

19. Country profile: Gabon



1. Development profile

Gabon is situated in West Africa with a population of approximately 1.4 million. The country gained its independence from France in 1960 and has, until 2009, only been ruled by two different presidents. The last president, who ruled for 42 years, died in 2009 where after his son won the presidential election, the third president of the country. Gabon has been politically stable since it gained independence and “has played a strategic role in promoting peace and stability in the region”.¹

Besides being political stable, the country is rich on natural resources, has a low population density, and been blessed with foreign aid that has helped the country becoming “one of the more prosperous and stable African countries”.² The oil sector is the most important sector for the Gabonese economy and counts for more 50 percent of GDP, besides that, the country depends on timber and manganese.³

Gabon ranks 93 out of 169 countries on the Human Development Index which is well above the Sub-Saharan average of 0.389.⁴ Also, Gabon has a relatively high per capita income compared to the primary part of Sub-Saharan countries, but due to a high income inequality, a GINI index of 41.5, many Gabonese still live in poverty; the estimated poverty rate is 35 percent. Besides that, the unemployment rate remains high at an estimated 25 percent.⁵ If looking at human development outcomes, Gabon is much better off than most Sub-Saharan countries and one of the few developing countries likely to meet, at least most of, the Millennium Development Goals by 2015. Though, if you compare per capita income with other countries on the same level as Gabon, its human development outcomes are not keeping up. One of the areas where Gabon has improved is regarding life expectancy rates that have risen from 54 in 2006 to 57.9 years in 2009, another is primary education in which the enrolment have increased from 88 in 1990 to 91 in 2009.⁶ There are still major issues

¹ *Country Brief: Gabon*. (2010, November). Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/GABONEXTN/0,,menuPK:352119~pagePK:141132~piPK:141107~theSitePK:352109,00.html>

² *The World Factbook: Gabon*. (2010, November). Retrieved from United States Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/gb.html>

³ *Ibid.*

⁴ *Countries: Gabon*. (2010, November). Retrieved from United Nations Development Programme: <http://hdrstats.undp.org/en/countries/profiles/GAB.html>

⁵ *Countries: Central Africa: Gabon*. (2010, November). Retrieved from African Economic Outlook: <http://www.africaneconomicoutlook.org/en/countries/central-africa/gabon/>

⁶ *Country Brief: Gabon*. World Bank.

regarding schools in Gabon; the student-teacher ratio is as high as 150 students per class, significantly higher than the target of 30 to 40 students per class. Another issue is that, even though the enrolment rate is relatively high in primary education, only half continues in secondary school, and the completion rate for secondary school is as low as 6 percent.

Socioeconomic indicators⁷	
Population (millions)	1.47
GNI Per Capita, PPP (current USD)	12,460
GDP (current USD) (billions)	11.06
GDP Composition by sector (%)	Agriculture - 5 Industry- 74 Services- 22
GDP growth rate (%)	-0.96
Percent below poverty line (%)	...
Inflation (%)	1.89
GINI index	41.5
Adult literacy rate (%)	87
Life expectancy (years)	60.44
Child dependency ratio	59.2
Elderly dependency ratio	7.2
HIV prevalence (%)	5.9
Overseas development aid per capita (current USD)	36
Net official development assistance (USD Millions)	54.5
Remittances as % of GDP	0.1
2009 Human Development Index (HDI) ranking	93

2. Vulnerability analysis

2.1 External shocks

The global economic crisis has affected Gabon by a decrease in foreign demand and the GDP growth rate turned negative to about -1 percent in 2009 instead of the forecasted 4 percent. Gabon is expected to recover from the recession quickly and the growth rate is expected to increase to 3 percent in 2010 and 3.2 percent in 2011. Due to the country's dependence on export of oil and foreign export in general, the country is very vulnerable to fluctuations in prices. The affect of the crisis shows the importance of Gabon to diversify its economy, and support growth in other sectors.⁸

⁷ Country data: Gabon (2010, November). Retrieved from World Bank: <http://data.worldbank.org/country/gabon>
Countries: Gabon. United Nations Development Programme.

⁸ Countries: Central Africa: Gabon. African Economic Outlook.

