Recent developments: Growth in the **Sub-Saharan Africa** region is estimated to have slowed to a 1.5 percent rate in 2016, the weakest pace in over two decades, as commodity exporting economies adjusted to low prices[1]. On a per capita basis, regional GDP contracted by an estimated 1.1 percent. South Africa and oil exporters, which contribute two-thirds of regional output, accounted for most of the slowdown, while activity in non-resource intensive economies generally remained robust.

In South Africa, growth slowed to 0.4 percent in 2016, reflecting the effects of low commodity prices and heightened governance concerns. The region's two largest oil exporters -- Angola, where growth slowed to a 0.4 percent rate, and Nigeria, which contracted by 1.7 percent -- faced severe economic and financial strains. Other oil exporters were also hit hard by low oil prices, with Chad contracting by 3.5 percent and Equatorial Guinea shrinking by 5.7 percent.

Metals exporters struggled with low prices as well. Growth slowed to 2.7 percent in the Democratic Republic of Congo and to 3.6 percent in Mozambique, where a surge in government debt weighed on investor sentiment. The post-Ebola recovery in Guinea, which accelerated to 5.2 percent, Liberia, which picked up to 2.5 percent, and Sierra Leone, which expanded by 3.9 percent, was hampered by low prices for iron ore.

Many agricultural exporters, such as Côte d'Ivoire, which expanded by 7.8 percent, and Ethiopia, which grew by 8.4 percent, registered strong output on the back of infrastructure investment. Among commodity importers, growth increased to 3.0 percent in Cabo Verde, and softened to 3.2 percent in Mauritius thanks to tourism.

Outlook: Sub-Saharan African growth is expected to pick up modestly to 2.9 percent in 2017 as the region continues to adjust to lower commodity prices. Growth in South Africa and oil exporters is anticipated to be weaker, while growth in economies that are not natural-resource intensive should remain robust.

Growth in South Africa is expected to edge up to a 1.1 percent pace this year. South African output will be held back by tight fiscal policy and high unemployment that is weighing on consumer spending. Nigeria is forecast to rebound from recession and grow at a 1.0 percent pace, as an anticipated modest improvement in oil prices, coupled with an increase in oil production, boost domestic revenues. Angola is projected to expand at a moderate 1.2 percent pace as high inflation and tight policy continue to weigh on consumption and investment.

In other mineral and energy exporters, the outlook is generally favorable. Ghana is forecast to surge to 7.5 percent growth pace as improving fiscal and external positions help boost investor confidence. Progress in developing Mozambique's energy sector will help spur investment in that country's natural gas production and contribute to an accelerated 5.2 percent growth rate. The post-Ebola recovery is anticipated to help Guinea grow by 4.6 percent, Liberia by 5.8 percent, and Sierra Leone by 6.9 percent.

Large infrastructure investment programs will continue to support robust growth among agricultural exporters, with Côte d'Ivoire and Ethiopia growing at or above 8 percent. However, political fragility will exert a drag on growth in countries such as Burundi and The Gambia.

Among commodity importers, Cabo Verde is expected to grow at a 3.3 percent rate, Mauritius to rise moderately to 3.5 percent, and Seychelles to slow to a 3.5 percent clip as uncertainty in Europe weighs on tourism, investment, and trade flows. Lesotho, which is forecast to pick up to a 3.7 percent pace, and

[1] The 2016 growth estimate reflects recent data and may differ from earlier estimates in other World Bank documents.

Swaziland, which should exit recession and resume growing at a 1.9 percent rate, are anticipated to benefit from regional trade and infrastructure investment.

Risks: Risks to the outlook are heavily tilted to the downside. Externally, heightened policy uncertainty in the United States and Europe could lead to financial market volatility and higher borrowing costs or cut off capital flows to emerging and frontier markets. A reversal of flows to the region would hit heavily traded currencies, like the South African rand, hard. A sharper-than-expected slowdown in China could weigh on demand for export commodities and undermine prices. Continued weakness in commodity prices would strain fiscal and current account balances, forcing spending cuts that could weaken recovery and investment.

