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Human Rights-Based Analysis of Guinea-Bissau's Budgets from 2016 to 2022

IMPLICATIONS AND PROSPECTS
FOR THE FUTURE





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Bissau, 2024



Acknowledgment

This publication is a collaborative effort by the RCO and OHCHR, with inputs from other UN agencies, including UNICEF and WHO. It aims to inform stakeholders about how the 2016-2022 Guinea-Bissau's budget contributed to the country's efforts to fulfill its human rights obligations as well as sustainable development goals, with a particular focus on health and education sectors, especially for those most at risk of being left behind.



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Abbreviations and Acronyms

ADPP	Ajuda de Desenvolvimento de Povo para Povo
ANP	National People's Assembly
CABRI	Collaborative Africa Budget Reform Initiative
CEDAW	Convention on the Elimination of All Forms of Discrimination Against Women
CHW	Community Health Worker
CRC	Convention on the Rights of the Child
DGA	General Directorate of Customs
DGCI	General Directorate of Contributions and Taxes
DGO	Directorate General of the Budget
DSA	Debt Sustainability Analysis
DMR	Domestic Revenue Mobilization
EB	Basic Education
ECF	Extended Credit Facility
ESCR	Economic, Social and Cultural Rights
GDP	Gross Domestic Product
HRBA	Human Rights-Based Approach
ICCPR	International Covenant on Civil and Political Rights
ICESCR	International Covenant on Economic, Social and Cultural Rights
IMF	International Monetary Fund
LDC	Least Developed Country
MEF	Ministry of Finance
MMR	Maternal Mortality Rate
NIFF	National Integrated Financing Framework
OHCHR	Office of the United Nations High Commissioner for Human Rights
OOP	Out-of-Pocket
PAIGC	Partido Africano da Independência da Guiné e Cabo Verde
PER	Public Expenditure Review
RCO	Resident Coordinator's Office
SDGs	Sustainable Development Goals
SDI	Service Delivery Indicators
SIDS	Small Island Developing State
THE	Total Health Expenditure
U5MR	Under 5 Mortality Rate
UDHR	Universal Declaration of Human Rights
UNCT	United Nations Country Team
VNR	Voluntary National Review
UNICEF	United Nations International Children's Emergency Fund
UPR	Universal Periodic Review
WAEMU	West African Economic and Monetary Union
WDI	World Development Indicators
WFP	World Food Programme
WHO	World Health Organization





Foreword

The United Nations in Guinea-Bissau is proud to share this analysis of country's budgets from 2016 to 2022, focused on human rights with a special emphasis on health and education. This publication makes the case for increased and more effective funding in these vital areas, which are key to realizing the right to health and education and achieving Sustainable Development Goals (SDGs).

This publication aims to stimulate dialogue among the government, Parliament, other state institutions, civil society, the private sector and international partners. It seeks to contribute to decision-making that bolsters human rights through sector outcomes.

In a country such as Guinea-Bissau, where progress towards SDGs - including SDG 3 (Health) and SDG 4 (Education) - has been challenging, investment in these sectors is crucial. Both the International Covenant on Economic, Social and Cultural Rights (ICESCR) as well as the Constitution of Guinea-Bissau enshrine the rights to education and health.

This publication is the outcome of collaborative work between a team of economists and sustainable development, economic, social and cultural rights experts from the Office of the United Nations High Commissioner for Human Rights (OHCHR) and the United Nations Resident Coordinator's Office (RCO) in Guinea-Bissau. It reviews resource allocation within education and health, identifies challenges and opportunities and offers policy recommendations to improve the efficiency and equity of budget decisions and the realization of these fundamental rights.

The publication's timing is significant, following the 75th anniversary of the Universal Declaration of Human Rights (UDHR) and the 50th anniversary of Guinea-Bissau's independence in 2023. This analysis is also timely in the context of the upcoming fourth cycle of the Universal Periodic Review (UPR) by the United Nations Human Rights Council, during which Guinea-Bissau's commitments to education and health will be reviewed.

Making changes to budget allocations and increasing the efficiency in use of these resources will be critical to catalyze meaningful change, especially for those most in need in order to Leave No One Behind. We hope it will be a valuable resource for all the stakeholders who are working to strengthen public finance management for achievement of the SDGs in ways that effectively improve the lives of each and every Bissau-Guinean.

