zone in Bissau.

- The development of eco-tourism, recreational fishing and beach tourism especially in the Bijagós Archipelago, in the form of a special tourist zone managed by a dedicated agency that will implement an urgent infrastructure development programme and create a best practice model for responsible ecosystem management and participatory and inclusive development that benefits local communities.
- Developing the mining sector in a new regulatory framework that is guided by the sustainable development goals, focusing initially on small-scale mining and construction materials, then, as of 2020, on the working of large phosphate, then bauxite mines. Impact and feasibility studies will also be conducted for hydrocarbons.

2.15. Against this backdrop, the Enhanced Integrated Framework has funded a new Diagnostic Trade Integration Study (DTIS II), the second since 2009. This study was validated in 2016 and formed the basis for the design of a national trade strategy, which was adopted on 9 December 2016. In addition to dependence on export earnings from a single product, cashew nuts, and from a single country, India, these documents highlight Guinea-Bissau's great reliance on food and fuel imports. They advocate the promotion of domestic and foreign investment in fields that can eliminate the bottlenecks that are hampering the development of production and exports, in particular sanitation, energy, transport, storage and refrigeration infrastructure, quality, distribution and marketing infrastructure and channels, as well as the food processing industry, with a view to moving up the value chain. They also recommend administrative capacity building, better coordination by establishing an interinstitutional commission on trade with a permanent executive secretariat and specific technical sub-commissions, and the acceleration of regional integration.

2.3 Trade agreements and arrangements

2.3.1 Relations with the World Trade Organization

2.16. A former Contracting Party to the GATT 1947, Guinea-Bissau became an original Member of the WTO in 1995. Guinea-Bissau's status and participation in the WTO are presented in the common report.

2.17. The concessions made by Guinea-Bissau at the conclusion of the Uruguay Round are contained in Schedule CXXX and have been transposed into HS 2007 in document WT/LET/899 as regards goods and in document GATS/SC/110 as regards services.

2.18. Guinea-Bissau did not make any notifications to the WTO during the review period.

2.3.2 Regional and preferential agreements

2.19. Guinea-Bissau, like the other WAEMU members, participates in several trade agreements (common report, section 2.4). Along with Gambia, Guinea and Senegal, it also belongs to the Gambia River Basin Development Organization (OMVG), which implements integrated development programmes in the four member countries, focusing on the rational and harmonious use of common resources of the Gambia, Kayanga-Géba and Koliba-Corubal river basins.

2.20. Guinea-Bissau currently exports to the European Union under the "Everything But Arms" initiative. Its main exports are cashew nuts and fishery and wood products. Guinea-Bissau's export volumes are in fact modest. Negotiations are now in progress on a new fisheries agreement with the EU.

2.4 Investment regime

2.21. Activities that are not open to private investment (domestic or foreign) include the transmission and distribution of electricity and water, basic postal services (fields reserved to the traditional operator Correios) and fixed telephone services.

2.22. The establishment of natural persons is regulated by Decree-Law No. 8/2011 of 10 May 2011 on licensing procedures for economic activities. The establishment of legal persons

depends on the Business Formalization Centre (CFE) created by Decree-Law No. 18/2010 of 30 September 2010.

2.23. The licensing procedure for establishment is still within the exclusive remit of the government departments with technical responsibility, through their respective licensing divisions. These sectoral licences cover the following fields: fisheries, forests, pharmaceuticals, banks and finance, construction and public works, land, air and maritime transport, marketing of petrol, marketing of cashew nuts, production of spirits, catering, hotels, industry, production and sale of food products, marketing of pesticides, production and sale of meat, and marketing of arms and ammunition.

2.24. Law No. 10/2010 of 24 September 2010 created a procedure for the environmental assessment of projects, for the purposes of issuing an "environmental licence" for projects, programmes, plans or policies to be implemented. Applications for environmental licences are automatically rejected in the case of projects, programmes, plans or policies to be implemented in classified/protected zones, wetlands of national or international importance, or zones vulnerable and sensitive to natural events, among others. All investment projects must obtain an environmental licence.

2.25. For the period May 2011 to February 2016, the CFE registered the establishment of 2,137 enterprises, of which 217 are public limited companies (SA) and 1,920 limited liability companies (SARL), 989 are enterprises set up by locals, 664 by foreign entrepreneurs and 430 with mixed capital; of these businesses, 1,996 have been set up in the realm of commerce, 114 in industry and 68 in tourism.

2.26. The CFE procedure is independent of the process for verifying fulfilment of the prerequisites for establishment in order to engage in different types of activity, as this latter process falls within the purview of the responsible authorities in each sector. It is also independent of the process of verification of the prerequisites applicable to natural and legal persons for engaging in an activity that is within the scope of the Trade and Real Estate Credit Register.

2.27. Accessing and engaging in industrial activities are regulated by Law No. 1491 of 26 August 1950, as amended by Joint Order No. 18/GM/2000 of 26 June 2000 of the Ministry of the Economy and the State Secretariat for Industry and Tourism. Registration takes place with the Business Formalization Centre. The Directorate General of Industry then examines the applications and issues the licences, and also conducts the necessary inspections. The cost of the procedure varies according to activity, of which there are four categories:

- class 4 (craft industry): cottage industry, small-scale activities and micro-industry: CFAF 125,000;
- class 3 (small-scale industry): semi-industrial activities: CFAF 200,000;
- class 2 (medium-sized industry): CFAF 500,000; and
- class 1 (large-scale industry); CFAF 1,000,000;

2.28. The investment regime is governed by the Investment Code (Decree-Law No. 03/2009 of 31 December 2009 promulgated in 2011), which was described in detail in the May 2012 TPR report⁴ and has not changed since then. Specific codes regulate investment in some sectors (section 4).

2.29. The Investment Promotion Agency – Guinea-Bissau Investments (API-GBI), also called the Directorate-General for the Promotion of Private Investment, is a public body established by decree in 1991 and operating under the authority of the Ministry responsible for the economy. Where investment is concerned, API provides the interface between the Government and the private sector. It is administratively and financially autonomous, and its purpose is to promote private investment in Guinea-Bissau. Its status was reviewed by Decree No. 13/2012 of 19 December 2012. The DGPI is to merge with the Investment Promotion Agency and the process is under way. The Agency's statutes were published in Official Journal No. 8 on 30 August 2016.

⁴ Document WT/TPR/S/266, Annex 2, Chapter II.4.

2.30. By virtue of its participation in the World Bank's Multilateral Investment Guarantee Agency (MIGA), two projects obtained guarantees in 2016, in the hotel and telecom sectors, respectively.

2.31. The strategic development plan "Terra Ranka (2015-2025)" has a section on "business environment", which is focused on three projects. The first is the introduction of an incentive-based legal framework by formulating sectoral codes for agriculture, agro-industry, tourism, mining and fishing. The second project is the reform of the business framework that resulted from public and private sector dialogue, designed to strengthen the Investment Promotion Agency and the Business Formalization Centre, develop a code for small and medium-sized enterprises, as well as support actions, and to implement a plan for the development of an inclusive financial sector. Lastly, the third project consists of creating "integrated economic platforms", in other words, devising a regulatory framework for special economic zones and creating a special economic zone in Bissau.

2.32. According to indicators from World Bank's Doing Business reports, Guinea-Bissau's ranking has shown a slight improvement: 172nd of 190 in 2017, up five places by comparison with 2016 and 20 places from the lowest ranking, whereas in 2007 and 2011 the country was classified among the bottom three. Eight of the ten sub-indicators of this ranking outperform the general average: protecting minority investors (137th), getting credit (139th), transferring property and paying taxes (149th), cross-border trade (153rd), obtaining construction permits (155th), enforcing contracts (164th) and resolving insolvency (169th). Only two sub-indicators fall below the general average, namely starting a business (176th) and getting electricity (182nd).

3 TRADE POLICIES AND PRACTICES BY MEASURE

3.1 Measures directly affecting imports

3.1.1 Procedures and requirements

3.1. Prior approval from the Ministry responsible for trade has to be obtained in order to exercise any commercial activity in Guinea-Bissau, including foreign trade. Economic operators must obtain a business permit (Table 3.1). Import or export of all products must be declared in advance to the same Ministry for the purpose of collecting statistics to monitor the flow of goods and foreign exchange. According to the authorities, this prior declaration will be abolished as soon as the technical measures needed for internal control are in place.

Table 3.1 Formalities and registration fees, 2017

	Cost (CFAF)	Validity
Business permit		
Importer/exporter	53,384	5 years (renewable)
Domestic trade		
wholesale	53,846	5 years (renewable)
retail	23,077	5 years (renewable)
Marketing of cashew nuts		
Cashew nut collectors	10,000	For the current season
Warehouse traders	100,000	For the current season
Exporters	800,000	For the current season
Supporting documents for foreign trade		
Prior import/export declaration	15,000	Three months

Source: Ministry of Trade and Business Promotion.

3.2. Guinea-Bissau has a Single Window (*Centro de formalização de empresas*) enabling economic operators (legal persons) to complete certain administrative procedures in one place, for example, in order to create a business or to obtain a business permit.¹ Natural persons must forward their applications for a business permit to the Ministry responsible for trade. In principle, foreign nationals are not excluded from any activity but must first obtain a foreign resident's card from the Directorate-General of Immigration against payment of CFAF 17,500.

3.3. Imports or exports by sea require a Cargo Tracking Note (CTN) to be established immediately after loading by the company Antaser Afrique. Any cargo without a CTN or with a CTN issued by any other body will be blocked at the port of Bissau until this document in proper form has been furnished.² The cost of issuing a CTN includes a flat fee (service costs) of €40 plus a variable fee depending on the origin and form of packaging of the goods (a minimum of €50).³

3.4. Goods under any customs procedure, whether upon import or export, must be the subject of a customs declaration, in conformity with the uniform WAEMU/ECOWAS model. The following documents are required in order to draw up the declaration: tax identification number; prior declaration; bill of lading; purchase invoice; insurance certificate; freight invoice⁴; export declaration drawn up the country of origin; and, where applicable, a certificate of origin and phytosanitary certificate. Guinea-Bissau has not yet introduced a streamlined customs declaration. The WAEMU provisions on clearance credits are not applied either; with authorization from the Minister responsible for finance, the goods may be released against deposit of an amount fixed by the Minister, with subsequent refund or additional payment.

3.5. In general, use of the services of an approved customs clearing agent (or forwarding agent) is governed by the community provisions (common report, section 3.1.1.2). Guinea-Bissau does not, however, impose the requirement to take out a general guarantee. In 2017, there were

¹ Decree-Law No. 1/2005 of 16 April 2005.

² Antaser Afrique has been given sole authority to issue CTNs under a concession contract for the period 2011-2021. Viewed at: https://www.antaser.com/documents/bissau_confirmation_pt.jpg [24 October 2016].

³ Online information from Antaser Afrique, viewed at: <https://www.antaser.com/antaser/pub/tariff> [24 October 2016].

⁴ If there are no supporting documents for insurance and/or freight costs, the Customs applies a coefficient of adjustment of 15%.

59 approved customs clearing agents, of whom only three were authorized to operate in the interior, most agents being authorized to operate in Bissau. Three companies were authorized to make their own declarations. The cost of the services provided by customs clearing agents has not been the subject of any formal regulation since 2012.

3.6. In September 2011, Guinea-Bissau's Customs transferred its computer system to the ASYCUDA ++ system, enabling the range of computerized customs operations to be expanded and laying down the foundations for a risk management mechanism. In September 2017, ASYCUDA++ (linked to the central server in Bissau) was operating in three customs posts, dealing in all with over 90% of declarations at the national customs cordon. The system's server does not, however, accept customs declarations outside the customs administration's working hours and frequent power outages also hamper its operation.

3.7. The risk management mechanism for processing customs declarations provides for three channels: green (immediate release), yellow (checking of the documents) and red (mandatory physical inspection). The principal selection criteria concern the origin of the goods, the carrier, and the importer's record. The authorities acknowledge, however, that in practice all declarations go through the red channel. The selection criteria have not been revised or updated since they were introduced.

3.8. Deferred control (*a posteriori*) is only possible with authorization from the Minister of Finance and can only take place at the Customs in Bissau. Guinea-Bissau has not yet introduced mechanisms to allow advance decisions to be given or to complete formalities prior to arrival of the goods, or streamlined formalities for approved operators.

3.9. Guinea-Bissau still encounters problems as regards customs controls, particularly at ports and land borders, and in assessing trade flows through non-computerized customs posts. Up-to-date information on the formalities and procedures for foreign trade are difficult to find and illegal traffic is widespread.

3.10. According to the World Bank's report *Doing Business 2017*, the average time required for exports is 60 hours for documentation requirements and 67 hours for cross-border trade procedures; for imports, the time required is 36 hours and 72 hours, respectively.⁵ According to the authorities, the average time required for customs clearance formalities (alone) is around three days from the filing of the declaration until the goods are released.

3.1.2 Customs valuation and inspection

3.11. Guinea-Bissau is supposed to apply the WTO Customs Valuation Agreement, as reproduced in WAEMU's relevant regulations (common report, section 3.1.2). In practice, however, it finds this difficult and needs technical assistance in customs valuation and risk management.

3.12. Over the period 2014-2016, the majority of imported goods released for consumption in Guinea-Bissau were subject to an inspection-at-destination programme, which was contracted out to the company Bissau Link, a subsidiary of Link International Holding.⁶ Imports of rice, sugar, wheat flour, petrol (gasoline) and diesel fuel were exempt from this programme, but remain subject to reference values. According to the authorities, the reference values for fuels are intended to combat under-invoicing, while those applied to other imports are to maintain prices at relatively low and stable levels.

3.1.3 Rules of origin

3.13. The ECOWAS rules of origin reproduce almost entirely those of WAEMU and are, in principle, applicable in Guinea-Bissau. However, up until 2016, no producer from Guinea-Bissau had been approved under the respective preferential schemes. Since then, one company and ten products from Guinea-Bissau have been approved under the ECOWAS scheme. As was the case at the time

⁵ Online information viewed at: www.doingbusiness.org/data/exploretopics/trading-across-borders.

⁶ According to the authorities, the contract with Bissau Link was suspended in November 2016 following pressure from economic operators.

of the previous review, this situation reflects the poor industrial fabric in Guinea-Bissau, as well as the need to train the national approval committee's staff.

3.1.4 Tariffs

3.14. International trade remains the main source of fiscal revenue in Guinea-Bissau. The duties and taxes levied at the customs cordon accounted for over 50% of tax revenue over the period 2011-2016 (Table 3.2).

Table 3.2 Fiscal revenue according to main source, 2011-2016

(%)

	2011	2012	2013	2014	2015	2016
Direct taxes	29.5	31.8	31.2	25.5	27.9	28.9
Indirect taxes	70.5	68.2	68.8	74.5	72.1	71.1
Customs duties	17.3	17.6	17.4	24.4	19.1	16.8
Community solidarity levy (PCS)	8.4	7.3	10.0	8.0	8.6	10.3
Statistical levy (RS)	1.2	1.2	1.2	1.2	1.2	1.1
ECOWAS community levy (PCC)	1.2	1.2	1.3	1.3	1.2	1.0
Tax on the export of cashew nuts	0.7	0.7	0.7	0.7	0.7	0.6
Excise duty (IEC)	5.6	5.4	5.3	6.2	7.4	6.9
on imports	5.6	5.4	5.3	6.2	7.4	6.9
on local sales	0.0	0.0	0.0	0.0	0.0	0.0
General sales tax (IGV)	32.5	31.2	28.9	29.6	31.6	32.1
on imports	19.7	19.3	18.2	19.1	20.3	20.2
on local sales	12.8	11.9	10.7	10.5	11.3	11.9
Other indirect taxes	3.7	3.6	4.0	3.1	2.4	2.2

Source: WTO Secretariat calculations based on data provided by the authorities.

