



The information contained in this sheet has been compiled by [Jaume Portell](#), a journalist specialized in economics and international relations, in an activity 85% co-financed by ERDF funds in the framework of the [AfricanTech](#) project (1/MAC/1/1.3/0088) within the INTERREG VI D MAC 2021-2027 initiative.

## **EQUATORIAL GUINEA**

### **Macroeconomic Overview:**

Equatorial Guinea's economy grew by 3.7% in 2022 thanks to rising oil prices, but this trend reversed completely in 2023 and 2024, when the country entered a recession. According to the *African Economic Outlook 2024*, the decline is due to the contraction of the oil sector caused by falling exports. The same report indicates that the development of the gas sector should stimulate the economy in 2025, returning to an annual growth rate of 2.7%.

The share of industrial employment has increased since 1991, rising from 10% to 19% of total employment; agricultural jobs have declined (from 55% to 40%), and the services sector has gained importance (from 35% to 41%). However, the report notes that the country's poverty index has not been published since 2006 (when it stood at 76% of the population). The main challenge for Equatorial Guinea's economy is achieving diversification beyond the hydrocarbons sector: hydrocarbons account for 42% of GDP, 95% of exports, and 90% of government revenue. Equatorial Guinea's GDP in 2023 was 12.34 billion USD, a lower level than in 2012 (22.39 billion USD), when oil prices exceeded 100 USD per barrel on the international market.

### **Debt and Currency:**

Equatorial Guinea has an external debt amounting to around 40% of its GDP, with most of it denominated in local currency. Although the debt stock is not very high, the burden of debt service on exports (8% in 2023) increases whenever the price or volume of oil sold abroad declines. For this reason, any drop in oil prices is bad news for Equatorial Guinea's economy. Its external debt is held by both official and private creditors.

Equatorial Guinea is one of fourteen African countries that use the CFA Franc, a currency pegged to the euro at a fixed exchange rate of 655 FCFA/euro.

**Imports and Exports:**

Since successful oil exploration in the 1990s, Equatorial Guinea has become one of Africa's crude oil producers, as reflected in its trade balance. The country exported goods worth 5.1 billion USD in 2023, with crude oil accounting for 49% of that amount. Gas made up nearly the rest (42%) of exports. Alcohol derivatives and wood are the remaining products in a basket almost entirely dominated by fossil fuels. The main export destinations were primarily in Asia and Europe. China (26.7%) was the top market, followed by the Netherlands (12.4%), Spain (10.5%), and Italy (7.24%). The United States (6%) and Chile (2.68%) were the main markets outside these two continents.

Merchandise imports in 2023 totaled 1 billion USD, significantly lower than exports. In 2023, the government announced the construction of a refinery, as Equatorial Guinea imports gasoline. Everything from machinery (valves, turbines, refrigerators, computers, air conditioners) to food (rice, wheat, chicken, beer) is imported. The two main trading partners in this area are China (20%) and Spain (16.5%), followed by the United States (10%) and Gabon (5.32%).

**Electricity:**

Equatorial Guinea multiplied its electricity generation sevenfold between 2010 and 2023. In 2010, it produced 0.22 TWh, with 82% of the energy mix coming from gas. Hydroelectricity ranked second (13.64%), and other fossil fuels made up the rest. In 2023, generation reached 1.57 TWh, and although gas remained dominant (68%), hydroelectricity gained ground (31%). The remainder of the mix came from other fossil fuels.

**Defense:**

Equatorial Guinea's annual defense spending was 162 million USD in 2023, according to SIPRI, a Swedish institute specializing in arms trade. Overall, the defense budget accounts for around 7.5% of government spending. The country's main supplier since 2000 has been Ukraine.

**Demographics:**

Equatorial Guinea has experienced significant population growth and rapid urbanization. In 1990, the country had 474,274 inhabitants, with 65.3% living in rural areas. By 2023, the population had grown to 1.8 million, with 74.4% residing in urban areas. Life expectancy has increased from 51 years in 1990 to 61 years in 2022. Half of the population is under 21.3 years old.

**Technological Innovation:**

Equatorial Guinea has increased its internet penetration rate elevenfold, rising from 6% in 2010 to nearly 67% in 2022. This percentage is almost double the continental average (around 34%). According to the *ICT Development Index 2023*, 63.3% of the country's inhabitants have a mobile phone.