Geneviève Boutin
*United Nations Resident Coordinator
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Executive Summary

This publication presents a human-rights-based analysis of Guinea-Bissau's national budget between 2016 and 2022, with a focus on the health and education sectors. This analysis assesses the extent to which the budgetary commitments and expenditures are aligned with the country's human rights obligations and the SDGs, particularly in ensuring the rights to health and

education for all its citizens. The paper posits that the extent to which socioeconomic rights, such as health and education, are progressively realized in Guinea-Bissau is determined by complex interactions among the stakeholders involved, the processes they engage in and the norms and practices governing the allocation and implementation of the national budget.

Key findings

Guinea-Bissau has shown its commitment to human rights by ratifying eight out of the nine core human rights treaties, including the ICESCR, which guarantees the rights to health, education and an adequate standard of living, among other rights. However, the country faces key challenges in achieving fiscal sustainability while ensuring the realization of socioeconomic rights through availability, accessibility, affordability and quality of healthcare and education. These challenges stem from several factors, including domestic revenue mobilization, macroeconomic stability, allocations, governance, institutional capacity and politics.

Similar to what occurs in most countries, the budget process in Guinea-Bissau is overseen by the executive branch, primarily the Ministry of Finance and Economy, together with its Budget and Planning Directorates. It is a complex, top-down process that relies heavily on past expenditures and less on the priorities in the national development plan and sector-specific plans. This approach, coupled with the limited bargaining power of critical ministries such as health and education, results in a budget that often fails to meet international commitments or to effectively advance human rights and the SDGs.

The analysis of the budget from 2016 to 2022 indicates a modest increase in the absolute allocations for health and education; however, when adjusted for inflation and population growth, the per capita spending in real terms has not kept pace with the needs.

While there is commitment to protect social sector spending, the fiscal stance remains heavily focused on stability, disadvantaging allocation and distribution roles of fiscal policy. The implemented fiscal consolidation aims to create space for additional spending, including domestic revenue mobilization; nonetheless, the focus is more on meeting fiduciary targets than human capital payoffs of social sector investment. The government, under a new IMF (International Monetary Fund) program, commits to increasing priority spending in areas such

as health and education by an additional 0.6% of GDP above the pre-pandemic average. Despite this commitment, the implementation remains unclear, as the burden of the recent wage bill rationalization efforts has disproportionately fallen on the health and education sectors.

Despite some progress, the government of Guinea-Bissau has not yet optimized fiscal space for health, with allocations for the health sector remaining low and volatile, averaging 9% – far below the 15% continental target. Excluding the 2020 Covid-related surge, the government's health spending barely moves with growth in economic activity. Over the period covered by this publication, for each 1% GDP increase, health expenditure grew only by about 0.0437%, far less than the 1.16% typically expected for low-income countries. This low responsiveness suggests that without political will, conducive macroeconomic conditions alone are unable to translate automatically into commensurate spending on health.

In education, the pattern is similar. Spending averaged 9% of the national budget, well below the 20% international benchmark. However, the relative responsiveness of education spending to macroeconomic conditions indicates its high priority compared to other social sectors. Over the period covered by this publication, the education sector budget's elasticity averaged 1.8, meaning that, for every 1% of GDP growth, expenditure on education increased by 1.8%—significantly more responsive than the health sector's elasticity of 0.0437%.

In both the health and education sectors of Guinea-Bissau, spending composition remains skewed towards rigid items in the budget, primarily staff salaries, which consumed well above 80% of total recurrent expenditure. Non-salary recurrent expenses account for a mere 3%. Additionally, capital expenditures are both volatile and insufficient, relying entirely on external partners, which often results in a focus on donor rather than national priorities.

Chronic underspending compounds the already low levels of allocations, further limiting progress towards the achievement of rights to health and education. Budget execution remains well below the national average, underscoring the low absorption capacity in the ministries of health and education. The deviations from the committed allocations in the planned budget are much more pronounced for the health sector than the education sector. The averages mask disparities across expenditure categories, with execution rate for wages and salaries remaining considerably high and lagging for goods and services.