3.15. In Guinea-Bissau, migration from the WAEMU CET to that of ECOWAS occurred in October 2016.⁷ Although the national committee following up the CET was established in June 2016, its members have not yet been appointed.⁸ The application of the ECOWAS CET, with its fifth band of 35%, did not lead to any violations of Guinea-Bissau's bindings (common report, section 3.1.4.1). Guinea-Bissau also applies other community duties and taxes; imports of goods originating in the WAEMU/ECOWAS area receive a community preference (zero duty). Guinea-Bissau's authorities state that they have not applied the special import tax or the degressive protection tax.

3.16. In addition to the various duties, taxes and levies imposed at the community level, goods crossing the customs cordon are subject to the payment of personal (*emolumentos pessoais*) and travel fees (*deslocações*) for customs services rendered. For imports, these fees are calculated on the basis of the c.i.f. value, the cumulative rate depending on the goods concerned and not exceeding 1.5%.⁹ Goods in transit pay a tax (*taxa de tráfego*) amounting to 2% of the c.i.f. value.

3.17. Fuel imports are subject to a levy of 4% of the c.i.f. value, with part of the revenue being set aside for a road fund. The activities of the Chamber of Commerce, Industry and Agriculture are said to be financed, among other things, by levies on rice and cement imports at the rate of CFAF 1/kg.

3.18. Guinea-Bissau grants duty and tax reductions and exemptions under the Investment Code (section 2.4). Exemptions from customs duties and other duties and taxes at the customs cordon also apply to goods imported by State authorities, public entities, non-governmental organizations and diplomatic missions. According to the authorities, the provisions on fiscal concessions have not changed since 2005. Throughout virtually the whole period 2012-2015, the revenue foregone annually as a result of import concessions exceeded 10% of tax revenue (Table 3.3).

⁷ Service Order No. 28/GDGA/2016 of 18 August 2016.

⁸ Order No. 52/MEF/2016 of 22 June 2016.

⁹ For some goods, the fees may be specific amounts (for example, CFAF 2,500 on vehicles).

Table 3.3 Duty and tax concessions at the customs cordon, 2012-2015

(% of tax revenue)

	2012	2013	2014	2015
Customs duty	5.4	4.5	6.7	3.8
Excise duty (IEC)	1.0	1.5	0.9	1.1
General sales tax (IGV)	7.2	6.3	8.9	4.3
Total	13.7	12.3	16.4	9.3

Source: WTO Secretariat calculations based on data provided by the authorities.

3.1.5 Other taxes

3.19. Guinea-Bissau has not yet replaced the general sales tax (IGV) by value added tax (VAT); the principal WAEMU directives for this purpose are therefore not applied (common report, section 3.1.5). The application of the IGV, whose basic rate was raised from 15% to 17% in 2015, continues to pose the problem of cascade taxation. A lower rate (10%) still applies to some products and services.¹⁰ Guinea-Bissau's framework allows several exemptions, notably for the import and marketing of pharmaceuticals¹¹, as well as for all exports. The IGV levied at the customs cordon is calculated on the basis of the c.i.f. value plus import duties and levies and, where applicable, excise duty. For sales on the domestic market, the basis is the transaction value.

3.20. Excise duty applies to some products put up for consumption in Guinea-Bissau (Table 3.4). The framework is usually consistent with WAEMU's regulations on excise duty, except as regards the number of goods concerned and the rates applied to tobacco and hydrocarbons (common report, section 3.1.6.2). Moreover, the statistics on fiscal revenue do not show any levy on domestic production (Table 3.2).

Table 3.4 Excise duty (*imposto especial de consumo*), 2017

Description	Rate
Sparkling mineral water	5%
Lemonade, flavoured sparkling water	10%
Other non-alcoholic beverages	15%
Beer, table wine	30%
Sparkling wine, champagne	25%
Vermouth	40%
Liqueur wine	45%
Spirits	45%
Cigarettes, cigars and cigarillos	45% +CFAF 10/unit
Petrol	40%
Premium petrol	75%
Diesel fuel	15%
Lubricants, brake fluid	10%
Passenger vehicles	10%
Perfumes, cosmetics and depilatories	15%
Powder and essential oils (cosmetic use)	10%
Explosives for mining use, fireworks, inflammable materials	15%
Other explosives and pyrotechnic articles	20%
Detonators, arms and ammunition, gunpowder	40%
Plastic bags	10%
Industrial packaging	5%
Coffee, tea, wheat flour, edible oil	5%
Cola nuts	10%

Source: Government budget (2015).

3.21. A mechanism imposing a fixed levy on international trade is in place in the form of an advance payment on industrial and commercial profits tax (*adiantamento da contribuição industrial* (ACI)). The rate is set at 5% for imports, including those of community origin.

¹⁰ The list includes: cereals, rice, flour, bread and similar preparations, milk, newspapers and publications, firefighting devices, natural gas, petroleum products, fertilizer, live animals, animal feed, seeds, tractors and agricultural machinery, computer and solar energy material and equipment, and funeral urns.

¹¹ Law No. 3/2015 of 21 April 2015 reproducing Directives No. 02/98/CM/UEMOA and No. 02/2009/CM/UEMOA.

3.1.6 Import prohibitions, restrictions and licensing

3.22. Apart from the registration formalities to be completed in order to engage in any commercial activity (section 3.1.1), control measures apply, in principle, to imports of certain products for security reasons, to protect public health and morality or because of their strategic nature (Table 3.5).

Table 3.5 Import controls, 2017

Product	Document required	Description
Animals and animal products	Marketing licence and prior import authorization from the Ministry of Agriculture (veterinary service); sanitary certificate from the country of origin or source	Customs clearance requires the involvement of a veterinary/sanitary expert in order to certify the quality and status of conservation of the goods and/or endorse the sanitary certificate issued by the country of origin or source
Olive oil and fractions thereof	Quality certificate issued by the country of origin or source	In the absence of a certificate, the importer must obtain an authorization from the National Food Council
Plants, plant products and phytopharmaceuticals	Prior import authorization from the Ministry of Agriculture (plant protection service); phytosanitary certificate from the country of origin or source	Exemptions are allowed for some phytopharmaceutical products depending on the active substance
Arms and ammunition	Prior authorization from the Ministry of the Interior (Security Police General Command)	Customs clearance requires the involvement of an expert from the general command of the security police
Pharmaceuticals (tariff headings 2935.0000 to 2941.9000; 001.0000 to 3006.6000); appliances for medical use (tariff headings (9022.1100 to 9022.9000); coca leaves and cannabis; cannabis resin and oil	Prior authorization from the Ministry of Health	
Ozone-depleting substances (Montreal Protocol)	Prior authorization from the Directorate-General of the Environment	

Source: Directorate-General of Customs.

3.23. The following may still not be imported: alcoholic beverages with an alcoholic strength of more than 60°; distilled beverages containing harmful essences or chemicals (absinthe, benzoic aldehyde, salicylic esters, hyssop, etc.); drugs and narcotics; packaging of tin containing products other than mineral oils; medicines and foods harmful to health; counterfeit goods; foodstuffs containing saccharin; and animals, animal products, plants and plant material from infected areas.

3.1.7 Anti-dumping, countervailing and safeguard measures

3.24. Guinea-Bissau does not have any domestic legislation or competent authority for anti-dumping, countervailing or safeguard measures. The community provisions should apply to these areas (common report, section 3.1.9). According to the authorities, Guinea-Bissau has never taken any such measures.

3.1.8 Other measures

3.25. Guinea-Bissau applies the trade sanctions decided by the United Nations or by regional bodies in which it participates. The authorities state that they have never concluded any agreement with foreign governments or enterprises with a view to influencing the quantity or value of goods and services exported to Guinea-Bissau.

3.2 Measures directly affecting exports

3.2.1 Procedures and requirements

3.26. The registration formalities to be completed in order to import goods for commercial purposes also apply to exports. A Cargo Tracking Note is also required for exports going by sea. Some additional criteria apply to the export of cashew nuts, including a special permit only issued for the current season (section 3.1.1).

3.2.2 Export taxes, charges and levies

3.27. Exports of some products remain subject to an *ad valorem* rural contribution tax (*contribuição predial rústica*), whose rate has been determined on a non-*ad valorem* basis since 2014 (Table 3.6).

Table 3.6 Contribuição predial rústica, 2017

Description	Rate
Wood in logs, depending on species	CFAF 28,000-650,000/m ³
Sawn wood, depending on species	CFAF 14,000-450,000/m ³
Coconuts, rubber, sand	CFAF 5/kg
Groundnuts, shelled, rice, sweet potatoes, palm oil, crushed stone	CFAF 10/kg or litre
Groundnuts, not shelled, cashew nuts, hides of bovine animals, gravel, other natural products	CFAF 15/kg
Sesame, miscellaneous hides and skins	CFAF 20/kg
Charcoal, dried fish	CFAF 50/kg
Firewood, fresh fish	CFAF 100/kg
Heavy sand	CFAF 150/kg
Crocodile skins	CFAF 7,000/kg
Hides and skins of other wild animals	CFAF 10,000/kg
Otter skins	CFAF 15,000/kg

Source: Directorate-General of Customs.

3.28. A "special" tax of 6% has been imposed on exports of raw cashew nuts and, since 2014, on exports of logs. The tax bases for these products are the reference values determined by the State solely for taxation purposes (section 4.1.3). The amount levied is independent of the value of the export transaction. In addition, exports of cashew nuts are still subject to various additional taxes, charges and levies (section 4.1.3).

3.29. In the same way as imports (section 3.1.4), goods exported, re-exported or in transit are subject to payment of fees for the customs services rendered. Depending on the goods, these fees either apply at an *ad valorem* rate (not exceeding 1% of the f.o.b. value) or at a specific rate. The advance on industrial and commercial profits tax applies to all goods exported for commercial purposes (section 3.1.5); since 2013, the advance on exports has been 3%.

3.30. A tax amounting to 2% of the c.i.f. value applies to goods in transit. According to the authorities, Guinea-Bissau's transit procedure does not provide for the lodging of security; in principle, the relevant WAEMU and ECOWAS provisions apply (common report, section 3.1.1.8). International transit only plays a relatively minor role in Guinea-Bissau's trade because of the infrastructure's serious shortcomings.

3.2.3 Export prohibitions, restrictions and licensing

3.31. In general, Guinea-Bissau prohibits the export of wood in logs felled in dubious circumstances in order to combat the illegal and abusive felling of forests. An exception was made in 2015, however, for a stock of 83,000m³ of wood already felled.

3.32. In principle, cashew nuts can only be exported by sea through the port of Bissau. In practice, however, large volumes are exported informally to neighbouring countries. Exports of raw cashew nuts must be accompanied by a certificate indicating their weight and, since 2014, by a quality certificate (percentage of humidity and calibration). Quality is certified by the Guinea-Bissau National Cashew Agency (ANCA-GB) against payment of CFAF 3/kg.¹² Special marking must be placed on the packaging of cashew nuts for export indicating the year of their harvest and the origin as Guinea-Bissau.

3.2.4 Export support and promotion

3.33. According to the authorities, Guinea-Bissau's businesses do not receive any benefits dependent on their export performance. Guinea-Bissau has not introduced a regulatory framework

¹² Order No. 26/2014 of the Prime Minister.

for the creation of free zones or free export enterprises. The creation of a unit to promote exports and support and develop small and medium-sized enterprises is under way within the Ministry responsible for trade.

3.2.5 Export financing, insurance and guarantees

3.34. According to the authorities, Guinea-Bissau has not introduced any official mechanisms for export insurance, guarantees or financing.

3.3 Measures affecting production and trade

3.3.1 Incentives

3.35. Some incentives, particularly fiscal incentives, are available under the Investment Code (section 2.4) and sectoral codes (section 4).

3.3.2 Standards and other technical regulations

3.36. Guinea-Bissau does not yet have any legislative framework governing standardization and transposing the relevant community provisions. The Directorate of Standardization and Quality Promotion Services (*Direcção de serviços de normalização e promoção da qualidade* (DSNPQ)) is the national enquiry point for the purposes of technical barriers to trade.¹³ In principle, the standards and technical regulations approved at the WAEMU level, as well as the community accreditation system, apply in Guinea-Bissau.

3.3.3 Sanitary and phytosanitary measures

3.37. Guinea-Bissau does not have any operational SPS enquiry point. It is still encountering problems as regards SPS protection, both at the legislative and institutional levels and in relation to human and material resources. According to the authorities, the legislative framework has not changed for the past six years. It would appear that efforts have been made since 2016 to create a national SPS committee under the aegis of the Ministry of Agriculture.

3.38. In general, in addition to prior authorization (section 3.1.6), imports must be accompanied by an SPS certificate from the country of origin or source and are subject to organoleptic inspection. If there is any doubt regarding the conformity of a product, samples are taken and sent to a laboratory for analysis. According to the authorities, in practice the control mechanisms are not operating in all customs posts owing to lack of capacity to implement them. Imports or exports are mostly inspected at the port and airport in Bissau.

3.39. Guinea-Bissau has four analytical laboratories, which have not been accredited. Moreover, their operations are often interrupted because of the lack of equipment and reagents, which means turning to foreign laboratories. Upgrading of national reference laboratories remains one of the priorities which would help to resolve the problem of trust that hampers exports.

3.3.4 Competition policy and price controls

3.40. Guinea-Bissau does not have any national competition regime in addition to the relevant WAEMU provisions, which are, in principle, directly applicable in all member States. A legislative framework governing protection of consumers has not yet been adopted. The Ministry responsible for trade, through the Directorate for Internal Trade and Competition is supposed to define, coordinate and implement government policy on competition and price controls.

3.41. Some products sold on the domestic market are subject to price controls. Maximum profit margins apply to pharmaceuticals¹⁴, while for fuels the regulatory framework specifies the maximum price at the pump determined by an interministerial commission.¹⁵ The authorities are

¹³ The DSNPQ was established by Order No. 30/2003 of 12 December 2003, but a framework law governing standardization activities has not yet been adopted.

¹⁴ Order No. 11/99 of 19 April 1999.

¹⁵ Service Order No. 42/DGA/2011 of 13 December 2011.

planning to fix maximum prices for certain staple goods such as rice, edible oil, wheat flour and sugar.

3.42. Water and electricity rates, as well as postal tariffs, are determined by the State because of its *de facto/de jure* monopoly of these activities. In addition, the rate at which electricity is purchased from independent producers is also determined by the Government.

3.3.5 State trading, State-owned enterprises and privatization

3.43. There has been no progress in the State's withdrawal from economic activities over the past six years. According to the authorities, during this period the privatization commission focused on the question of settling the debts of enterprises already privatized with their employees.

3.44. State-owned enterprises have a monopoly, *inter alia*, of the supply of port services, the water supply, transmission and distribution of electricity and television broadcasting by terrestrial transmission. Moreover, several State-owned enterprises operate in various areas, including agro-industry, fishing, telecommunications, the media, river transport and hotels and restaurants.