2.2 HIV/AIDS

The HIV prevalence in Gabon has risen from 5.6 percent in 2001 to 5.9 percent in 2007. In the same period, the estimated number of orphans due to HIV has risen from 8000 to 18000, which is an increase of 125 percent. In 2007, 15,000 were in need of antiretroviral therapy coverage and the antiretroviral therapy coverage equalled 42 percent. The coverage has increased rapidly from only 17 percent in 2005 and is relatively high compared to the Sub-Saharan average.⁹

2.3 Foreign aid and remittances

Due to its high per capital income, very few donor agencies work in Gabon although the World Bank has invested in projects in Gabon. Remittances, on average 8 USD per person, are an important factor in Gabon even though it is less than the average for Sub-Saharan countries of 26 USD. A total of 11 million USD were sent to Gabon in 2007 in the form of remittances.¹⁰

3. Monitoring and evaluation

No current information available.

4. Social assistance programmes overview

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

- 1 AOA = 0.0111 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD.¹¹

Programme# 1: social insurance	Programme name	Old Age, Disability and Survivors ¹²
	Programme components	<ul style="list-style-type: none">▪ Old-age pension:<ul style="list-style-type: none">○ The pension is equal to 35% of the insured's average monthly earnings plus 1% of earnings for each 12-month period of contributions exceeding 240 months.○ The minimum pension is equal to 85% of the monthly legal minimum wage.○ The monthly legal minimum wage is 80,000 CFA francs (US\$163,33)○ Benefits are paid quarterly.▪ Old-age settlement: A lump sum is paid equal to 50% of the insured's average monthly earnings for each 6-month period of contributions.

⁹ *Epidemiological Fact Sheet on HIV and AIDS: Gabon*. (2008, September). Retrieved from World Health Organization: http://apps.who.int/globalatlas/predefinedReports/EFS2008/full/EFS2008_GA.pdf

¹⁰ *Countries: Gabon*. United Nations Development Programme.

¹¹ *Currency Converter*. (n.d.). Retrieved from OANDA: <http://www.oanda.com/currency/converter/>

¹² Table text from *Social Security Programs Throughout the World: Africa 2009*. (2009, August). Retrieved from International Social Security Administration: <http://www.socialsecurity.gov/policy/docs/progdesc/ssptw/2008-2009/africa/ssptw09africa.pdf>

		<ul style="list-style-type: none"> ▪ Disability pension: <ul style="list-style-type: none"> ○ The pension is equal to 60% of the old-age pension that the insured would have been entitled to if he or she had worked until age 55. ○ The disability pension is replaced by an old-age pension of the same amount at retirement age. ○ The minimum pension is equal to 60% of the monthly legal minimum wage. ○ The monthly legal minimum wage is 80,000 CFA francs (US\$163.33). ○ If the insured is assessed with a disability of 100%, the pension is paid monthly; with a disability of at least 75%, the insured can request to be paid monthly; otherwise, the pension is paid quarterly. ▪ Survivor pension: <ul style="list-style-type: none"> ○ The pension is equal to 50% of the old-age pension the deceased received or would have been entitled to receive. ○ If there is more than one widow, the pension is split equally. ▪ Survivor settlement: A lump sum is paid to the widow equal to a month of the old-age pension the deceased would have been entitled to receive with at least 120 months of coverage multiplied by the number of 6-month periods of actual coverage. If there is more than one widow, the pension is split equally.
	Programme coverage	<ul style="list-style-type: none"> ▪ The programme covers employed people, household workers, and state contract workers not covered under a special system. ▪ There are special systems for self-employed people, civil servants, members of parliament, hospital personnel, military personnel, judges, justice and penitentiary workers, and certain categories of state contract workers.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Old-age pension: <ul style="list-style-type: none"> ○ Qualifying age is 55 (age 50 if prematurely aged) with at least 20 years of coverage including at least 120 months of contributions during the last 20 years; at least 15 years of coverage for state contract workers. ○ Retirement from paid employment is necessary. ○ The pension is payable abroad only under reciprocal agreement. ▪ Old-age settlement: Paid at the normal retirement age if the insured is ineligible for the old-age pension. ▪ Disability pension: <ul style="list-style-type: none"> ○ The insured must be younger than age 55, be assessed with a loss of earning capacity, and have at least 5 years of coverage including at least 30 months of contributions in the 5 years before the disability began. ○ If the disability is the result of an accident, coverage requirements are waived. ▪ Survivor pension: <ul style="list-style-type: none"> ○ Paid if the deceased had at least 120 months of contributions, met the contribution conditions for a pension, or was a pensioner at the time of death. ▪ Survivor settlement: <ul style="list-style-type: none"> ○ Paid if the deceased was ineligible for an old-age or disability pension. ○ Eligible survivors are a nonworking or disabled widow or a