There is an increased reliance on catastrophic out-of-pocket expenses for healthcare cost and community levies for operational expenses of schools to cover financing shortfalls, including underspending, which disproportionately affects

poorer households. User fees comprise over 64% of overall financing for the health sector, including the national budget, one of the highest in the region. The gap between the inequitable self-financing of healthcare and public financing through the national budget continues to widen.

Both sectors exhibit disparities in the allocation of resources between urban and rural areas, with rural regions being significantly underfunded. This amplifies inequities in access to health and education services across regions and gender, leaving most of the population behind.

The budget process in Guinea-Bissau has shown improvement in transparency; however, there is limited public participation in the budget-making process, which undermines the accountability and effectiveness of the allocations.



Recommendations

This publication proposes some recommendations to improve fiscal governance and align Guinea-Bissau's budgetary processes with its developmental and human rights commitments, particularly in the health and education sectors:

- » **Strengthen Institutional Coordination:** Enhance collaboration among critical financial oversight bodies, such as Parliament, the Court of Auditors and the General Inspectorate of Finance. Establish regular communication channels to facilitate the exchange of information and findings, thereby improving financial control and oversight.
- » **Enhance Fiscal Accountability:** Implement full fiscal accountability principles—transparency, equity and participation — throughout the budget cycle. This includes setting statutory deadlines for the National Assembly's budget appraisal and approval processes, ensuring responsible financial governance marked by transparency, fairness and public involvement.
- » **Empower Members of Parliament with Enhanced Oversight Skills:** Strengthen the parliamentary oversight function by organizing regular training sessions for members of Parliament on budget analysis, public finance management and oversight mechanisms.
- » **Promote Policy-Based Budgeting:** Align budget classifications with national development priorities, SDGs 3 and 4 and human rights obligations to ensure a policy-driven approach to budgeting.
- » **Prioritize Education and Health Budgets:** Align budget allocations for education and health with international commitments. Ensure that investments in these sectors are proportionate to economic growth, reflecting the country's evolving fiscal capacity.
- » **Engage Effectively Sectoral Ministries in Budget Formulation:** Involve sectoral ministries more deeply in the budget formulation process. This will help to align health and education allocations with the sectoral priorities identified in the national development plan and the Medium-Term Expenditure Framework, ensuring better coordination across ministries.
- » **Build Capacity:** Enhance the capabilities of the Directorate General of Budget and Administration to improve resource allocation and expenditure tracking, especially in the health and education sectors.
- » **Implement an Integrated National Financing Framework:** Develop a comprehensive national framework for financing the SDGs. This framework should include strategies for mobilizing both domestic and international financing in line with national development priorities.
- » **Strengthen Social Protection:** Implement a shock-responsive social protection policy, including a national program on cash transfers to the most vulnerable populations.
- » **Empower Citizens:** Create a "Citizen-Friendly Budget" that succinctly presents the national budget in an easily accessible and understandable format, with a strong emphasis on online availability and translated into Creole.

CHAPTER 1

Introduction



This paper examines the human rights dimensions of Guinea-Bissau's budget from 2016 to 2022, employing a Human Rights-Based Approach (HRBA) to analyze the critical sectors of health and education. The HRBA integrates human rights principles and standards into development, policymaking and governance, emphasizing the promotion, protection and fulfillment of human rights as fundamental to sustainable development and inclusive societies. To date, there has been limited analysis of the government's expenditures on social sectors using a human right perspective. By applying a human right lens to the budget, this paper aims to assess the alignment of financial resources with Guinea-Bissau's international human rights obligations, particularly under the ICESCR, via maximum available resources for the progressive realization of rights. It additionally identifies gaps and proposes recommendations. The analysis aims to contribute to and assist both duty-bearers and rights-holders: the duty-bearers to meet their obligations and progressively fulfill the economic, social and cultural rights of all, especially groups who face multiple and persistent forms of discrimination and other forms of human rights violations, and the rights-holders to equip them with analysis and knowledge to better understand the situation and be able to advocate more effectively for their human rights.