3.3.6 Government procurement

3.45. In 2012, Guinea-Bissau adopted a new Government Procurement Code, transposing the relevant community directives (common report, section 3.3.6).¹⁶ Its scope covers contracts signed by: the State, local authorities, public institutions, organizations and associations under public law receiving financial support or guarantees from the State, State-owned companies, companies in which the State has a majority holding and legal persons under private law acting on behalf of the aforementioned bodies or receiving financial support or guarantees from the State. Entities given special or exclusive rights to provide a public service must also comply with the Code's provisions.¹⁷

3.46. The threshold for contracts is CFAF 5 million for the supply of goods or services and CFAF 10 million for works. The Code specifies that open invitations to tender (with or without pre-selection) must be the rule. Exceptionally, the contracting authority may hold a restricted competition or conclude a direct contract (negotiation). Below these thresholds, the contracting authority may ask for quotations, provided that the procedures followed comply with the principles in the Code. Contracts for intellectual services are awarded following consultation and the submission of proposals.

3.47. Invitations to tender and notices of pre-selection must be forwarded to the WAEMU Commission for publication within 12 working days of their receipt.¹⁸ After this period, notices must also be published in the Official Journal (*Boletim Oficial*), national newspapers with wide circulation and/or international publications. Publication in electronic format, in conformity with the community model, is also allowed. Only notices in one of WAEMU's official languages is accepted. Depending on the nature of the contract, bidders must deposit a guarantee ranging from 1% to 3% of the estimated amount of the contract. A person awarded a contract must deposit a performance guarantee, but it may not exceed 5% of the basic amount of the contract.

3.48. Pursuant to the WAEMU provisions, bids from community companies receive a preference margin of 15% of the amount bid and this must be indicated in the call for bids. For contracts with a local authority or public institution, bids that envisage subcontracting at least 30% of the overall amount to a national company may receive an additional preference margin of at least 5%, cumulative with the 15% margin. According to the authorities, Guinea-Bissau has not yet applied the provisions on preference margins when awarding government procurement contracts.

3.49. All contracting authorities must draw up an annual procurement plan, based on its work programme, to be incorporated into the State's budget. Only contracts appearing in the annual

¹⁶ Decree-Law No. 2/2012 of 20 August 2012.

¹⁷ The Code does not apply to contracts for which publicity would be contrary to protection of the State's essential interests, particularly in the case of national defence or security. Administrative contracts, individual employment contracts, deeds of gift of movable property and the real estate purchase contracts are also excluded.

¹⁸ In emergencies, this time-limit may be reduced to five working days.

plan may be concluded. Guinea-Bissau has a national government purchasing agency (previously called the Central Government Procurement Unit), supervised by the Ministry responsible for trade, which centralizes the award of government procurement contracts on behalf of the Government's contracting authorities.¹⁹ According to the authorities, in practice, several contracting authorities do not comply with the obligation to entrust the national government purchasing agency with awarding their contracts. Statistics on government procurement during the review period are not available.

3.50. The Directorate-General of Government Procurement, supervised by the Ministry responsible for finance, controls contracting procedures and the performance of government procurement contracts and public service concessions *a priori*.²⁰ In accordance with community requirements, regulatory functions are entrusted to a separate structure, the Regulatory Authority for Government Procurement, which is still in the process of being set up.

3.3.7 Intellectual property rights

3.51. Guinea-Bissau has signed the Bangui Agreement (1977) creating the African Intellectual Property Organization (OAPI), but has not yet ratified the revised Bangui Agreement (1999) (common report, section 3.3.4). Guinea-Bissau's framework for the protection of intellectual property rights has not yet been reviewed by the TRIPS Council because of the lack of notifications on the part of Guinea-Bissau.

3.52. The Directorate-General of Industrial Property, within the Ministry of Energy, Industry and Natural Resources, acts as the national liaison structure (SNL) with OAPI. Its main task is to forward applications for registering industrial property titles filed in Guinea-Bissau to OAPI (Table 3.7). It also coordinates activities to draw attention to the importance of registering industrial property rights in Guinea-Bissau. It is still facing financial difficulties in organizing its awareness-raising activities and in strengthening its cooperation links.

Table 3.7 Applications forwarded to OAPI, 2011-2016

Title	2011	2012	2013	2014	2015	2016
Industrial designs	1	1	9	10	14	6
Trademarks	11	12	14	29	15	26
Trade names	69	185	200	174	240	187
Patents	0	0	0	0	0	0
Utility models	0	0	0	0	0	0
Requests for renewal	0	0	0	0	0	0
Requests for prior search	5	7	4	6	3	6

Source: Directorate-General of Industrial Property, Ministry of Energy, Industry and Natural Resources of Guinea-Bissau, OAPI-GB.

3.53. The Guinean Copyright Society (*Sociedade Guineense de Autores (SGA)*), which has the status of a private company, is responsible for administering copyright and related rights. It has around 400 members, mostly musicians. The long period of social and political instability in Guinea-Bissau undermined the effective protection of copyright. According to the authorities, during the review period no action to combat piracy was taken. The SGA's activities have been confined to providing information and efforts to promote awareness of copyright issues.

¹⁹ Decree No. 2/2012 of 26 June 2012.

²⁰ Decree No. 1/2012 of 26 June 2012.

4 TRADE POLICY BY SECTOR

4.1 Agriculture, forestry and fisheries

4.1.1 Overview

4.1. Guinea-Bissau's economy continues to depend on agriculture (section 1). The country has a strong potential in this sector owing to the variety of its soils that are suitable for all types of food and cash crops (cereals, fruit, vegetables and tubers). Nevertheless, only two crops predominate, cashew nuts and irrigated rice, and therefore diversification is necessary and should be easily obtainable thanks to the country's assets in this field (Table 4.1).

4.2. Farming in Guinea-Bissau is of two kinds. There are an estimated 120,000 small village farmers ("tabancas"), who account for 90% of production on farms of less than 5 hectares. The other producers ("ponteiros"), estimated to number 2,200, are generally modern producers working leased farms with an average size of 136 hectares.

4.3. Pursuant to Law No. 5/98 of 1998¹, the State owns the land in Guinea-Bissau. The Law provides for two types of concessions: urban concessions, which grant definitive title; and 90-year rural leases which are automatically renewable in the absence of opposition. Both nationals and foreigners may acquire land in Guinea-Bissau, but an authorization from the Council of Ministers is required in cases exceeding 100 hectares for natural persons and 500 hectares for legal persons. The law provides for concession and transfer fees as well as an annual land concession tax, the amounts of which are set by the Government. There is an exemption from the annual land concession tax for areas of less than 50 hectares, which means that the majority of the rural population is exempted.

Tableau 4.1 Guinea-Bissau's main crops, 2010-2016

(Thousands of tonnes, unless otherwise specified)

Product ^a	2010	2011	2012	2013	2014	2015	2016	Annual growth rate 2005-2014 (%)
Cashew nuts, not hulled	52.3	139.7	94	131.8	136.5	175.2	187	6.4
Paddy rice	209.2	175.2	198.5	209.7	133.0	170.2	186.3	3.4
Roots and tubers, n.e.s.	110.2	94.4	110.2	111.8	45.3	71.6	76.5	3.0
Palm oil	18.3	18.5	18.7	18.7	18.9	19	19.1	0.1
Plantain bananas	48.5	49.5	51.0	51.4	52.4	n.a.	n.a.	2.2
Cassava	68.3	60.3	68.3	23.0	45.4	40.8	43.6	1.6
Coconuts	42.1	42.2	42.2	42.9	42.6	n.a.	n.a.	-0.7
Groundnuts, not hulled	36.2	35.4	45.2	41.3	41.1	83.4	94.7	6.0
Fresh vegetables, n.e.s.	12.3	12.6	12.9	13.2	13.5	13.8	14.1	2.7
Other fresh fruit, n.e.s.	58.8	60.0	61.2	62.5	63.8	65.1	66.4	1.8
Sorghum	20.2	18.9	23.5	26.9	14.0	16.2	16.9	-5.5
Millet	15.0	13.9	17.0	18.1	10.0	14	14.9	-15.8
Groundnut oil	8.6	8.5	10.8	10.8	14.2	19.8	22.5	8.1
Mangoes, mangosteens and guavas	6.8	7.4	8.2	8.5	9.0	n.a.	n.a.	6.3
Palm kernels	46.3	46.7	47.1	47.3	47.7	48	48.3	0.7

n.a. Not available.

a The main products are identified by output volume in 2014.

Source: FAO Statistical Database (viewed at: <http://faostat3.fao.org/home/E>), and Guinea-Bissau National Statistical Institute.

4.4. Small producers have difficulty in obtaining financing for their farming activities owing to the absence of any agricultural development banks. In this connection, the Government has included in its National Agricultural Investment Programme (PNIA) the adoption of regulations on land tenure including small farmers; standardized land management arrangements for regulating land tenure by "tabancas"; and the strengthening of land registry services. Implementation of these measures should also encourage foreign investment, still lacking in the country's agricultural sector. The draft land code that was being prepared at the time of the previous review has not yet

¹ Law No. 5/98 of 23 April, published in Official Journal No. 17 of 28 April 1998.

been completed; meanwhile, new texts relating to land, in such regions as the islands, continue to be adopted.

4.1.2 Overall agricultural policy

4.5. Guinea-Bissau's agricultural policy is still based on the PNIA adopted in 2009 under the auspices of ECOWAS. The PNIA follows the guidelines of the NEPAD (New Partnership for Africa's Development) and the Comprehensive Africa Agriculture Development Programme (CAADP) which provides for the allocation of at least 10% of the national budget to agriculture. The aims of the PNIA are to boost agricultural growth, reduce poverty and attain food and nutrition security. To that end, it provides for an investment plan of over CFAF 167 billion. Implementation of the Plan should generate agricultural growth of at least 6% annually. A first phase of implementation of the PNIA was launched in 2012 for a five-year period. The PNIA is supposed to lead to food self-sufficiency by 2020.

4.6. Guinea-Bissau has drawn up several policy, strategy and programme documents: the Agricultural Development Policy Paper (LPDA) of 2002; Livestock Development Policy Paper (LPDE) and Plan of Action of 2010; National Medium-Term Investment Programme (PNIMT); National Food Security Programme (PNSA 2008-2013); Strategic Sectoral Plan for small-scale fisheries of 2007; and implementing regulations of the Land Tenure Code.

4.7. The Country Programming Framework (CPF 2014-2017), based on a multi-sectoral approach to rural development, is the reference framework for medium-term planning and programming of cooperation between the Government and FAO. In the long term, implementation of the CPF should contribute to the food and nutritional security of the population, in line with the PNIA objective. To this end, the CPF identifies three priority areas: (a) performance, sustainability and efficiency of family agriculture systems; (b) resilience and nutrition of the population with regard to stresses, climate changes, food crises and natural disasters; and (c) governance in the areas of food security and nutrition and protection of natural resources. The total cost of the CPF is estimated at about CFAF 5 billion.

4.8. Following the return to political stability, in 2014 the Government adopted its vision "Guinea-Bissau 2025 – Terra Ranka", covering the period 2015-2025, accompanied by a strategic and operational Plan. The latter is currently being implemented, and identifies agriculture and agri-business as one of the four drivers of growth.

4.9. The agri-food sector lies at the heart of Guinea-Bissau's development strategy. The "Second National Poverty Reduction Strategy document - DENARP II - 2011-2015" is accordingly based on four strategic themes, including sustainable economic development through the development of cereals (including rice), cashew nuts, horticulture, fisheries and livestock.

4.1.3 Main subsectors

4.1.3.1 Cashew nuts

4.10. Raw cashew nuts from Guinea-Bissau are highly competitive on the international market, with a KOR (Kernel Output Ratio, the quality measurement unit for raw cashews) which is one of the best of the world, and remain the main cash crop. Guinea-Bissau is the fifth largest world producer but only receives 1% of the sector's value added whereas the potential of installed capacity is 10%. Cashew nuts account for three quarters of export earnings and about a fifth of State revenues. India is the main export market for Guinea-Bissau's cashew nuts.²

4.11. Cashew nut exports have grown significantly³ (Table 4.2), as has production, with an average annual growth rate of 6% since 1995. This performance was achieved over the period despite the fall in cashew nut prices from US\$1,350/tonne in 2011 to US\$800 /tonne in 2013.

² AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>.

³ Walter Cont and Guido Porto (2014), *Measuring the Impact of a Change in the Price of Cashew Received by Exporters on Farmgate Prices and Poverty in Guinea-Bissau*, Policy Research Working Paper WPS7036, the World Bank Group.

In 2012, a government decree slashed a number of taxes, in particular export taxes, by 50% so as to facilitate the disposal and export of the estimated 50,000 tonnes of cashew nut stocks.⁴

Table 4.2 Guinea-Bissau's trade in cashew nuts, 2010-2015

	2010	2011	2012	2013	2014	2015
Volume exported (thousands of tonnes)	52.3	139.7	94.0	131.8	136.5	175.2
Value of exports (€ billions)	56.9	85.1	76.8	95.2	87.3	138.1
Export of cashew nuts (f.o.b. value in CFAF)	37,327.6	55,793.9	50,360.7	62,357.6	57,242.6	90,488.2
Average export price f.o.b. (US\$/tonne)	1,004.3	1,458.2	1,199.4	899.6	1,001	1,190
Average export price f.o.b. (CFAF/kg)	497.4	688.1	612.3	444.4	650	420
Producer price announced by the Government (CFAF/kg)	n.a.	250	250	250	300	300
Average price paid to the producer (CFAF/kg)	272	333	300	275	275	525
Basic price for export taxation	600	750	850	850	850	900

n.a. Not available.

Source: FAO Statistical Database (viewed at: <http://faostat3.fao.org/home/E>) and Guinea-Bissau authorities.

4.12. In 2015, the cashew nut crop season was exceptional thanks to very good rainfall, a favourable political and social context and rising international demand. Exports totalled 180,679 tonnes as against 136,000 in 2014, with an average farm gate price of CFAF 520/kg, a weighing price between CFAF 500 and 635/kg, a price ranging from CFAF 450 and 850/kg on the domestic market and a reference price of CFAF 300/kg. The f.o.b. export price was CFAF 650/kg as against CFAF 420/kg in 2014.⁵ For marketing year 2016, exports amounted to 193,000 tonnes with an average farm gate price of CFAF 600/kg, and a reference price of CFAF 350/kg; the f.o.b. (export) price was CFAF 1,120/kg. The basic price for export taxation was set at CFAF 563,359/tonne in 2016.

4.13. There are 16 processing units with an annual capacity totalling 22,470 tonnes. However, most of these do not have sufficient financial capacity (working capital) to buy the raw material and build up stocks that would enable them to operate year round and thus are idle or non-operational. In order to attain a local processing rate of 30% and final value added of 29%, the Government intends to allocate CFAF 4.15 billion to the cashew nut industry under its "Terra Ranka" Plan.

4.14. In 2012, the National Cashew Nuts Commission was replaced by the National Cashew Agency (ANCA-GB), which has legal personality and administrative and financial autonomy and reports to the Prime Minister. It is responsible for following up the policies prepared jointly with the Ministry of Trade (for marketing) and the Ministry of Agriculture (for production). The Agency controls export quantities; the quality of raw products (humidity rate, size etc.), for which it issues a certificate which has been mandatory since 2014 and costs CFAF 3/kg⁶; and the prices charged at every stage by the economic operators or agents in the industry.

