

# 11. Country profile: Comoros



## 1. Development profile

The small nation of the Comoros has experienced no less than twenty coup attempts since it gained independence in 1975, and two of the four islands have unsuccessfully attempted to declare independence. The tropical islands have very few natural resources and they are vulnerable to extreme weather conditions such as cyclones and monsoons. There is a notable lack of transportation and basic infrastructure connecting the islands, which inhibits economic and social cooperation and central governance.<sup>1</sup>

The Comoros ranks higher than many Sub-Saharan African countries on the Human Development Index (139/182), but it still suffers from persistent development barriers. The country has contended with an economic recession since the mid-1980s, and the GDP growth rate is consistently below the rate of population growth.<sup>2</sup> Many of the nation's 600,000 citizens lack access to basic social services and 46.1 percent live below the poverty line. According to a 2005 *Poverty Reduction Strategy Paper* (PRSP), "three socio-economic groups account for nearly two-thirds of national poverty: farming households (30.2 percent), families of unprotected wage earners (15.8 percent), and households headed by a non-worker (19.6 percent)".<sup>3</sup>

With a child dependency ratio of 64.7, the Comorian population is young, indicating that the already under-resourced government will continue struggling to provide basic services and economic opportunities to its citizens. Even more worrisome is the fact that the combined dependency ratio of both children and senior citizens was estimated to be 198.5 percent in 2005, an enormous increase from 99 percent during the 1991 census.<sup>4</sup>

Recent battles with political instability and rising corruption have placed the island nation in an even more vulnerable position. Many families have had to rely on remittances for their livelihoods, which account for 2.6 percent of GDP.

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<sup>1</sup> CIA World Factbook. (2010, September.) *Comoros*. Retrieved from United States Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/cn.html>

<sup>2</sup> Government of the Union of the Comoros. (2005, October). *Poverty Reduction and Growth Strategy Paper*. Retrieved from World Bank: [http://siteresources.worldbank.org/INTPRS1/Resources/Comoros\\_IPRSP%28Oct2005%29.pdf](http://siteresources.worldbank.org/INTPRS1/Resources/Comoros_IPRSP%28Oct2005%29.pdf)

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<b>Socioeconomic indicators<sup>5</sup></b>	
Population (millions)	0.6
GNI per capita, PPP (current USD)	1,170
GDP (current USD) (billions)	0.5
GDP composition by sector 2005 (%)	Agriculture -46 Industry- 12 Services- n/a
GDP growth rate (%)	1.0
Percent below poverty line (%)	46.1
Inflation (%)	5.5
GINI index	64.3
Adult literacy rate (%)	75.1
Life expectancy (years)	65
Child dependency ratio	64.7
Elderly dependency ratio	5.2
HIV prevalence (%)	0.1
Overseas development aid per capita (current USD)	53
Net official development assistance (USD millions)	n/a
Remittances as % of GDP	n/a
2009 Human Development Index (HDI) ranking	139

## 2. Vulnerability analysis

### 2.1 External shocks

The Comoros is isolated from the global economy, so it has not been as negatively impacted by the financial crisis as other countries in the region have been.<sup>6</sup> Still, exports account for 12.8 percent of its GDP, so decreases in demand for its primary exports, such as vanilla, perfume essences and cloves, will hurt the economy.<sup>7</sup> Finally, contagion from the 2008 food price crisis also had a negative impact on the Comorian poor.<sup>8</sup>

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<sup>5</sup> World Bank. (n.d.). *Country Profile: Comoros*. Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,,contentMDK:20535285~menuPK:1192694~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html>

<sup>6</sup> UNDP. (2009, December). *Comoros: Now Delivering as One*. Retrieved from United Nations Development Programme: <http://content.undp.org/go/newsroom/2009/november/comoros-now--delivering-as-one-.en>

<sup>7</sup> US Government. (2009, November). *Background Note: Comoros*. Retrieved from United States Government: <http://www.state.gov/r/pa/ei/bgn/5236.htm>

<sup>8</sup> World Bank. (2009, June). *Comoros: Services Support Project (Co-Financing and Restructuring)*. Retrieved from World Bank: [http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037\\_20090630012621](http://www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000333037_20090630012621)

## 2.2 HIV/AIDS

HIV/AIDS prevalence rates are still very low, especially relative to the regional average of roughly 5 percent. Still, the government has concerns that changing migration patterns may lead to increased exposure. According to a 2003 survey, 95 percent had heard of AIDS, but only two percent could name the three ways in which HIV is transmitted. It is estimated that the HIV prevalence may rise to 15 percent by 2018 if action is not taken.<sup>9</sup>

## 2.3 Foreign aid and remittances

While economically isolated, the impact of external shocks on countries that provide aid to the island nation has the potential to reduce aid flows to the Comoros. Moreover, for those poor households that rely on remittances, if stagnating remittance flows lead to declining flows, these households could be placed in harm's way.