The analysis uses a methodology that combines a human rights-based approach, context-specific budget and data analysis and policy evaluation. It entails a desk-review of relevant international human rights instruments, focusing on the right to health (art. 12) and the right to education (art. 13) as outlined in the ICESCR. A desk-review of official documents was conducted to assess budget allocations for the health and education sectors. When possible, a comparative analysis is conducted, benchmarking Guinea-Bissau's budgetary allocations and expenditure in health and education against regional and international standards. The analysis provides insights into the country's performance and identifies areas for improvement in relation to relevant SDGs and commitments made by Guinea-Bissau's government in its first Voluntary National Review (VNR) report. The paper posits that the level of investment of budgetary resources on economic and social rights, specifically in the sectors of health and education in Guinea-Bissau, remains determinant of progress towards improving the overall well-being and access to basic services for citizens and achievement of SDGs.

The paper specifically:

- » Evaluates the current levels of budgetary allocation for the health and education sectors in Guinea-Bissau, examining their adequacy, efficiency and effectiveness in improving the well-being of citizens and access to basic services.
- » Identifies and analyzes gaps, challenges and potential inefficiencies in the existing budgetary allocations for health and education sectors.
- » Proposes policy recommendations aimed at optimizing the allocation and management of budgetary resources for health and education.



A collaborative approach was adopted, involving a team of economists as well as OHCHR experts, in partnership with the United Nations RCO in Guinea-Bissau. By integrating economic, human rights and local perspectives, this paper offers a nuanced understanding of the budget's impact, particularly within the context of the country's socio-economic and political landscapes. The findings and recommendations aim to inform budget and policy discussions and decision-making processes therein, as well as advocacy efforts supporting the realization of human rights, the SDGs and inclusive growth in Guinea-Bissau.

During the drafting process, challenges arose in terms of data availability and reliability; however, efforts were made to overcome limitations in data by gathering information from diverse sources.



1.1

Country context

Guinea-Bissau is a Least Developed Country (LDC) and Small Island Developing State (SIDS), with diverse and rich natural resource wealth that has the potential to drive economic growth and sustainable development. The country has abundant fertile lands, lush forests, fish stocks and valuable mineral deposits, including bauxite and phosphates, offering great promise for agricultural and mining development. Despite having one of the highest natural resource wealth per capita in Africa, Guinea-Bissau continues to face substantial challenges that have hindered its ability to fully capitalize on its potential.

The country's economy is undiversified and heavily dependent on the export of a single crop, raw cashew nuts, which is the main income earner; this dependency makes it vulnerable to global trade headwinds and weather conditions. Furthermore, the benefits of growth are unevenly distributed and unequal. Even with the high levels of economic growth experienced in the 2000s, on its own, it is unable to translate into noticeable and sustained improvement in the living conditions of the vast majority of its estimated 2 million youthful population. The private sector offers enormous potential for creating jobs and driving growth, yet it remains underdeveloped due to various constraints on doing business. The private sector is largely informal, consisting mainly of unregistered and unorganized small- and medium-sized enterprises.

Guinea-Bissau has the highest proportion of natural wealth per capita in West Africa¹; however, poverty remains widespread, with high levels of inequality and increasing rural-urban disparities, while human development indicators remain among the lowest in the world, with low access to basic services contributing to exclusion and marginalization.² Due to gender bias, income markers of poverty are higher for women than men, with per capita income of women averaging 30% lower than that of men.³ According to the 2021/2022 Human Development Publication, Guinea-Bissau has a Human Development Index (HDI) score of 0.483, ranking 177th out of 191 countries.⁴ The 2022 Multidimensional Poverty Index reveals that 47.7% of the population live below the national poverty line, with 64.4% of the population living in multidimensional poverty and 35.9% in severe deprivation, while 25% suffer from chronic malnutrition.⁵ Overall, 11% of Guinea-Bissau households are food insecure,

though this figure can be as high as 51% in some areas.⁶ Access to basic services is low, with only about 24% of the population having access to potable water in 2020, and there is a significant gap between urban and rural areas.

The labor market is fragmented, with limited opportunities to create decent jobs for a predominantly young and rapidly growing population. More than 90% of jobs are informal and lack social security.⁷ Workers in the informal sector are mostly uneducated and untrained, working mostly in agriculture (62%) and trade (12.7%), and living in rural areas.⁸ The informal sector attracts more women (94%) than men (84%). Salaried workers account for only 18% of all jobs, compared with 24% for Africa.