4.15. In order to improve cashew nut exports, the Government has also set up various structures: the Interministerial Commission for oversight of the cashew nut marketing and export campaign; the Multidisciplinary Commission for export licensing, set up in 2011 and headed by the Ministry of Trade; and the Single Window, set up by customs in May 2014 for the administrative procedures linked to cashew nut exports.

4.16. Exporters of cashew nuts must buy a licence (section 3.1.1). Local traders must pay an annual fee of CFAF 100,000 to the Ministry of Trade for approval. At end-June 2017, a total of 900 traders were approved to buy from producers at a negotiated price with a minimum price set by the Government (CFAF 350 in 2016 and CFAF 500 in 2017).

4.17. Cashew nuts continue to bear a heavy burden of taxes, charges, levies and "contributions" from harvest through to export. These include a levy of CFAF 10,000 for the certificate of origin issued by the Ministry of Trade; 3% of the f.o.b. reference price as an advance payment on industrial profits (export); and up to 8% of the f.o.b. reference price for other taxes and charges (including the 6% special tax; a rural property contribution of CFAF 15/kg; a levy of CFAF 4.65/kg

⁴ Decree No. 9/2012, published in Official Journal No. 45 of 6 November 2012.

⁵ ANCA-GB (2015), *Relatório da campanha de comercialização e exportação 2015*.

⁶ Decree No. 26/2014.

paid to the Guinea-Bissau Ports Administration (APGB); a levy of CFAF 1.5/kg paid to the Chamber of Commerce, Industry and Agriculture; a levy of CFAF 1/kg paid to the National Shippers Council); not to mention the charges for disinfection of the cashew nut storage warehouse (carried out by the Ministry of Agriculture), and charges relating to the obtention of the phytosanitary certificate from the Ministry of Agriculture.⁷ The taxation of cashew nuts has risen significantly over the years. There used to be a levy of CFAF 50/kg paid into the industrialization promotion Fund (FUNPI)⁸ but this Fund was suspended in 2013, along with the levy.

4.18. The heavy taxation of the industry encourages smuggling, in particular informal exports estimated at 6,000 tonnes in 2016.⁹ These informal exports mainly go through the ports of Ziguinchor (Senegal) and Banjul (Gambia), and in 2016 the Government therefore announced that it was stepping up border surveillance, with confiscation of the cashew nuts and the means of transport used for smuggling.¹⁰

4.19. In order to support the quality of Guinea-Bissau cashew nuts, the plant quarantine law and regulations on imports of phytosanitary products were drawn up under the PNIA and are in force. The PNIA also provides for the adoption of a Master Plan for the industrialization of the cashew nut subsector and the establishment of an early warning and phytosanitary monitoring system throughout the territory.

4.1.3.2 Food crops

4.20. Rice is the main food crop in Guinea-Bissau, and the staple food of the population.¹¹ The Government estimates that total gross cereal production increased by 27.8% between the 2014/2015 and 2015/2016 seasons thanks to better rainfall and the subsidization of (non-imported) agricultural inputs and phytosanitary products.

4.21. The subsector suffers from inadequate infrastructure, with dilapidated traditional waterworks. The country has a net shortfall of cereals, equivalent to 36% of domestic demand, which is covered by imports (section 1).¹² The country regularly has to import over half its rice needs¹³, which exposes it to world price fluctuations. The Government has identified rice as one of the priority growth sources in its "Terra Ranka" Plan.

4.22. Guinea-Bissau's PNIA includes investment to achieve cereal self-sufficiency by 2020 through better productivity, research to improve cereal quality, and the development of rice production in mangroves and paddy rice to palliate climatic hazards.¹⁴ The investment plan for this purpose covers: the supply of various phytosanitary products, fertilizers and improved seeds; acquisition by producers of tillers, tractors, motor pumps and accessories for the development of small-scale irrigation; and access by farmers to draft animal powered mechanical chains. The PNIA also provides for the development of a credit system geared to small farmers.

4.23. The rice industry is open to private capital and some foreign companies are present, in particular Agrogeba (a Spanish production, processing and marketing company), and Agrosafim (a Portuguese production company).

⁷ The f.o.b. reference price is set by the Government for each export campaign.

⁸ Decree No. 19/11 of 3 May 2011.

⁹ AGOP (2014), "Banco Mundial e governo da Guiné-Bissau defenderam fim de imposto sobre caju", 23 September. Viewed at: http://www.angop.ao/angola/pt_pt/noticias/africa/2014/8/39/Banco-Mundial-governo-Guine-Bissau-defenderam-fim-imposto-sobre-caju.87421d44-e388-4786-b5d8-815cc9dcbfda.html.

¹⁰ Commodafrica, "Hausse de 16,6% du prix au producteur de cajou en Guinée-Bissau". Viewed at: <http://www.commodafrica.com/18-04-2016-hausse-de-166-du-prix-au-producteur-de-cajou-en-guinee-bissau>.

¹¹ Steven Kyle (2015), *Rice Sector Policy Options in Guinea-Bissau*, Working Paper WP 2015-01. Viewed at: <http://publications.dyson.cornell.edu/research/researchpdf/wp/2015/Cornell-Dyson-wp1501.pdf>.

¹² AfDB (2016), *African Statistical Yearbook*. Viewed at: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/African_Statistical_Yearbook_2016.pdf.

¹³ The Government controls rice imports by means of import licensing. It sets a retail price, which is the same throughout the country, on the basis of world prices, in consultation with importers. It may thus decide to hold down prices by reducing import duties or other costs affecting products.

¹⁴ Second National Poverty Reduction Strategy Paper (2011-2015) – DENARP II.

4.1.3.3 Livestock

4.24. Traditional animal husbandry is the second activity of the rural population, after crop growing. However, production remains marginal, self-consumed and therefore not exported. Guinea-Bissau has a chronic shortfall in animal products, and is therefore obliged to import almost all milk, eggs and meat supply for urban centres.

4.25. The 2010 Livestock Development Policy Paper and Plan of Action lay down the strategic guidelines, namely: promotion of good governance in the industry; improvement of animal health and sanitary safety of foodstuffs of animal origin; rational management of agro-sylvo-pastoral resources; development of animal production; revival of veterinary and zootechnical research; capacity building for stakeholders; and development of private enterprise. The "Terra Ranka" Plan sets out the development strategy for family farm livestock production (including poultry, sheep, goats and pigs).

4.26. In practice, credit terms (short repayment periods of six months and high interest rates) are too harsh for livestock subsector farmers who therefore rarely and with difficulty resort to bank loans to finance their activities. Moreover, the private sector is almost entirely absent, with the exception of a few small intensive poultry farms that are beginning to develop.¹⁵

4.27. The Government and organizations such as FAO are forming partnerships to grant rolling loans to small farmers. Cooperatives sponsored by the European Union also finance a number of producers, and some livestock farmers benefit from loans granted by NGOs. A genetic improvement programme in the WAEMU framework is in place, together with animal vaccination financing. Thanks to these various sources of financing, the herd has improved and the number of head increased.

4.28. Guinea-Bissau is also heavily dependent on the exterior for all livestock farming inputs. However, there is a recurrent problem of quality of imported inputs, and Guinea-Bissau does not have the capacity to control them. In addition, the domestic legislation in this field is obsolete and does not conform to the OIE international zoosanitary code or the WAEMU regulations in this field. A new livestock code, updated in 2009 by the Government, has not yet been adopted.

4.1.3.4 Wood

4.29. Although Guinea-Bissau's forest ecosystems are very diversified, its forest resources and their potential contribution to the national economy are insufficiently known; reserves are estimated at 48 million m³.¹⁶

4.30. The "Terra Ranka" Plan provides for capacity building for the Directorate General of Forests and Hunting and in particular its capacities for guidance and planning of forest exploitation. The PNIA envisages the adjustment of forest taxes as well as taxes on wildlife exploitation; revision of the forestry code to improve forest resource management on a community basis; and the introduction of a wood charcoal tax as part of the reorganization of the wood and charcoal industry.

4.31. In 2011 the Government adopted a new Forestry Law No. 5/2011 to govern felling and reforestation (currently being revised). The Law includes a provision aimed at promoting local value added by a ban on all exports of unworked wood. To obtain a licence, operators must undertake to carry out an environmental and social impact study and establish a reforestation plan. The number of licences granted in 2014 was 61, compared with 15 in 2012-2013.¹⁷

4.32. In conformity with the CITES and following the intensification of wood trafficking in the wake of the coup d'Etat, Guinea-Bissau has banned exports of some wood species. In order to curb the extinction of a rare species (*Pterocarpus erinaceus*, a West African rosewood species) that

¹⁵ FAO (2016), *Revue des filières bétail/viande et lait et des politiques qui les influencent en Guinée-Bissau*, Florentino Correia. Viewed at: <http://www.fao.org/3/a-i5267f.pdf>.

¹⁶ FAO (2013), *Cadre de programmation pays (CPP) 2014-2017 de la Guinée-Bissau*.

¹⁷ Yannis Arvanitis (2014), "Natural Resources in Guinea-Bissau: Getting it right from the start". Viewed at: <https://www.afdb.org/fr/blogs/measuring-the-pulse-of-economic-transformation-in-west-africa/post/natural-resources-in-guinea-bissau-getting-it-right-from-the-start-13630>.

is present in Guinea-Bissau, in April 2015 the Government decided to impose a five-year ban on the felling and export of all wood, in particular the threatened species. The existing stock of felled wood should suffice for local demand according to the authorities.

4.33. In addition to the community provisions, the country imposes taxes according to the species, wood quality (two classes are recognized) and cubic volume. They range from US\$25/m³ to US\$100/m³ (for *Pterocarpus erinaceus*) for first-class wood; and US\$20/m³ for all second-class wood. In addition, taxes of 25% and 5% of the f.o.b. price are applied respectively to exports of wood planks and panels; and a "special" tax of 6% of the f.o.b. value per cubic metre has also been applied since 2014.¹⁸

4.34. The Government has set up a working group for a technical assessment of the wood export ban, review of the wood marketing tax and licensing arrangements.

4.1.3.5 Fisheries

4.35. Guinea-Bissau has a 274-km coastline stretching from the border with Senegal to the North to the border with Guinea to the South. Its exclusive economic zone (EEZ) is one of the biggest on the West African coast, with abundant fishery resources. However, fishing is not well developed (section 1)¹⁹, although fisheries remain the country's second source of foreign exchange (CFAF 12 billion in 2016), owing in particular to bilateral fishing agreements – above all with the EU, licences and the various taxes and levies.²⁰ The factors hindering fishery development in Guinea-Bissau include: fishery management and port service supply shortcomings; obsolete cold storage infrastructure; the paucity of charges and taxes; and the requirement to employ nationals. Processing activities are embryonic and with the exception of a private industrial unit (Afripêche) are gradually disappearing owing to the difficulties.

4.36. Guinea-Bissau does not have an industrial fishing fleet and the domestic small-scale fishing remains undeveloped. Small-scale fishing is for the most part carried out by an African fleet (Guinean, Senegalese, Gambian, Ghanaian and Sierra-Leonean); these fleets generally unload most of their catch in their ports of origin. Industrial fishing is still in the hands of international freezer vessels and joint companies operating under the licensing regime for "chartered foreign vessels" or under fishing agreements. Industrial fishing is carried out in various forms: by chartering or under fishing partnership agreements with other countries, or through private agreements between Guinea-Bissau and private shipowners. The number of vessels operating in the EEZ has increased slightly, from 122 in 2010 to 148 in 2014.²¹ In 2015, almost 70% of these vessels were operating under fisheries agreements.²²

4.37. The lack of ship maintenance and refuelling services, as well as of capacity for processing catches and creating local value added, obliges industrial fleets to unload in Dakar, Abidjan and Las Palmas before products are sent on to the subregional international markets. Domestic fish production is essentially (70%) for export. Only 5,000 tonnes of industrial fish are unloaded annually at Bissau and then sent on to the port of Dakar, whose proximity and service quality, especially as regards electricity and water supply and transport, attract many vessels fishing in Guinea-Bissau's territorial waters.

4.38. In order to address this situation and enable vessels to unload their catches to supply the domestic market with fresh and frozen fish, the Government has signed an agreement with the West African Development Bank (BOAD) for a loan of CFAF 8 billion to rehabilitate the port of Bissau in 2013. In addition, the Alto Bandim fishing port was built with funds from the African

¹⁸ Decree No. 10/2014.

¹⁹ Secretaria de Estado das Pescas e Economia Marítima (2014), *Plano Estratégico de Desenvolvimento das Pescas da Guiné-Bissau (2015–2020)*, October.

²⁰ AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>. COFREPECHE, MRAG, NFDS and POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

²¹ Data from the Directorate-General of small-scale fisheries. Viewed at: <http://www.minpesca-gw.org/apresentacao.html>.

²² Online information from the CSRP. Viewed at: <http://www.spcsrp.org/pt/quin%C3%A9-bissau>.

Development Bank (AfDB) and the EU. Nevertheless, because of the lack of suitable infrastructure all industrial vessels continue to use the port of Bissau, and only the Senegalese canoes use the port of Alto Bandim.²³ In 2016 Guinea-Bissau signed a memorandum of understanding with China Machinery Engineering Corporation (CMEC), which is to build several infrastructure works including a port in Pikil in the north of the country and a deep water port at Buba.²⁴

4.39. The Ministry responsible for fisheries implements government policy on: development and exploitation of aquatic natural resources; control and surveillance of fisheries in waters under national sovereignty and jurisdiction; scientific marine research; negotiation of fisheries agreements in cooperation with the Ministry responsible for foreign affairs; and the issuing of access licences²⁵ for fishery resources. Decree Law No. 10/2011 (Table 4.3) and its implementing regulations of 2011 define the arrangements for access to and management of fishery resources under national jurisdiction. Investments in the fisheries industry are governed by the General Investment Code.

Table 4.3 Fisheries legislation

Legislation	Subject
Presidential Decree No. 03/2016	Creation of the Ministry of Fisheries
Decree-Law No. 10/2011 (amended version awaiting promulgation)	Fisheries
Decree No. 4/1996	Licences and royalties
Decree-Law No. 9/2011	Trade in fisheries products
Decree-Law No. 24/2011	Small-scale fishing
Decree-Law No. 04/2004	Creation of the Centre for Applied Fisheries Research
Decree No. 07/98	(<i>Criação do Centro de Investigação Pesqueira Aplicada (CIPA)</i>)
Joint Order No. 02/2016	Conditions of access to fisheries resources for fishing enterprises working with national and foreign vessels
Protocol	Subregional Fisheries Commission (http://www.csrpsp.org)
Protocol of agreement	Partnership agreement for sustainable fisheries with the European Union https://publications.europa.eu/fr/publication-detail/-/publication/ef861c6c-5a73-11e4-a0cb-01aa75ed71a1/language-fr
Protocol of implementation	Fisheries agreement with Senegal
Protocol of agreement	Framework agreement with Russia
Protocol of agreement	Fisheries agreement with the A.G.A.C (Association of Large Tuna Freezers) and the A.N.A.B.A.C (National Association of Tuna Freezer Vessels Shipowners (http://www.minpesca-gw.org/rgb-anabac%20e%20agac%202014.pdf))
Protocol of agreement	Fisheries agreement with the ZHONGYU Global Seafood Corp. (ZGSC)

Source: WTO Secretariat.