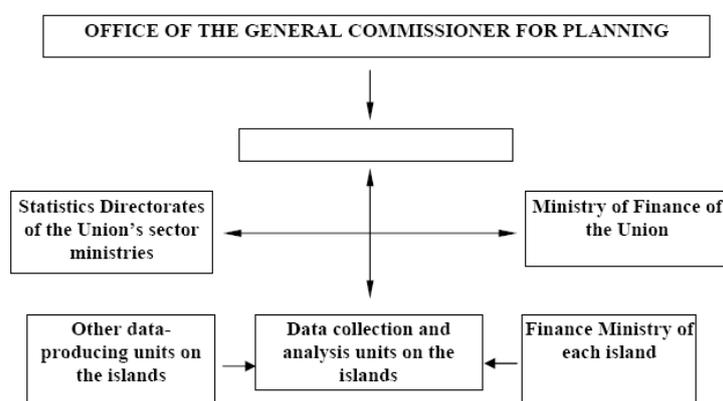
## 3. Monitoring and evaluation

Through the Poverty Reduction and Growth Strategy (PRGS), the Government has set out its approach to monitor and evaluate. The framework is comprised of three components:

- Monitoring a limited number of outcome indicators;
- Monitoring the execution of priority programmes and measures to be implemented under the strategy;
- Evaluating the impact of the policies and interventions carried out under the PRGS.<sup>10</sup>

The process by which this framework will be implemented is contextualised to the nature of Comoros' institutions and geography. The institutional framework for the monitoring and evaluation of the PRGS is shown in the figure beneath.

**Figure 3.1: Institutional framework for monitoring and evaluation of the PRGS.<sup>11</sup>**



<sup>9</sup> Government of the Union of the Comoros (2005).

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

## 4. Social assistance programmes overview

\*All currency conversions are based on 17 February 2010 rates:

- 1 KMF = 0.00277 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD.<sup>12</sup>

Programme# 1: cash for work	<b>Programme name</b>	<b>Services Support Project<sup>13</sup></b>
	<b>Programme overview</b>	<ul style="list-style-type: none"> <li>▪ World Bank project that aims to alleviate poverty through community development and employment opportunities.</li> </ul>
	<b>Programme objective</b>	<ul style="list-style-type: none"> <li>▪ To create opportunities and increase access to short-term employment in areas that are food-insecure.</li> <li>▪ To increase access to basic social services in poor communities.</li> <li>▪ To help communities build capacity to plan their own development.</li> </ul>
	<b>Programme components</b>	<ul style="list-style-type: none"> <li>▪ Cash-for-work programme.</li> </ul>
	<b>Programme duration</b>	<ul style="list-style-type: none"> <li>▪ It is currently being implemented and is expected to end in June 2011.</li> </ul>
	<b>Beneficiary determination process</b>	<ul style="list-style-type: none"> <li>▪ In order to properly target beneficiaries, a “transparent multi-stage process” is employed, collaborating with community representatives and posting the names of beneficiaries on public billboards.</li> </ul>
	<b>Finance</b>	<ul style="list-style-type: none"> <li>▪ \$ 19.3 million USD (IDA Grants).</li> </ul>
	<b>Legal framework</b>	<ul style="list-style-type: none"> <li>▪ Part of the PRGS government strategy programme.</li> </ul>
	<b>Administrative framework</b>	<ul style="list-style-type: none"> <li>▪ The Fonds d'Appui au Developpement Communautaire (FADC) implements the cash-for-work programme.</li> </ul>
	<b>Monitoring and evaluation</b>	<ul style="list-style-type: none"> <li>▪ \$ 4.5 million USD has been dedicated specifically to monitoring and evaluation.</li> <li>▪ FADC is carrying out the monitoring and evaluation at the implementation level.</li> <li>▪ There are at least two evaluations per year.</li> </ul>
<b>Programme barriers</b>	<ul style="list-style-type: none"> <li>▪ According to the project paper, there are several hurdles in implementing this programme, namely:               <ul style="list-style-type: none"> <li>○ Political instability.</li> <li>○ Delays in implementation.</li> <li>○ Absence of national expertise to design the programme.</li> <li>○ NGOs lacking the capacity to implement the programme.</li> <li>○ Benefits failing to reach intended beneficiaries.</li> <li>○ Beneficiaries not being paid by the NGOs.</li> <li>○ NGOs not keeping records and accounts.</li> <li>○ FADC not making payments to the NGOs in a timely manner.</li> </ul> </li> </ul>	

<sup>12</sup> *Currency Converter*. (n.d.). Retrieved from OANDA: <http://www.oanda.com/currency/converter/>

<sup>13</sup> Table drawn from Government of the Union of the Comoros (2005) and World Bank (2009).