		<p>dependent, disabled widower, and children younger than age 16 (age 17 if an apprentice, age 20 if a student or disabled).</p> <ul style="list-style-type: none"> ○ The widow(er)'s pension ceases on remarriage. <ul style="list-style-type: none"> ▪ Orphan's pension: <ul style="list-style-type: none"> ○ Each eligible orphan receives 20% of the old-age pension the deceased received or would have been entitled to receive; 35% if the orphan's mother is ineligible for the widow's pension. ○ All survivor benefits combined must not exceed 85% of the deceased's pension. ○ Pensions are paid quarterly.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: <ul style="list-style-type: none"> ○ 2.5% of covered earnings; 2% for state contract workers. ○ The minimum monthly earnings for contribution calculation purposes are equal to the monthly legal minimum wage. ○ The monthly legal minimum wage is 80,000 CFA francs (US\$163.33). ○ The maximum monthly earnings for contribution calculation purposes are 1,500,000 CFA francs. ▪ Self-employed person: Not applicable. ▪ Employer: <ul style="list-style-type: none"> ○ 5% of covered payroll. ○ The minimum monthly earnings for contribution calculation purposes are equal to the monthly legal minimum wage. ○ The monthly legal minimum wage is 80,000 CFA francs (US\$163.33). ○ The maximum monthly earnings for contribution calculation purposes are 1,500,000 CFA francs. ▪ Government: None; contributes as an employer.
	Legal framework	<ul style="list-style-type: none"> ▪ First laws: 1963, 1978, and 1983. ▪ Current laws: 1975 (social security), 1976 (coverage), and 1996 (state pension).
	Administrative framework	<ul style="list-style-type: none"> ▪ Ministry of Labour, Social Insurance and Social Relations provides general supervision. ▪ National Social Security Fund administers contributions and benefits.

Programme# 2: social assistance and social insurance	Programme name	Sickness and Maternity¹³
	Programme components	<ul style="list-style-type: none"> ▪ Sickness and maternity benefits: <ul style="list-style-type: none"> ○ <u>Sickness benefit:</u> No statutory benefits are provided (the labor code requires employers to provide paid sick leave for up to 6 months). ○ <u>Maternity benefit (social insurance):</u> The benefit is equal to 50% of the insured's last monthly earnings and is paid for up to 6 weeks before and 8 weeks after the expected date of childbirth; may be extended for up to 3 weeks in the event of complications arising from pregnancy or childbirth. ▪ Workers' medical benefits <ul style="list-style-type: none"> ○ <u>Medical benefits (social insurance):</u>

¹³ Ibid.

		<ul style="list-style-type: none"> ▪ Benefits include hospitalisation, inpatient and outpatient treatment, medicines, and transportation. Medical services are provided by hospitals and dispensaries operated by the National Social Security Fund and by other participating establishments. ▪ The labour code requires employers to provide certain medical services. ○ <u>Medical benefits (social assistance):</u> <ul style="list-style-type: none"> ▪ Benefits include general and specialist medical care, hospitalisation, inpatient and outpatient treatment, generic medicines, mandatory vaccinations, prostheses, appliances, laboratory and X-ray fees, transportation, and maternity medical care for up to 30 days after childbirth. Medical services are provided by hospitals, clinics, and facilities affiliated with the National Health Insurance and Social Assistance Fund. ▪ Cost sharing: The insured contributes to the cost of medical services based on the schedule in law. ▪ Women receiving maternity medical benefits must undergo 3 prescribed medical examinations. ▪ Dependents' Medical Benefits <ul style="list-style-type: none"> ○ <u>Medical benefits (social insurance):</u> <ul style="list-style-type: none"> ▪ Benefits include hospitalization, inpatient and outpatient treatment, medicines, and transportation. Medical services are provided by hospitals and dispensaries operated by the National Social Security Fund and by other participating establishments. ▪ Cost sharing: Maternity medical care and medicines are free. The insured contributes to the cost of other medical services. ▪ The labor code requires employers to provide certain medical services. ○ <u>Medical benefits (social assistance):</u> <ul style="list-style-type: none"> ▪ Benefits include general and specialist medical care, hospitalisation, inpatient and outpatient treatment, generic medicines, mandatory vaccinations, prostheses, appliances, laboratory and X-ray fees, transportation, and maternity medical care for up to 30 days after the childbirth. Medical services are provided by hospitals, clinics, and facilities affiliated with the National Health Insurance and Social Assistance Fund. ▪ Cost sharing: The insured contributes to the cost of medical services based on the schedule in law. ▪ Women receiving maternity medical benefits must undergo 3 prescribed medical examinations.
	Programme coverage	<ul style="list-style-type: none"> ▪ Social insurance: <ul style="list-style-type: none"> ○ Employed persons and their dependents. ○ Special system for civil servants, military personnel, self-employed persons, and state contract workers. ▪ Social assistance: <ul style="list-style-type: none"> ○ Economically vulnerable persons. ○ Economically vulnerable persons are citizens and residents of Gabon aged 16 or older who earn less than the monthly legal minimum wage. ○ The monthly legal minimum wage is 80,000 CFA francs (US\$163.33).