4.40. The Government considers the industry as strategic for the country's development and, in addition to the "Terra Ranka" Plan, has adopted a Fisheries Development Strategic Plan (2015-2020). The two Plans cover maritime fiscalization, research and development of maritime and small-scale fisheries, and aquaculture.²⁶ The Plans also provided for the restructuring of the port of Bissau; updating of the Fisheries Code; multiplying fisheries production by two-and-a-half times between 2013 and 2025; creation of fisheries infrastructure and a favourable environment for private investment (through the reform of the 2011 Investment Code); and the development of

²³ COFREPECHE, MRAG, NFDS et POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

²⁴ Chinese company to build new airport in Guinea-Bissau, Forum Macao. Viewed at: <http://www.forumchinapl.org.mo/portugues-empresa-chinesa-vai-construir-novo-aeroporto-na-guine-bissau>. See also COFREPECHE, MRAG, NFDS et POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

²⁵ The Directorate-General of Industrial Fisheries (DGPI) issues fishing licences for foreign industrial vessels and manages the fisheries agreements; and the Directorate-General of Small-Scale Fisheries (DGPA) issues the licences for small-scale fishing by domestic and foreign vessels. An Applied Fisheries Research Centre (CIPA) has been set up but the decree defining its scope of work has still not been adopted.

²⁶ An annual fisheries resources management plan for 2015 has also been adopted. Secretaria de Estado das Pescas e Economia Marítima (2014), Plano de Gestão das Pescas para o Ano 2015, December.

industrial processing of fisheries products in a special economic zone to be established at Bissau with a view to tripling the industry turnover by 2025. The new fisheries law, drafted in 2014 and still awaiting promulgation, should strengthen Guinea-Bissau's powers in terms of its prerogatives as a coastal state with respect to flag and port matters, as well as regulations in the industry.

4.41. In 2016 the conditions of access to the resources of the EEZ by enterprises carrying on fishery activities were updated by Government Order. Accordingly, licences may be granted to national enterprises or companies subject to the condition, *inter alia*, that they have their headquarters in the national territory and possess a gross tonnage capacity not exceeding 5,000 tonnes for pelagic fishing.²⁷ Moreover, national enterprises that have a fishing licence for a chartered vessel must unload part of their catch in order to supply the domestic market.²⁸ Royalties for the fishing licences range, in the case of national vessels, from CFAF 28,500/GT/year to CFAF 145,000/GT/year (and from CFAF 1.95 million to 3.5 million per vessel per year for tuna vessels) and for chartered foreign vessels, from CFAF 40,500/GT/year to CFAF 174,000/GT/year (and from CFAF 3 to 5 million per tuna vessel per year).

4.42. The vessels covered by the Order must also pay a contribution to a Fisheries Resources Conservation and Protection Management Fund. These contributions range from CFAF 12,000/GT/year to CFAF 123,990/GT/year for shrimps, cephalopod, demersal and pelagic fishing vessels; and CFAF 456,103 per tuna vessel per year. Finally, there is also a charge on fisheries-related operations, ranging from CFAF 60,000/GT/year for transport of fuel for fishing vessels; CFAF 30,600/GT/year for the transport of fisheries products; CFAF 23,000/GT/year for the transport of fishing equipment and provisions; and CFAF 50,000/GT/year for fishing vessels.

4.43. Guinea-Bissau has signed two types of bilateral fisheries agreement: public sector agreements with other countries (EU, Senegal, China) and specific chartering agreements with shipowner groups (Chinese and Spanish).²⁹ Over the period 2008-2013, about 180 licences were issued per year for industrial fishing vessels, together with 22 authorizations for fisheries-related operations for periods ranging from 3 to 12 months.³⁰ In 2015 and 2016, 188 and 197 licences were issued, respectively, for industrial fishing vessels, of which 52 for the EU, 22 for Senegal, 6 for the Union of Russian Shipowners, 16 for the National Association of Tuna Freezer Vessels Shipowners (ANABAC/AGAC), and 23 for ZHONGYU Global Seafood Corp (ZGSC).

4.44. The agreement between Guinea-Bissau and the European Union is the third largest source of revenue for the public finances after customs revenues and taxes. There have been several successive agreements since 1980. In February 2012, a new three-year Protocol of Agreement was negotiated between the parties and initialled but its adoption was suspended following the military coup d'état in that year. The Protocol finally entered into force on 24 November 2014 for a period of three years, which enables EU vessels to resume their fishing activities in January 2015.³¹

4.45. Bearing the title of Sustainable Fisheries Partnership Agreement (SFPA)³², this Protocol authorizes up to 40 European Union vessels to fish for tuna, shrimps, cephalopods and demersal species in Guinea-Bissau's territorial waters against annual compensation (right of access for vessels to the EEZ, and support for sustainable fisheries and compliance with sanitary standards) of €9.2 million over the period 2014-2017.³³ A laboratory has been built and equipped with EU financing, but it still lacks the equipment for microbiological analysis. In addition,

²⁷ Gross tonnage (GT) is the reference unit for a vessel's tonnage in Guinea-Bissau pursuant to Articles 64(g) and 18(2) of Decree-Law No. 10/11. Viewed at: <http://faolex.fao.org/docs/pdf/gbs116923.pdf>.

²⁸ 40 kg/GT of fish or 5 kg of shellfish quarterly for shellfish fishing; 70 kg of fish or 20 kg/GT of cephalopods in the case of cephalopod fishing; 50 kg of fish/GT quarterly for pelagic fishing; and 100 kg of fish/GT quarterly for demersal fishing.

²⁹ With the exception of the agreement with the Chinese enterprise ZGSC, the texts of these agreements was viewed at: <http://www.minpesca-gw.org/Acordos.html>.

³⁰ *Plano Estratégico de Desenvolvimento das Pescas da Guiné-Bissau (2015-2020)*.

³¹ Protocol setting out the fishing opportunities and financial contribution provided for in the Fisheries Partnership Agreement between the European Community and the Republic of Guinea-Bissau, OJEU No. L/328 of 13 November 2014.

³² While the current Fisheries Partnership Agreement is not strictly speaking called an SFPA, the Basic Regulation of the Common Fisheries Policy, in force since 2014, provides that eventually all fisheries partnership agreements will be of this kind.

³³ "EU-Guinea-Bissau renew sustainable fisheries cooperation", press release of 24 November 2014. Viewed at: https://ec.europa.eu/fisheries/eu-%E2%80%93-guinea-bissau-renew-sustainable-fisheries-cooperation_en.

Guinea-Bissau receives a levy based on the gross registered tonnage (GRT) of the authorized vessels³⁴, and on the total tonnage of the fleet authorized to operate.

4.46. Community vessels are not obliged to unload their catches in Guinea-Bissau under the SFPA. Consequently, they mainly unload their catches elsewhere on the West African coast, for example Dakar in the case of freezer trawlers whose catches are processed on board prior to shipment to the EU (for shrimps and noble fish), and other African countries for lesser-value catches.

4.47. In 2015, European vessels operating under the SFPA caught 17,983 tonnes of fish for a total value of €52.4 million.³⁵ The (estimated) revenues from the SFPA in 2015 amounted to €6.2 million in compensation, €1.27 million in royalties under the licences, and €3 million paid directly to the administration responsible for fisheries as the first sectoral support instalment, for a total of €10.47 million.

4.48. On 16 December 2013 Guinea-Bissau signed a one-year protocol with ANABAC/AGAC, a Spanish association employing vessels flying other countries' flags.³⁶ The protocol was renewed in November 2014, increasing from 13 to 15 the number of tuna vessels authorized to access the EEZ and not under an EU Member State flag. The price of the fishing licence to be paid to the public treasury rose from €8,000 to €12,000/year/vessel, and the contribution to the Fisheries Resources Management Fund, paid to the Ministry of Fisheries, was increased from €6,500 to €7,000/year/vessel. Unlike most other agreements, the protocol does not specify a reference tonnage for vessels, nor the number of Guinea-Bissau seamen to be taken on board. Nor does the protocol specify the operating conditions for vessels under a charter contract.³⁷

4.49. The agreement signed with the Union of Russian Shipowners (URS) in 2014 for a two-year period authorizes direct access for vessels not exceeding 5,000 GRT to the fisheries resources in the EEZ, with a total annual catch ceiling of 50,000 tonnes of small pelagic species and an annual licence price set at CFAF 25,000/tonne of catch. An advance contribution to the Fisheries Resources Management Fund of CFAF 15 million/year/vessel is required. The Russian shipowners undertake to annual surveys to evaluate pelagic species resources; to unload 10% of their catch at the port of Bissau for local marketing by a national enterprise; and to invest, on the basis of a plan approved by the Government, in the development of processing industries. Each vessel must employ at least 12 Guinea-Bissau seamen for a wage of US\$700/month. This agreement has not been renewed.

4.50. The 2010 implementing protocol of the Bilateral Fisheries Agreement with China of 1974 allowed the company China International Fisheries Cooperation (CNFC) to fish a specified maximum tonnage of shrimp, cephalopods and demersal in the Guinea-Bissau EEZ for four years. Under this protocol, the compensation paid by the CNFC has essentially taken the form of investment in the fisheries sector in Guinea-Bissau. The protocol expired in June 2014³⁸ and was directly renewed in February 2015 with the Chinese company ZGSC, a subsidiary of CNFC, for a five-year period (2015-2019). ZGSC undertakes to make a payment of CFAF 12 million/vessel/year into the Fisheries Resources Management Fund prior to any application for a licence; to provide free of charge for two months five tonnes of fish to the officials

³⁴ Gross registered tonnage is the reference unit for a vessel's capacity under Decree-Law No. 10/11.

³⁵ COFREPECHE, MRAG, NFDS and POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

³⁶ The association's vessels have the flags of Ecuador, Curacao, le Panama, Kiribati, El Salvador, Guatemala, Seychelles and Cabo Verde. See COFREPECHE, MRAG, NFDS et POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

³⁷ These vessels do not appear to catch tuna. COFREPECHE, MRAG, NFDS et POSEIDON (2016), *Évaluation rétrospective et prospective du protocole de l'accord de partenariat dans le secteur de la pêche entre l'Union européenne et la République de Guinée-Bissau*. Contrat cadre MARE/2011/01 - Lot 3, Contrat spécifique n° 17. Brussels, 231 p. Viewed at: http://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/report-guinea-bissau-november-2016_fr.pdf.

³⁸ Document published by the Ministry of Fisheries. Viewed at: <http://www.minpesca-gw.org/RGB-CNFC.pdf>.

of the fisheries administration by way of compensation in kind; and to make a certain number of "tax exempt" investments in the fisheries sector. A fine of US\$1 million/year is provided for if the above-mentioned investments are not initiated within 12 months.

4.51. Since 2014, other Chinese vessels are also operating in Guinea-Bissau's waters under chartering agreements for a value of about €100,000.³⁹ Specifically, there are four vessels of the Shi Hai Company for demersal fishing. The purpose of these agreements appears to be to supply the domestic market in demersal and pelagic fish, and the construction of infrastructure for domestic fishing.⁴⁰

4.52. Finally, a Maritime Fisheries Agreement with Senegal has been in force since 1978 and has allowed for the creation of a joint management maritime area. The fisheries resources are shared and managed by a Joint Management Agency under a Management and Cooperation Agreement.⁴¹ The latest implementing protocol of this Convention, signed on 1 April 2016 for a two-year period, sets the possibilities and the price of the fishing licence for small-scale and industrial fishing vessels. The protocol provides that the issuance of industrial fishing licences is subject to the prior payment of a contribution to the Fisheries Resources Management Fund. The contributions range from CFAF 2.5 million/vessel/year to CFAF 10 million/vessel/year according to the type of vessel. The creation of joint fisheries enterprises by economic operators of the two countries is likewise envisaged. In December 2015 Guinea-Bissau denounced this agreement and suspended its participation in the Joint Management Agency. A new agreement should be signed, following the renegotiation talks held between the two countries in 2015 and 2016, but this had not been done at the time of writing of this report.

4.53. The renegotiations have generally enabled Guinea-Bissau to improve its gains under its fisheries agreements: through the creation of joint ventures aimed at better integrating the off-shore fleet into the domestic economy; through the requirement to employ national seamen⁴² and also by increasing the price of licences. An additional charge of 5% on the value of the licence introduced by the Ministry responsible for finance was included in the latest agreements with China in 2015 and Senegal in 2016.

4.2 Mining and energy

4.2.1 Mining

4.54. The Ministry responsible for mining supervises various bodies in this sector as well as the State-owned enterprise *Petróleo da Guiné* (Petroguin) and the national drilling company (*Empresa Nacional de Furos* (ENAFUR)). The hydrocarbon infrastructure is the responsibility of the fuel logistics company (*Companhia Logística de Combustível* (CLC)) under the authority of the Ministry of Energy and Industry, which formulates the country's energy policy.

4.55. The Development Plan DENARP II (2011-2015) envisaged for 2012 the revision of the Mining and Petroleum Codes to bring them into line with community and international standards. In particular the revision was supposed to oblige operators to undertake environmental impact studies and improve the investment framework. To this end the Decree-Law of 1986 and the Law of 2000 governing the activities of the extractive industry were replaced in 2014 by a Mining and Minerals Code (Law No. 3/2014 of 29 April 2014), for which the implementing regulations have not yet been adopted. DENARP II also provided for Guinea-Bissau's joining the Extractive Industries Transparency Initiative; this process is under way, but Guinea-Bissau is still not a member.

4.56. The Government identified the mining sector as the fourth priority growth source in its "Terra Ranka" Plan. Currently there is no mine in operation. However, some small-scale gold mining activities have been noted.⁴³ A few small quarrying units are also operating to extract

³⁹ Agritrade, "La Guinée-Bissau et l'UE relancent la procédure pour un APPD", 18 September 2014. Viewed at: <http://agritrade.cta.int/fr/Peche/Sujets/Relations-ACP-UE-APP/La-Guinee-Bissau-et-l-UE-relancent-la-procedure-pour-un-APPD>.

⁴⁰ Online information from the CSRP. Viewed at: <http://www.spcsrp.org/pt/quin%C3%A9-bissau>.

⁴¹ The fishing licences issued by each of the two countries authorize vessels to operate in the joint zone.

⁴² This is one of the strategies of the Fisheries Development Strategic Plan (2015-2020).

⁴³ OECD (2013), Guinea-Bissau – *African Economic Outlook 2013: Structural Transformation and Natural Resources*, OECD Publications, Paris.

building materials (quartzite, laterite, dolerite, clay and sand). At present, only dolerite is exported.