Domestic risks include the failure to adjust to low commodity prices and weak global demand. Populist pressures may deter authorities from taking the necessary measures to contain fiscal deficits and rebuild policy buffers. A further deterioration of security conditions in some countries could put strains on public finances.

Sub-Saharan Africa Country Forecasts

(annual percent change unless indicated otherwise)

		Est.	Forecast			
	2014	**2015**	**2016**	**2017**	**2018**	**2019**
GDP at market prices (2010 US$)						
Angola	5.4	3.0	0.4	1.2	0.9	0.9
Benin	6.5	5.0	4.6	5.2	5.3	5.3
Botswana[a]	3.2	-0.3	3.1	4.0	4.3	4.3
Burkina Faso	4.0	4.0	5.2	5.5	6.0	6.0
Burundi	4.7	-3.9	-0.5	2.5	3.5	3.5
Cabo Verde	1.8	1.5	3.0	3.3	3.5	3.5
Cameroon	5.9	5.8	5.6	5.7	6.1	6.1
Chad	6.9	1.8	-3.5	-0.3	4.7	6.3
Comoros	2.1	1.0	2.0	2.5	3.0	3.0
Congo, Dem. Rep.	9.5	6.9	2.7	4.7	5.0	5.0
Congo, Rep.	6.8	2.6	4.6	4.3	3.7	3.7
Côte d'Ivoire	8.5	8.4	7.8	8.0	8.1	8.1
Equatorial Guinea	-0.7	-8.3	-5.7	-5.7	-6.6	-6.6
Ethiopia[a]	10.3	9.6	8.4	8.9	8.6	8.6
Gabon	4.3	3.9	3.2	3.8	4.6	4.6
Gambia, The	0.9	4.7	0.5	0.8	2.6	2.6
Ghana	4.0	3.9	3.6	7.5	8.4	8.4
Guinea	1.1	0.1	5.2	4.6	4.6	4.6
Guinea-Bissau	2.5	4.9	4.9	5.1	5.1	5.1
Kenya	5.3	5.6	5.9	6.0	6.1	6.1
Lesotho	3.6	1.7	2.4	3.7	4.0	4.0
Liberia	0.7	0.0	2.5	5.8	5.3	5.3
Madagascar	3.3	3.1	4.1	4.5	4.8	4.8
Malawi	5.7	2.8	2.5	4.2	4.5	4.5
Mali	7.0	6.0	5.6	5.1	5.0	5.0
Mauritania	6.4	3.0	4.0	4.2	3.8	3.8
Mauritius	3.6	3.4	3.2	3.5	3.8	3.8
Mozambique	7.4	6.6	3.6	5.2	6.6	6.6
Namibia	6.4	5.3	1.6	5.0	5.4	5.4
Niger	6.9	3.5	5.0	5.3	6.0	6.0
Nigeria	6.3	2.7	-1.7	1.0	2.5	2.5
Rwanda	7.0	6.9	6.0	6.0	7.0	7.0
Senegal	4.3	6.5	6.6	6.8	7.0	7.0
Seychelles	3.2	4.3	3.8	3.5	3.5	3.5
Sierra Leone	4.6	-21.1	3.9	6.9	5.9	5.9
South Africa	1.6	1.3	0.4	1.1	1.8	1.8
Sudan	3.1	4.2	3.5	3.7	3.7	3.7
Swaziland	2.7	1.7	-0.9	1.9	3.1	3.1
Tanzania	7.0	7.0	6.9	7.1	7.1	7.1
Togo	5.9	5.5	5.4	5.0	5.5	5.5
Uganda[a]	4.8	5.0	4.6	5.6	6.0	6.0
Zambia	5.0	2.8	2.9	4.0	4.2	4.2
Zimbabwe	3.8	1.1	0.4	3.8	3.4	3.4

Source: World Bank.

World Bank forecasts are frequently updated based on new information and changing (global) circumstances. Consequently, projections presented here may differ from those contained in other Bank documents, even if basic assessments of countries' prospects do not significantly differ at any given moment in time.

a. Fiscal-year based numbers.