	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Cash sickness benefits: No statutory benefits are provided. (The 1962 labor code requires employers to provide paid sick leave.) ▪ Cash maternity benefits (social insurance): Women must be in insured employment for at least 4 months. ▪ Medical benefits (social insurance and social assistance): There is no minimum qualifying period.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: None. ▪ Self-employed person: None. ▪ Employer: <ul style="list-style-type: none"> ○ Social insurance: 2% of covered payroll for medicines, 1.5% for hospitalisation, and 0.6% for medical examinations. Cash maternity benefits are financed by employer contributions made under Family Allowances, below. ○ The maximum monthly earnings for contribution calculation purposes are 1,500,000 CFA francs (US\$ 3,062.47). ▪ Government: <ul style="list-style-type: none"> ○ <u>Social insurance:</u> None. ○ <u>Social assistance:</u> The total cost (financed through revenues from a tax on cell phone companies and commercial remittances transactions; general revenues cover any deficit).
	Legal Framework	<ul style="list-style-type: none"> ▪ First law: 1952 (labour code). ▪ Current laws: 1975 (social security), 1976 (coverage), 1995 (health), 2007 (health care), and 2007 (health insurance).
	Administrative Framework	<ul style="list-style-type: none"> ▪ Ministry of Labor, Social Insurance and Social Relations provides general supervision. ▪ National Social Security Fund administers the social insurance program. ▪ National Health Insurance and Social Assistance Fund administers the social assistance program.

Programme# 3: social insurance system	Programme name	Work Injury¹⁴
	Programme components	<ul style="list-style-type: none"> ▪ Temporary Disability Benefits: <ul style="list-style-type: none"> ○ The benefit is equal to 100% of the insured's average daily earnings in the 30 days before the disability began. The benefit is paid from the day after the disability began until full recovery or certification of permanent disability. The benefit for the day of the accident is paid by the employer. ○ The daily benefit may be paid in part or in full if the insured resumes a gainful activity intended to help rehabilitation for full-time work. The combined income from benefits and earnings must not exceed the earnings used for benefit calculation purposes. ▪ Permanent disability benefits: <ul style="list-style-type: none"> ○ If the insured is assessed with a total disability, the pension is equal to 100% of the insured's average earnings.

¹⁴ Ibid.