4.57. According to the World Bank, the exploitation of phosphates at Farim (deposits discovered in 1978) and bauxite at Boé could contribute more than 15% of GDP.⁴⁴ The reserves of the five bauxite deposits identified at Boé are estimated at 110 million tonnes, with an alumina (AlO₃) and silica (SiO₂) content evaluated at 44% and 3.7%, respectively. Since 2007, Bauxite Angola has had an exploitation licence for these deposits; the Governments of Angola and Guinea-Bissau hold 20% and 10%, respectively, of the company's capital. After having updated the environmental and social impact study paving the way for exploitation operations, in 2016 Bauxite Angola was at the technical, economic and financial viability study phase. Bauxite Angola has announced investment of up to US\$500 million, also covering rehabilitation of the necessary road network for exports and the first stages of construction of the deep-water port of Buba.⁴⁵

4.58. The geological reserves of the Farim phosphate deposit are estimated at 105.6 million tonnes, with a phosphate (P₂O₅) content evaluated at 28.41%; industrial reserves are estimated at 34 million tonnes, with a phosphate content of 34%. In May 2009, the Government granted exclusive rights for prospection, extraction, exploitation, transport and sale to GB Minerals AG for a 25-year period renewable for 25 years. GB Minerals AG is exempted from taxes and charges and licence fees in connection with the construction of the infrastructure (roads, ports, etc.) linked with the Farim project, within and beyond the concession area covering 30,625 ha. The planned exploitation of 44 million dry tonnes over 25 years, averaging 1.75 million tonnes per year, has not yet begun.⁴⁶

4.59. A deposit of heavy mineral sands (ilmenite, rutile and zirconium) has been found in the coastal area at Nhiquim/Varela. Potential industrial reserves are estimated at 780,000 tonnes of concentrated heavy sands. The company PORTO SARL obtained an exploitation and environmental compliance licence in 2012, but exploitation has been suspended by the authorities on the grounds of certain irregularities.

4.60. The Government's objective is the sustainable development of the mining potential and the products of small mines and quarries (for public works and construction) through the development of a phosphate and bauxite mine by 2025; the creation of a supportive framework for small-scale mining and quarrying; and the creation of 10,000 jobs in extraction – all within a framework of compliance with environmental standards. The aim is thus to triple the sector's value added (from CFAF 12 billion in 2013 to CFAF 36 billion in 2025).⁴⁷

4.61. The 2014 Code provides *inter alia* for: the generalization of royalties for all products extracted from the soil, subsoil and waters under Guinea-Bissau's jurisdiction; the establishment of a Mining Convention to accompany all mining titles, as of the exploration phase; the carrying out of an environmental impact study for every type of exploitation, and, for large-scale projects, the holding of public consultations; and the implementation of the ECOWAS Directive⁴⁸ on harmonization of mining sector guiding principles and policies. The Code provides for seven types of titles available to both nationals and foreigners: prospection authorizations; exploration licence; small-scale exploitation licence; large-scale exploitation licence; exploration authorization for inert materials; licence for industrial quarrying; and licence for the purchase/sale/processing of mineral ores. One of the criteria of eligibility is that there should be a branch office or legal representative in Guinea-Bissau. The holders of mining titles must have recourse to the services of national suppliers and to products sold on the national territory or within the community area when they are available and competitive.

⁴⁴ AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>.

⁴⁵ Yannis Arvanitis (2014), "Natural Resources in Guinea-Bissau: Getting it right from the start". Viewed at: <https://www.afdb.org/fr/blogs/measuring-the-pulse-of-economic-transformation-in-west-africa/post/natural-resources-in-guinea-bissau-getting-it-right-from-the-start-13630>.

⁴⁶ NI 43-101 *Technical Report on the Farim Phosphate Project, Guinea-Bissau*, Report n° 5036GB Minerals Limited, September 2015. Viewed at: http://gbminerals.com/resources/NI_43-101_Technical_Report_on_the_Farim_Phosphate_Project_09_14_15.pdf.

⁴⁷ Guinea-Bissau (2015), *Plan Guinée-Bissau 2025 - Terra Ranka*, Presentation given at the Donors Round Table, Brussels, 26 March.

⁴⁸ Directive C/DIR3/05/Q9.

4.62. Mining titles are transferable with the prior authorization of the Ministry and against payment of a tax. The State must obtain free of charge a maximum participation of 10% in the capital of any enterprise holding a large-scale licence, and this share cannot be diluted in the event of a capital increase. Any national or foreign investor may apply to the Ministry for the right to process the extracted mineral products. The holders of exploration and exploitation licences are authorized to open and maintain foreign currency accounts in the commercial banks operating on the national territory. The quarrying authorization allows the holders in principle to sell and export output.

4.63. A charge of between 2% and 10% is levied on all products extracted from the Guinea-Bissau soil and subsoil depending on their nature; it is 5% for quarrying products. The profits tax applies at the standard rate of 25%. The Code provides for exemption from the export tax on mining products after they have been certified by the Directorate-General of geology and mining. In the prospection and exploration phase, operators may enjoy exemption from customs duties, with the exception of the WAEMU and ECOWAS community levies. At the mine construction phase too, exemption from customs duties is also provided for, with the exception of the community levies on imports of equipment, fuel and lubricants for energy production. Finally, at the production phase, customs duties are reduced to 7.5% on imports of materials, fuel and lubricants intended for energy production and the operation of vehicles and equipment.⁴⁹

4.2.2 Hydrocarbons

4.64. The 1982 Hydrocarbons Law, as amended in 1985, is the main legislation in this sector. A Decree-Law No. 4/2006 also governs the granting of concessions for exploration and production of hydrocarbons on the offshore shelf. The Law requires the establishment of joint ventures (between foreign firms and the national company Petroguin) for exploration activities, as well as profit-sharing contracts under which Petroguin is the owner of any deposit discovered. The updating of the 1982 Petroleum Code was finally undertaken and a new law was adopted in 2014 (Law No. 04/2014) but the implementing texts have not yet been adopted.

4.65. In Guinea-Bissau, the presence of offshore hydrocarbon reserves has been mentioned but exploration of deposits has not yet yielded any significant results. Petroguin has signed several petroleum and gas prospection contracts with foreign companies covering 14 offshore blocks. Preliminary studies indicate that the reserves of these 14 offshore blocks could have been economically exploitable⁵⁰ to the tune of almost 1.2 billion barrels in 2013.⁵¹

4.66. Two licences have been issued for exploration of two blocks (with an area of 4,800 and 5,500 km² respectively) in the Mauritania-Senegal-Guinea-Bissau-Conakry sedimentary basin (MSGBC basin), in the area jointly managed by Senegal and Guinea-Bissau. During the exploration phase, Petroguin is the partner of the company Cap Energy which acquired 85.7% of the capital of Sphere Petroleum Corporation (BVI), which holds a 35% participation in these two exploration licences.

4.67. In 2014, an agreement was signed between Petroguin and GeoPartners, in partnership with the Dutch company MGGS, for a 2D seismic campaign covering three blocks that may hold large petroleum and gas deposits; these companies have the right of first refusal for the negotiation of exploration and production rights.⁵²

⁴⁹ If the materials and equipment are not re-exported, the holder must pay the customs duties applicable to temporary import of goods, unless they obtain reductions in the case of permanent import.

⁵⁰ Yannis Arvanitis (2014), "Natural Resources in Guinea-Bissau: Getting it right from the start". Viewed at: <https://www.afdb.org/fr/blogs/measuring-the-pulse-of-economic-transformation-in-west-africa/post/natural-resources-in-guinea-bissau-getting-it-right-from-the-start-13630>.

⁵¹ Logistics and Supply Chain Management. Viewed at: <http://gb.lscmltd.com/fr/zone-franche-lscm.html>.

⁵² Online information viewed at: <http://www.energy-pedia.com/news/guinea-bissau/new-158533>.

4.68. In 2015, Petroguin signed two contracts with the Nigerian petroleum company Portplus for the prospection and, potentially, exploration and development of offshore petroleum resources. The process for the granting of an exploration permit was underway in the Council of Ministers.⁵³

4.69. For the time being, Guinea-Bissau's hydrocarbon needs are covered entirely by imports. Information is not available on the organization of imports, storage of products, their marketing and the price structure and price-setting mechanism.

4.2.3 Electricity and water

4.70. Under the Ministry of Energy and Industry, the National Electricity and Water Company (*Empresa da Electricidade e Águas da Guiné-Bissau* (EAGB)) has a monopoly in the transmission and distribution of electricity. The sector is open to self-production and independent producers, who must, however, sell their production or surpluses to EAGB.

4.71. Electricity production is low and the supply is virtually confined to the capital Bissau. Total installed capacity for electricity is 15 megawatts (MW), but given the decrepit infrastructure (with very high loss rates) actual capacity is only 8 MW for estimated needs of 30 MW for the city of Bissau; only 5 MW are possibly available 24 hours a day owing to lack of network maintenance and EAGB's financial inability to procure the necessary fuel. A private company, AGREKO, supplies EAGB with the electricity for Bissau. Electricity pilfering and non-payment of bills are also problems.⁵⁴ Some localities are partially supplied by private producers.

4.72. The restoration of a minimum electricity service is included among the Government's immediate priorities under the DENARP II for the period 2014-2018. The financing of a 15 MW power station by the West African Development Bank (BOAD) in 2017 is planned, as well as a project under the Gambia River Basin Development Organization (OMVG), with AfDB participation.⁵⁵ The OMVG aims at better integration of member States through the interconnection of their electricity grids and development of the resources of their basins. In this framework, in 2015 Guinea-Bissau obtained a subsidy of US\$78 million from the World Bank for the establishment of a 218 km electricity transmission line linking it to the Kaléta dam, as well as two transformer stations in the strategic distribution sites of Saltinho and Bambadinca, for an estimated total cost of US\$109 million. This project should enable Guinea-Bissau to cover 40% of its energy needs and save the roughly US\$22 million used each year to purchase diesel and diesel products.⁵⁶

4.73. Thanks to the better operation of EAGB, as a result of World Bank technical assistance and an emergency programme including the purchase of fuel for the existing power station, it was possible to extend water and electricity supply by 39.2% in 2014 and 15% in 2015. As a result of structural investments (such as the OMVG interconnection) and support from partners to ensure production, the situation should continue to improve in 2017.⁵⁷ In the longer term the installation of pre-payment meters is planned.⁵⁸ Tariffs are set by the EAGB and the Ministry of Finance and submitted to the Council of Ministers for approval.

4.74. With respect to water, EAGB has 11 boreholes with an average production of 19,000 m³/day and seven reservoirs with a total storage capacity of 1,520 m³. EAGB's total distribution network amounts to 230 km, (of which 72.5 km of asbestos cement pipes and 157.5 km of PVC pipes).

⁵³ *Guinée-Bissau : Portplus et Petroguin signent pour l'exploration sur deux blocs au large*, 25 November 2015. Viewed at: <http://www.agenceecofin.com/exploration/2511-34092-guinee-bissau-portplus-et-petroguin-signent-pour-l-exploration-sur-deux-blocs-au-large>.

⁵⁴ African Development Bank (2015), *Guinea-Bissau – Country strategy paper 2015-2019*, ORWA/SNFO. Viewed at: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Guin%c3%a9e-Bissau_Document_de_strat%c3%a9gie_pays_2015-2019.pdf.

⁵⁵ Online information viewed at: <http://www.omvg.org/index.php/widgetkit>.

⁵⁶ *La Banque mondiale octroie 78 millions de dollars EU au réseau électrique de la Guinée-Bissau*, 23 March 2015. Viewed at: <http://www.agenceecofin.com/hydroelectricite/2303-27546-la-banque-mondiale-octroie-78-millions-au-reseau-electrique-de-la-guinee-bissau>.

⁵⁷ AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>.

⁵⁸ African Development Bank (2015), *Guinea-Bissau – Country strategy paper 2015-2019*, ORWA/SNFO. Viewed at: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Guin%c3%a9e-Bissau_Document_de_strat%c3%a9gie_pays_2015-2019.pdf.

Owing to the dilapidated state of the infrastructure, the efficiency ratio of the water distribution network is extremely low (around 50%). It could be significantly improved rapidly by repairing the biggest leaks, but EAGB is currently unable to supply the materials and equipment required for the repairs.

4.3 Manufacturing

4.75. Industrial activity is virtually non-existent in Guinea-Bissau, apart from a small-scale agro-industry essentially concerned with cashew nut processing. According to the World Bank *Doing business* 2017 report, the main difficulties faced by investors in Guinea-Bissau in 2016 were linked in particular to high transport costs, solvency problems, and the lack of skilled manpower. Credit to the private sector also remains below what it should be, bearing in mind the country's fundamentals and the inadequate access to financial services.⁵⁹ Accordingly, despite a slight improvement the business environment is one of the worst in the world (section 2.4).

4.76. The Strategic and Operational Plan 2015-2020 provides for the establishment of a legal framework providing incentives for the private sector, in particular through the creation of integrated industrial platforms, including a multisectoral special economic zone (ZES) in Bissau by 2025. The ZES should house industrial and agro-industrial activities (processing of cashew nuts and fisheries products) and offer, in addition to administrative incentives and traditional fiscal advantages, a comprehensive package of infrastructure and services (buildings, energy, water, transport, high-speed internet, etc.).

4.77. The 2016-2018 work plan of the Directorate-General of Industry provides for the preparation of an industrial sector policy paper, new legislation and a number of initiatives aimed at promoting industrial development in all regions of the country.

4.78. In addition to the community commercial measures, including protection (section 3), Guinea-Bissau offers the possibility of obtaining State-subsidized land in industrial parks that have already been identified and exemption from duties and charges on imports of raw material and equipment. Moreover, advantages are granted under agreements signed by the State with investors, or under some projects included among the priorities of the national strategic plan.

4.4 Services

4.79. In 2015, the tertiary sector's share of GDP amounted to some 38%, the main activity being wholesale and retail commerce, restaurants and hotels; the banking, insurance and real estate subsector accounted for only 3.7% of GDP.

4.4.1 Financial services

4.80. The regimes for financial services have been harmonized under WAEMU in the case of bank and micro-finance services, under the Inter-African Conference on Insurance Markets (CIMA), as Guinea-Bissau belongs to these two institutions. Some elements have also been harmonized under the regimes governing other services (common report, section 4.4.4).

4.81. Guinea-Bissau has three insurance companies, all private (NSIA, GUINÉ BIS, ALLIANCE), a semi-independent public pension fund (the National Social Security Institute), and one broker. In addition to the compulsory motor-vehicle civil liability insurance required under the CIMA Code, Guinea-Bissau has also imposed mandatory insurance for goods imports and for public works. The mandatory insurance premiums are set by the State; the premiums for other types of insurance are set by the companies, but must be above a fixed minimum threshold. The fees on insurance services vary by type of product (type of insurance); for example, they amounted to 7% for motor vehicles and 5% for imported goods.

4.82. Banks play a small part in financing the economy⁶⁰ owing to the its highly informal character, the weakness of the private sector, difficulties in the realization of collateral, and the

⁵⁹ AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>.

⁶⁰ Idem.

fragility of debt-collection institutions. The bank penetration rate was about 1% in 2015.⁶¹ Most lending to the economy is short term and concentrated in the cashew nut industry, which is a constraint on performance but keeps banks' profit margins high in Guinea-Bissau.

4.83. Guinea-Bissau's banking system is confined to five banks⁶², including the Banque Atlantique established at the end of 2016, and 18 decentralized financial institutions (SFDs) registered with the BCEAO (of which 6 were active and 12 inactive at the end of September 2015). In March 2016, Guinea-Bissau had 30 bank counters compared with 22 in March 2015. The number of bank account holders also increased, to 97,689 at the end of March 2016, compared with 78,685 at end March 2015, an increase of 24.5%.⁶³ A salient aspect of the Guinea-Bissau banking system during the period under review is the rise in debt in arrears as from 2014, and the disputes arising from the solutions put forward by the State (section 1.2).

4.84. Microfinance activities remain undeveloped and the institutions (concentrated in Bissau, with a few establishments in the rest of the country) are all private sector, in the form of savings and loans cooperatives. None of the SFDs has the form of a limited company (SA) or limited liability company (SARL). Two applications for approval have been made to set up SFDs in the form of limited companies: one request for approval is awaiting the opinion of the Central Bank of West African States (BCEAO) and the second is being studied. The SFDs are grouped in the Professional Association of Decentralized Financial Systems of Guinea-Bissau (AP-SFD GB).⁶⁴

4.85. Microfinance establishments offer limited financial services to low-income households. In 2015, outstanding credit amounted to CFAF 84.2 million, deposit-taking amounted to CFAF 173.3 million, and delinquent loans and losses on loans amounted to CFAF 47 million and CFAF 30 million respectively.⁶⁵ In order to improve microfinance performance, in 2014 the Government adopted a master plan for the professionalization of microfinance based on the community rules, but the plan has not yet been implemented.⁶⁶

4.4.2 Telecommunications

4.86. Telecommunication services have posted remarkable growth in recent years thanks to the opening up of the sector to several operators and the adoption of a number of legislative texts. The Framework Law of 2010 and its four implementing decrees govern *inter alia* interconnection and network access, and the supply of information and communication services and networks. The institution regulating this sector is still the National Regulatory Agency (*Autoridade Reguladora Nacional das Tecnologias de Informação e Comunicação* (ARN)).⁶⁷

4.87. The Ministry responsible for communications formulates national policy in this field. The ARN defines with the Government the national strategies for promoting the development of telecommunication services; it regulates them, studies licence applications and advises the Government in this area, while ensuring effective competition in the subsector. The ARN approves the tariffs for wholesale services and interconnection services negotiated among operators.⁶⁸ For domestic calls, the private operators set tariffs for prices of telephone services and submit them to the ARN for approval. For international calls, tariffs are subject to the rules of the International Telecommunication Union (ITU). In 2015, the ARN began a public consultation concerning draft regulations on radio communications charges;⁶⁹ the regulations have not yet been adopted.

⁶¹ African Development Bank (2015), Guinea-Bissau – Country strategy paper 2015-2019, ORWA/SNFO. Viewed at: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Guin%c3%a9e-Bissau_Document_de_strat%c3%a9gie_pays_2015-2019.pdf.

⁶² Banco da União (BDU-SA), Ecobank-GB, Banco da Africa Ocidental (BAO-SA), Orabank (which has replaced the Regional Solidarity Bank (BRS)).

⁶³ BCEAO (2016), *Évaluation du système bancaire: bancarisation, emplois, ressources et conditions des banques*, Direction nationale pour la Guinée-Bissau.

⁶⁴ In accordance with the Law regulating SFDs, adopted on 6 April 2007 by the Council of Ministers of the Union.

⁶⁵ AfDB, OECD, UNDP (2016), *African Economic Outlook 2016: Sustainable Cities and Structural Transformation*, OECD Publications, Paris. Viewed at: <http://dx.doi.org/10.1787/aeo-2016-fr>.

⁶⁶ Idem.

⁶⁷ The tariffs applied by the various operators are available on the ARN website at: www.arn.gw.

⁶⁸ ARN website: www.arn.gw.

⁶⁹ The text of this project was viewed on the following site: <http://arn.gw/consulta-publica>.

4.88. In accordance with the existing provisions, operators must be established on the national territory (or have duly established representatives there) in order to obtain from ARN the individual licences lasting ten years (with possibility of renewal) for: network operation; supply of telecommunication service; utilization of the public domain resources (in particular radio frequencies and numbers). The public specifications are prepared by the ARN in consultation with operators and then submitted to the Government for approval. The assigning of rights to use resources such as frequencies, numbering and domain names and addresses, is subject to the payment of fees set by the Council of Ministers on the proposal of the Ministry responsible for telecommunications, depending on the costs associated with the administrative tariffs and on the basis of the Law of 2010.

4.89. A Decree on the construction and exploitation of submarine cable systems and terminals and related installations was adopted in October 2012.⁷⁰ Guinea-Bissau has still not been able to link up, as it had hoped, to the Africa Coast to Europe (ACE) fibre-optic submarine cable project, 12,000 km of which came into service at the end of 2012.⁷¹ In 2013, a technical viability study was carried out for the installation of submarine cables in Guinea-Bissau. Following approval of the project by the World Bank, the Government approved the creation of a public-private sector consortium to manage the ACE project with a 25.5% participation for each of the two operators, Orange and MTN, and 49% for the State.

4.90. A decree of July 2013 authorizes national and foreign enterprises to register domains for periods of one to ten consecutive years; in return they undertake to establish their activities in the national territory definitively within a period of 12 months. The names of subdomains may be registered by the providers of services that hold authorizations granted by the ARN.

4.91. The companies that have a licence for the mobile network are MTN Guinea-Bissau (previously Spacotel Guinea-Bissau), whose licence was renewed in June 2014; Orange Bissau, whose licence was renewed in January 2017; and Guiné Telecom Fixa, which has had a lease contract for the fixed-line network since 2004. Guinétel – GTM's licence expired in 2013 and has not been renewed. The licences of Orange Bissau and MTN were renewed, with a new licence to exploit the 3G and 4G service. The privatization of the historic operator Guiné Telecom (*Companhia de Telecomunicações da Guiné-Bissau*) and its mobile subsidiary, Guinetel, which are both bankrupt and held in a proportion of 40% by the State and 60% by the APGB – Guinea-Bissau Ports Administration – has still not taken place. The State is considering buying the APGB's 60% holding so as to become the sole shareholder. The Government has obtained financing from the World Bank for the restructuring of Guiné Telecom.

4.92. Despite its monopoly on the fixed-line network, Guiné Telecom has steadily lost clients with the development of mobile telephony since 2000, above all owing to the very poor state of the infrastructure.⁷² According to the authorities, it takes about a month and CFAF 30,000 to obtain a fixed telephone line from Guiné Telecom. At the end of December 2012, the number of subscribers to the fixed telephone network was 3,860, far below the nominal installed capacity in terms of subscribers and lower than in 2011 (4,775).

4.93. Subscribers have switched to mobile telephony whose share has grown steadily (with a penetration rate of 83.24% in 2016) and in particular the two main competing operators: the South African company MTN and the Franco-Senegalese company Orange Bissau. In 2016, Orange Bissau and MTN shared the market of 1,285 million subscribers almost equally, with 46.69% and 53.31% of the market, respectively. In 2015, these two companies made annual investments of CFAF 11.5 billion for MTN and CFAF 5.9 billion for Orange Bissau.

4.94. There has been an open market for Internet access since 2015. The current providers are: Guiné Telecom, Orange Bissau, MTN, and Net Sem Fios (since 2015); the licence of Equitel

⁷⁰ Decree No. 8/2012. Viewed at: <http://arn.gw/activeapp/wp-content/uploads/2015/03/BOLETIM-sup-nº43.pdf>.

⁷¹ "France Télécom Orange annonce la mise en service du câble sous-marin ACE pour les 13 premiers pays", 19 December 2012. Viewed at: https://www.ace-submarinecable.com/ace/media/ace_fr/UPL389171684192165237_CP_Orange_ACE_FR_191212.pdf.

⁷² "Africa: Guinea-Bissau seeks to privatise Guiné Telecom", The Economist Intelligence Unit, 22 November 2013. Viewed at: <http://www.eiu.com/industry/article/61266790/africa-guinea-bissau-seeks-to-privatise-guine-telecom/2014-01-16>.

Comunicações was not renewed. Operators already active do not need to have a prior authorization for GSM (mobile) to provide Internet access; only new operators must apply to the ARN for authorization. The number of Internet subscribers was 886 at end-2015: 165 for a speed over 256 kbps and the remaining 721 for a speed of between 128 and 256 kbps. The high-speed wireless supplier, Net Sem Fios, a consortium consisting of the Portuguese firms Elmafe and Wifi Antena, began wireless Internet services in Bissau in April 2015. This supplier has apparently expanded from an initial coverage of 30% to a full coverage of all Bissau at the beginning of 2016, and is preparing to expand its services to the rest of the country.⁷³ After having launched high-speed Internet in 2009, Orange Bissau put its 4G LTE network into service in December 2015, initially only in Bissau before extending it to other more distant localities. This operation was facilitated by the purchase of a joint 3G/4G licence for CFAF 2 billion (about US\$3.33 million), making Orange Bissau the first subsidiary of Sonatel (of Senegal) to inaugurate the commercial offer of 4G.⁷⁴

4.95. A decree of 2011 created a Universal Access Fund for telecommunication services in order to promote the development of rural telephony. The Fund is financed by the operators MTN and Orange Bissau who pay in 1% of their turnover.⁷⁵ The ARN contributes a third of the profits from its operations to the Fund. The management committee of the Fund consists of a representative of the Ministry responsible for telecommunications, representatives of the private operators, a representative of the Fund's Executive Secretariat and the President of the ARN. The function of the committee is to approve the financing of projects submitted to the Fund. The independent Executive Secretariat is responsible for management of the Fund. The Fund's resources have made it possible to finance cybercafés in Bissau and the regions.

4.96. Information on the regulations governing the provision of postal services are not available.

4.4.3 Transport services

4.4.3.1 Land transport

4.97. Road transport remains the main means of access to most of the towns and rural communities in Guinea-Bissau and accounts for 60% of the traffic of persons and goods.

4.98. The road network is still not dense (12.3 km of roads per 100 km²), almost entirely situated on the continental part of the country, of which only 28% are paved. The main road network is very deteriorated, as are the secondary and rural networks, owing to lack of maintenance and frequent overloading of axles. This dilapidation is particularly noticeable in the South of the country, where access is difficult during the rainy season, which complicates the movement of agricultural products in the high production areas to the consumption and export areas (in particular Bissau).

4.99. The DENARP II Plan provides for the improvement of access to the country's production areas through the rehabilitation of rural roads (in the southern regions as a matter of priority); maintenance and/or construction of roads and crossing infrastructure; and ongoing efforts relating to interconnection with Senegal (Farim-Tanaff axis) and Guinea (Conakry) (Boké-Québo route), as these regional interconnections, like the secondary road network, are a bottleneck for the agricultural sector.⁷⁶

⁷³ Agência de Notícias da Guiné, "Guiné-Bissau – Empresa "Net sem Fios" já cobre toda a capital domingo", Baía da Lusofonia, 3 January 2016. Viewed at: <http://baiadalusofonia.blogspot.ch/2016/01/guine-bissau-empresa-net-sem-fios-ja.html>.

⁷⁴ "Orange switches on LTE network in Guinea-Bissau", Telegeography, 4 January 2016. Viewed at: <https://www.telegeography.com/products/commsupdate/articles/2016/01/04/orange-switches-on-lte-network-in-guinea-bissau>.

⁷⁵ Decree No. 17/2011 of 25 February 2011 transposing the provisions in the ECOWAS Supplementary Act A/SA 6/01/07 on Universal Access/Service, and WAEMU Directive No. 04/2006/CM/UEMOA relating to universal service.

⁷⁶ African Development Bank (2015), Guinea-Bissau – Country strategy paper 2015-2019, ORWA/SNFO. Viewed at: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Project-and-Operations/Guin%c3%a9e-Bissau_Document_de_strat%c3%a9qie_pays_2015-2019.pdf.

4.100. Licences for the provision of road transport services are issued by the Directorate-General of Transport to foreigners and nationals who have formed companies for the purpose. According to the authorities, cabotage by foreign transporters is not banned.

4.4.3.2 Maritime and river transport and port services

4.101. Guinea-Bissau does not have an international transport fleet flying the national flag. In order to operate services between Guinea-Bissau and other countries, it is necessary to form a Guinea-Bissau enterprise or have a representative office on Guinea-Bissau territory. Four shipping companies provide such services: Maersk line, Port line, Agemar and Transmar. However, cabotage by foreign fleets is not allowed. Antaser Afrique BVBA is responsible for issuing Cargo Tracking Notes (CTNs) under the supervision of the National Shippers Council, against payment (section 3.1.1).

4.102. Guinea-Bissau has ten ports (one at Bissau and nine in other regions), but does not yet have a deep-water port; the construction of one at Buba is at the project stage. The port of Bissau is of strategic economic importance, in particular for cashew nut export operations. It is the country's only port that offers all the necessary operating conditions, and handles 85% of exports and 90% of imports. However, it is inefficient and provides limited services; it has supply problems for water, fuel, electricity, and suffers from burdensome administrative red tape.⁷⁷

4.103. The port was originally scaled for 5,000 containers per year, and exceeds its annual capacity by 300%; its facilities are old and over-used, which in practice necessarily leads to long waiting times. Access to the port is also hindered by the lack of maintenance, dredging of channels and adequate tools. In addition, port operation costs at Bissau are among the highest in the subregion. The West African Development Bank has approved a loan of CFAF 8 billion for the Guinea-Bissau Ports Administration in June 2012, in particular to cover the costs of dredging the port access channel and basin, which must be done before it is put out to concession. The loan should also allow the rehabilitation of structures and upgrading of the equipment so as to improve the quality of port services, increase port traffic and container storage capacity, and reduce ship stays from five to two days.⁷⁸

4.104. The port of Bissau is still managed by the APGB, a State company under the Ministry responsible for transport, which has legal, administrative and financial autonomy. A new decree-law of 2011 was to have transformed the APGP into a service provider with a view to its services being put out to concession.⁷⁹ Following a decision of the Council of Ministers, an international public competition was opened in July 2015 in order to establish a public/private partnership with the APGB for the management of the commercial port of Bissau.

4.105. Port services are provided by the APGB. Various levies and charges are applied for, *inter alia*, mooring, berthing, port use (according to the goods), storage of goods and containers, docking and undocking, loading and unloading of sacks, and use of equipment. They are fixed by the APGB and approved by the Ministry.

4.106. According to the authorities, the International Ship and Port Facility Security Code (ISPS), adopted by the International Maritime Organization to improve the security of ships and port facilities to prevent their use for terrorism purposes, is applied by Guinea-Bissau.

4.107. With respect to river transport, a Spanish private company (Consulmar) has two boats that provide inter-island services between Bissau/Bolama/Bubaque; a national enterprise (Sotramar) has three boats but currently only two are operational, and provide a service between Bissau/Bolama/Bubaque.

4.4.3.3 Air transport

4.108. Bissau has the country's main transport infrastructures, and in particular the only international airport (Osvaldo Vieira). In other regions, the aerodromes of Gabú, Cufaro, and the

⁷⁷ *Plano Estratégico de Desenvolvimento das Pescas da Guiné-Bissau (2015–2020)*.

⁷⁸ BOAD, Press release. Viewed at: http://www.boad.org/sites/default/files/cpbissau120712_1.pdf.

⁷⁹ A Port Maritime Institute, under the State Secretariat for Transport and Communications, was set up in 2011.

airstrips of Bolama, Cacine and Varela are in a poor state and not commercially exploitable. Only the airport of Bubaque is commercially exploited for domestic flights. The country does not have a national airline.

4.109. The Civil Aviation Agency of Guinea-Bissau (AAC-GB), which is financially independent under the Ministry responsible for transport, has since 2005 been the Government body responsible for the sector.⁸⁰ The AAC-GB issues authorizations to operate air transport services. Operation of the airport has been entrusted to the Agency for Aerial Navigation Safety in Africa (ASECNA) since December 2011.