		<ul style="list-style-type: none"> ○ The minimum permanent disability pension is equal to the monthly legal minimum wage (80, 000 CFA francs / US\$163,33). ○ <u>Partial disability</u>: The pension is equal to average earnings multiplied by 0.5 times the assessed degree of disability for the portion of disability between 10% and 50% and by 1.5 times for the portion greater than 50%. A lump sum is paid for an assessed degree of disability of 10% or less. ○ <u>Constant –attendance allowance</u>: If the insured requires the constant attendance of others to perform daily functions, 40% of the pension is paid. ○ If the insured is assessed with a disability of 100%, the pension is paid monthly; with a disability of at least 75%, the insured can request to be paid monthly; otherwise, the pension is paid quarterly. ○ <u>Benefit adjustment</u>: Benefits are adjusted by ministerial decree according to changes in the cost of living and the legal minimum wage, depending on the financial resources of the system. <ul style="list-style-type: none"> ▪ Workers’ Medical Benefits: Benefits include medical, dental, and surgical care; hospitalisation; medicines; appliances; laboratory services; X-rays; rehabilitation; and transportation. ▪ Survivor Benefits <ul style="list-style-type: none"> ○ <u>Survivor pension</u>: The widow(er)’s pension is equal to 30% of the deceased’s average monthly earnings. If there is more than one widow, the pension is split equally. The pension ceases on remarriage. ○ <u>Orphan’s pension</u>: <ul style="list-style-type: none"> ▪ 15% of the deceased’s average monthly earnings is paid for each of the first two orphans; 10% for each subsequent orphan. ▪ All survivor benefits combined must not exceed 85% of the deceased’s average monthly earnings. ○ <u>Dependent parent’s and grandparent’s settlement</u>: A lump sum is paid equal to 6 months of the deceased’s average earnings. ○ <u>Survivor settlement</u>: In the absence of eligible survivors, a lump sum equal to 6 months of the deceased’s average earnings is paid to the closest relative. ○ <u>Funeral grant</u>: A lump sum is paid to cover the cost of the burial (including transportation if the death was the result of an accident), up to 8 times the deceased’s average monthly earnings.
	Programme coverage	<ul style="list-style-type: none"> ▪ Employed persons, including members of cooperatives, apprentices, and students; and prisoners working in prison workshops. ▪ Special systems for civil servants, military personnel, self-employed persons, and state contract workers.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Work injury benefits: <ul style="list-style-type: none"> ○ There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: None. ▪ Self-employed person: Not applicable. ▪ Employer: 3% of gross payroll. ▪ Government: None; contributes as an employer.

	Legal framework	<ul style="list-style-type: none"> ▪ First law: 1935. ▪ Current laws: 1975 (social security) and 1996 (state pension).
	Administrative framework	<ul style="list-style-type: none"> ▪ Ministry of Labour, Social Insurance and Social Relations provides general supervision. ▪ National Social Security Fund administers the program.

Programme#4: employment-related system	Programme name	Family Allowances¹⁵
	Programme components	<ul style="list-style-type: none"> ▪ Family allowances: 7,000 CFA francs (US\$14.29) a month is paid for each child. ▪ Prenatal allowance: 13,500 CFA francs (US\$27.560 is paid in two instalments. ▪ Birth grant: A lump sum of 8,000 CFA francs (US\$16.33) is paid for each birth and 45,000 CFA francs (US\$91.87) is paid for the purchase of clothing and other necessities (layette) for a newborn child. ▪ School allowances: <ul style="list-style-type: none"> ○ 20,000 CFA francs (US\$40.83) a year is paid to dependent primary, secondary, technical, or professional school students. ○ Some health and welfare services are also provided to mothers and children.
	Programme coverage	<ul style="list-style-type: none"> ▪ Employed persons and pensioners. ▪ Special systems for civil servants, military personnel, self-employed persons, and state contract workers.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Family allowances: The child must be younger than age 16 (age 17 if an apprentice, age 20 if a student or disabled). The parent must have had at least 4 consecutive months of employment and be currently working 20 days a month or be a pensioner or an unmarried widow of a former beneficiary. ▪ Prenatal allowance: The mother must undergo prescribed medical examinations. ▪ Birth grant: The mother and child must undergo prescribed medical examinations. ▪ School allowances: Paid to dependent primary, secondary, technical, or professional school students.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: None. ▪ Self-employed person: Not applicable. ▪ Employer: 8% of covered payroll. <ul style="list-style-type: none"> ○ The minimum monthly earnings for contribution calculation purposes are equal to the monthly legal minimum wage which is 80,000 CFA francs (US\$163.33). ○ The maximum monthly earnings for contribution calculation purposes are 1,500,000 CFA francs (US\$ 3,062.47). ○ The first 20,000 CFA francs (US\$40.83) of declared earnings are exempt from contributions.

¹⁵ Ibid.

		<ul style="list-style-type: none"> ○ The employer's contributions also finance cash maternity benefits under Sickness and Maternity, above. ▪ Government: None (the government subsidises family allowances for low-income families).
	Legal framework	<ul style="list-style-type: none"> ▪ First law: 1956. ▪ Current laws: 1975 (social security), 2000, and 2002.
	Administrative framework	<ul style="list-style-type: none"> ▪ Ministry of Labour, Social Insurance and Social Relations provides general supervision. ▪ National Social Security Fund administers the programme.