4.110. Guinea-Bissau applies the WAEMU provisions and those in the Yamoussoukro Declaration on air transport (common report, section 4.4.2.1). Air transport services have been the subject of a number of bilateral agreements, essentially dealing with third and fourth freedom of rights. Ground services at Bissau airport (passengers and freight) are provided solely by a State-owned company, the SAA (*Serviço de Assistência Aeroportuária*), which sets its rates following approval by the AAC.

4.111. A revision of the Guinea-Bissau Air Code has been drafted in order to update the legislation which dates from 1985.⁸¹ The draft code was drawn up in 2015 and is awaiting adoption by Parliament. The AAC prepared a first edition of the Guinea-Bissau technical air navigation regulations in April 2016.⁸² The traffic rights of companies not party to the Yamoussoukro agreement are granted on the basis of agreements between the airline's headquarters country and Guinea-Bissau. The "Terra Ranka" Plan envisages upgrading the airport infrastructure, in particular the modernization of Bubaque and Bissau airports (including standardization of the air navigation system) in order to meet international standards. In 2015, Orabank bank financed rehabilitation works for the aircraft parking area at Osvaldo Vieira international airport of Bissau.

4.112. Since September 2013, the Togolese airline Asky Airlines has operated a service to Bissau, in addition to the existing Royal Air Maroc flight from Casablanca; Transair flight from Dakar; TACV flight from Praia in Cape Verde and Dakar; and since 1 December 2016, TAP Portugal from Lisbon, after an interruption of three years for security reasons.

4.4.3.4 Tourism

4.113. Guinea-Bissau has great tourism potential, centred on the Bijagós archipelago and its 88 islands, and network of national parks covering 23.7% of the country's territory.⁸³ It has 16 hotels, five of which are two star, two are three star, two four star, and the rest unclassified.⁸⁴ The number of tourist entries to Guinea-Bissau has risen steadily since the previous PPR, rising from 22,300 in 2010 to 45,199 in 2016 according to official statistics. Data on distribution of tourists by origin are not available.

4.114. The tourism subsector is one of the five priority growth sources identified by the Government in its "Terra Ranka" Plan. The Plan envisages: a numerus clausus of 25,000 tourists in 2020 and 40,000 in 2025 in order to promote the country's positioning as an upmarket destination; the creation of 15 tourist zones, including a special tourist zone in the Bolama-Bijagós archipelago; and the development of intra- and inter-island transport (currently provided by a few boats) in partnership with the hotel resorts.⁸⁵ However, the legal texts for tourism establishments

⁸⁰ Decree No. 3-A/2005 creating the Civil Aviation Agency of Guinea-Bissau. This decree transports the provisions in Directive No. 1/2004/CMUEMOA (common report, section 4.4.2.1).

⁸¹ This revision was viewed on the AAC-GB website at: http://www.aacgb.gw/wp-content/themes/aac-gb/docs/Proposta_de_revisao_do_Codigo_Aereo_da_Guine-Bissau.pdf.

⁸² Online information viewed at: http://www.icao.int/safety/scan/PlansOfAction/Bissau_%20plan%20daction%20Revised%2018-02-13_RD_Final%20_26%20February%202013.pdf#search=Guin%C3%A9%20Bissau.

⁸³ *Fiche technique Guinée-Bissau*, Joana Benzinho, Marta Rosa, December 2015. Viewed at: http://eeas.europa.eu/archives/delegations/quinea_bissau/documents/press_corner/20160215_guide_quinee-bissau_union_europeenne_afectos_fr.pdf.

⁸⁴ *Plano Director de Turismo e Zonamento Turístico*.

⁸⁵ The Internet site created for this purpose is: www.discoverbijagos.org.

and the creation of a fund for the promotion of the subsector still date from 1989 and 1992.⁸⁶ The Tourism Law has been revised but is awaiting adoption by Parliament.

4.115. The conditions for investment in tourism are governed by the 2011 Investment Code (section 2). A Tourism Fund has been established for the promotion and coordination of public and private initiatives directly relating to tourism. Its finances stem in particular from the taxes relating to the issue of titles for hotel establishments, and taxes on tourism activities. In 2013, a draft law revising the regulations of the Tourism Fund was prepared by the State Secretariat for the Environment and Tourism. It has not yet been adopted. In 2014 the Government had planned an audit of the Tourism Fund, which was not carried out. The tourist tax is included in the prices of hotel, restaurant and other tourist and other tourist establishment services. The rates are: 3% of turnover for bars, "maquis" and popular restaurants; 6% in the case of restaurants, grills and discotheques; and 8% of turnover for hotels. The proceeds of the tourism tax go to the Tourism Fund. Nevertheless, operators may choose a flat-rate regime based on an annual estimate. A charge of CFAF 1,000 per night is also levied.

⁸⁶ Decrees Nos 33/89 of 27 December 1989; 62-C/92 of December 1992; and 62-D/92 of 30 December 1992.

5 APPENDIX TABLES

Table A1.1 Structure of imports, 2011-2015

	2011	2012	2013	2014	2015
World (US\$ million)	325.4	309.7	322.7	412.5	293.6
World (€ million)	234.1	241.0	243.0	310.9	264.8
	(Percentage share)				
Total primary products	51.7	50.7	59.1	62.4	51.0
Agriculture	38.3	32.5	40.2	32.5	36.1
Food	36.9	30.7	38.9	31.7	35.3
0423 - Rice, semi-milled or wholly milled, whether or not polished, glazed, parboiled or converted	12.2	9.6	7.8	5.6	7.8
0989 - Food preparations, n.e.s.	1.8	1.9	5.4	3.3	4.8
0985 - Soups and broths and preparations therefor	0.6	1.3	1.8	2.8	3.5
4222 - Palm oil and its fractions	1.3	1.7	2.8	1.6	3.3
Agricultural raw materials	1.4	1.9	1.3	0.8	0.8
Mining	13.5	18.1	18.9	29.9	14.9
Ores and other minerals	0.1	0.3	0.1	0.1	0.1
Non-ferrous metals	0.2	0.0	0.1	0.2	0.5
Fuels	13.2	17.8	18.7	29.7	14.4
Manufactures	47.0	48.3	40.3	37.0	48.2
Iron and steel	7.6	10.9	6.4	5.0	4.9
Chemicals	6.4	5.6	7.3	6.3	10.4
5751 - Polymers of propylene or of other olefins	0.3	0.3	0.5	0.2	2.9
Other semi-manufactures	9.0	8.2	8.2	6.8	11.0
6612 - Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements, whether or not coloured	4.0	3.6	3.8	2.2	2.7
6911 - Structures and parts of structures	0.6	0.6	1.0	1.0	2.1
Machinery and transport equipment	17.2	17.6	12.6	11.7	14.5
Power-generating machinery	2.4	1.8	0.7	0.8	0.5
Other non-electrical machinery	4.0	5.5	3.7	3.0	3.3
Agricultural machinery and tractors	0.3	0.4	0.2	0.4	0.6
Office machines and telecommunications equipment	4.2	2.9	2.5	3.0	4.0
Other electrical machinery	2.0	2.8	1.7	2.0	2.5
Automotive products	3.8	3.6	2.9	2.3	3.6
Other transport equipment	0.9	1.0	1.1	0.6	0.6
Textiles	1.8	1.5	0.6	1.3	1.6
Articles of apparel and clothing accessories	0.4	0.6	0.3	0.5	0.5
Other consumer goods	4.6	4.0	5.0	5.3	5.3
Other	1.2	1.0	0.7	0.6	0.8

Source: WTO Secretariat calculations based on mirror data from Comtrade, UNSD (SITC Rev.3).

Table A1.2 Structure of exports, 2011-2015

	2011	2012	2013	2014	2015
World (US\$ million)	385.4	180.9	303.4	265.2	285.2
World (€ million)	277.2	140.8	228.5	199.9	257.2
	(Percentage share)				
Total primary products	97.8	96.8	97.5	98.3	98.3
Agriculture	78.0	95.1	94.6	97.7	98.0
Food	75.3	87.1	90.7	78.6	91.8
0577 - Edible nuts, fresh or dried	69.2	82.8	65.2	71.3	82.2
0342 - Fish, frozen	2.8	3.5	22.9	6.5	7.7
Agricultural raw materials	2.7	8.0	3.9	19.1	6.2
2475 - Wood of non-coniferous species, in the rough or roughly squared, but not treated with paint	1.1	3.4	3.3	18.8	6.2
Mining	19.8	1.7	2.9	0.6	0.2
Ores and other minerals	6.4	1.3	2.9	0.6	0.2
Non-ferrous metals	0.0	0.0	0.0	0.0	0.0
Fuels	13.3	0.4	0.0	0.0	0.0
Manufactures	2.2	0.8	1.2	1.6	0.3
Iron and steel	0.0	0.0	0.0	0.0	0.0
Chemicals	1.4	0.2	0.0	1.2	0.0
Other semi-manufactures	0.2	0.1	0.0	0.1	0.0
Machinery and transport equipment	0.5	0.4	0.1	0.2	0.2
Power-generating machinery	0.0	0.0	0.0	0.0	0.0
Other non-electrical machinery	0.3	0.2	0.0	0.0	0.0
Office machines and telecommunications equipment	0.0	0.0	0.0	0.0	0.0
Other electrical machinery	0.1	0.1	0.0	0.1	0.1
Automotive products	0.0	0.0	0.0	0.0	0.1
Other transport equipment	0.0	0.0	0.0	0.0	0.0
Textiles	0.0	0.0	0.0	0.0	0.0
Articles of apparel and clothing accessories	0.0	0.0	0.0	0.0	0.0
Other consumer goods	0.1	0.1	1.0	0.0	0.0
Other	0.0	2.4	1.3	0.1	1.5
9710 - Gold, non-monetary (excluding gold ores and concentrates)	0.0	2.3	0.0	0.0	1.4

Source: WTO Secretariat calculations based on mirror data from Comtrade, UNSD (SITC Rev.3).

Table A1.3 Origin of imports, 2011-2015

	2011	2012	2013	2014	2015
World (US\$ million)	325.4	309.7	322.7	412.5	293.6
World (€ million)	234.1	241.0	243.0	310.9	264.8
	(Percentage share)				
America	7.7	8.9	3.9	2.1	2.4
United States	3.6	6.8	2.1	0.7	0.7
Other America	4.0	2.1	1.8	1.4	1.7
Brazil	2.7	0.9	1.5	0.6	1.0
Europe	45.6	44.6	44.2	53.3	46.0
EU-28	44.4	43.1	42.1	51.7	44.1
Portugal	27.5	29.7	28.7	20.9	27.8
Spain	2.8	2.6	3.8	4.3	5.6
Netherlands	3.4	2.8	3.2	2.3	3.2
France	3.0	2.6	2.3	3.0	2.5
Belgium	1.8	1.9	1.0	2.1	1.1
Germany	2.1	0.6	0.7	0.8	1.0
Sweden	1.0	0.5	0.3	0.3	0.9
Poland	0.9	0.4	0.7	0.8	0.8
EFTA	0.4	0.8	0.5	0.1	0.1
Other Europe	0.8	0.7	1.7	1.5	1.8
Turkey	0.8	0.7	1.7	1.5	1.8
Commonwealth of Independent States (CIS)	0.1	0.0	0.0	0.0	0.0
Africa	27.9	29.0	32.6	26.2	25.2
Senegal	19.6	22.5	28.3	21.9	22.9
Morocco	2.0	1.6	1.4	1.1	0.9
Middle East	2.4	2.2	2.8	2.9	5.5
Saudi Arabia, Kingdom of	0.6	0.4	0.5	0.6	3.5
United Arab Emirates	1.6	1.5	2.0	2.0	1.7
Asia	16.4	15.3	16.5	15.4	21.0
China	4.6	5.1	3.7	4.2	6.6
Japan	0.3	0.1	0.0	0.6	0.1
Other Asia	11.6	10.1	12.8	10.6	14.3
Pakistan	2.9	3.2	1.5	2.7	4.4
India	2.2	3.6	5.2	4.3	3.9
Malaysia	1.4	0.7	1.5	1.2	1.5
Indonesia	0.4	0.6	1.5	1.2	1.4
Thailand	1.1	0.3	0.1	0.3	1.3
Viet Nam	2.3	1.3	2.6	0.5	0.8
Memorandum:					
WAEMU	19.9	23.0	28.4	22.1	23.8
ECOWAS ^a	23.8	26.6	30.1	24.2	23.9

a Including WAEMU member States.

Source: WTO Secretariat calculations based on mirror data from Comtrade, UNSD (SITC Rev.3).

Table A1.4 Destination of exports, 2011-2015

	2011	2012	2013	2014	2015
World (US\$ million)	385.4	180.9	303.4	265.2	285.2
World (€ million)	277.2	140.8	228.5	199.9	257.2
	(Percentage share)				
America	3.3	2.8	1.1	0.2	0.2
United States	0.1	0.0	1.1	0.0	0.0
Other America	3.3	2.7	0.0	0.2	0.2
Brazil	3.2	2.7	0.0	0.0	0.2
Europe	1.6	6.9	0.7	1.9	1.4
EU-28	1.6	4.2	0.7	1.7	0.8
Italy	0.0	0.1	0.0	0.0	0.4
Netherlands	0.0	0.0	0.0	1.2	0.2
Portugal	0.1	0.0	0.1	0.1	0.1
Spain	1.1	3.2	0.4	0.0	0.1
France	0.0	0.7	0.0	0.2	0.0
EFTA	0.0	2.4	0.0	0.0	0.0
Other Europe	0.0	0.3	0.0	0.2	0.6
Turkey	0.0	0.3	0.0	0.2	0.5
Commonwealth of Independent States (CIS)	0.0	0.0	0.1	0.0	0.0
Africa	3.1	3.7	26.7	6.5	8.1
Togo	2.4	3.1	5.0	5.1	4.9
Côte d'Ivoire	0.4	0.3	1.7	0.0	1.0
Angola	0.0	0.1	0.1	0.0	1.0
Benin	0.0	0.0	0.6	0.2	0.6
Cameroon	0.0	0.0	2.0	0.9	0.6
Senegal	0.0	0.0	0.0	0.0	0.0
Cabo Verde	0.1	0.1	0.0	0.0	0.0
Middle East	0.1	0.1	0.0	0.2	1.8
United Arab Emirates	0.0	0.0	0.0	0.0	1.4
Jordan	0.0	0.0	0.0	0.0	0.3
Asia	91.9	86.5	71.4	91.1	88.6
China	1.1	3.7	5.5	18.8	6.2
Japan	0.0	0.0	0.0	0.2	0.2
Other Asia	90.8	82.8	65.9	72.1	82.1
India	77.3	68.5	45.0	60.6	70.6
Viet Nam	10.6	13.8	20.5	10.7	11.2
Singapore	0.0	0.0	0.0	0.0	0.3
Korea, Republic of	0.0	0.1	0.0	0.1	0.1
Memorandum:					
WAEMU	2.8	3.4	7.3	5.3	6.4
ECOWAS ^a	3.0	3.6	24.6	5.3	6.5

a Including WAEMU member States.

Source: WTO Secretariat calculations based on mirror data from Comtrade, UNSD (SITC Rev.3).