The social protection system is very weak. The existing framework law on social protection focuses on the formal sector, covering wage employees through mandatory social assistance contributions. While government and partners stepped up varied social assistance initiatives immediately after the pandemic, there is no overarching policy for social protection.⁹ There is no national-funded system of universal social protection based on non-contributory coverage for vulnerable populations, undermining communities' ability to cope with and recover from shocks. Informal workers, including women, who represent the bulk of the workforce, remain uncovered.

Guinea-Bissau is facing significant challenges in its efforts to achieve the SDGs, as explained in its first VNR report of 2022.¹⁰ SDGs 3 and 4, vital for human development, are grappling with various obstacles. Of key concern is the lack of resources, qualified teachers and adequate infrastructure in the education system. These shortcomings hinder access to quality education for many children.¹¹ In the health sector, poor health outcomes persist, largely due to the high burden of communicable diseases and limited access to essential healthcare services.¹² The country

⁶ World Food Program Guinea-Bissau www.wfp.org/countries/guinea-bissau#:~:text=Overall%2C%2011%20percent%20of%20Guinea.and%20local%20cashew%20nut%20production.

⁷ INE (2019). Integrated Regional Employment and Informal Sector Survey. Instituto Nacional de Estatística Guiné-Bissau.

⁸ UN (2021). Guinea-Bissau COVID-19 Pandemic Socio-economic Response Plan. UNCT Guinea-Bissau.

⁹ UN (2022). Guinea-Bissau COVID-19 Pandemic Socio-economic Response Plan. UNCT Guinea-Bissau.

¹⁰ Guinea-Bissau. (2022). Voluntary National Review 2022 (VNR). Available at <https://hlpf.un.org/countries/guinea-bissau/voluntary-national-review-2022>.

¹¹ 2014 RESEN (Education Sector Analysis); World Bank, 2022 (Guinea-Bissau Economic Update); Cambridge Education, 2018 (Study on Out-of-School Children in Guinea-Bissau: Final Report); UNICEF, 2019 (Situational Analysis of Children).

¹² CCA (2023). Common Country Assessment. United Nations Country Team Guinea-Bissau.

¹ World Bank (2023). www.worldbank.org/en/country/guineabissau/publication/in-guinea-bissau-economic-growth-depends-on-strengthening-gender-equality-and-education.

² Ibid.

³ UNDP (2015). Human Development Report 2015.

⁴ UNDP. Human Development Report 2021-2022. www.undp.org/sites/g/files/zskgke326/files/2022-09/hdr2021-22pdf_1_2.pdf.

⁵ UNDP, 2022. 2022 Global Multidimensional Poverty Index (MPI). <https://hdr.undp.org/content/2022-global-multidimensional-poverty-index-mpi>.

has one of the worst maternal mortality ratios in the world, ranking fifth globally, with 725 deaths/100,000 as of 2020.¹³

While progress has been made, the political context remains complex and fragile. The country is marked by repeated cycles of institutional instability and factitious politics. The Constitution divides power between the President and the Parliament, both of whom are voted directly by universal suffrage; however, the President retains the ability to dissolve Parliament. Following disagreements in May 2022, the President dissolved Parliament, dismissed the government, and called for early legislative elections, which were held on 4 June 2023. A coalition led by PAIGC, the leading opposition party, emerged with a majority of the seats in Parliament.

Although the opposition has assumed control of the legislature, fiscal policy stance remains unchanged. The country is implementing a three-year IMF-backed program of reforms which focus on debt and fiscal sustainability, infrastructure development and tackling corruption.¹⁴ The government has made progress in implementing the reforms included in the Extended Credit Facility program approved in January 2023. The government intends to leverage the improved donor confidence that comes with an IMF programme to source concessional financing from donors and multilateral institutions. Nevertheless, ongoing commitment to fiscal reforms, including cutting of the public sector wage bill, remains a source of discontent. Inflationary pressures spiked by the war in Ukraine, the pandemic and falling prices of cashew, have worsened living conditions.

Socio-economic motivated tensions and strikes have marked recent years, impacting cohesion and stability. The spike in strikes by public and private sector groups over the past five years contrasts with the political drivers of instability which tend to be cyclical and periodic. In 2022, there were 19 documented incidences of sporadic strikes of socioeconomic nature, including teachers¹⁵ and health workers, compared with 7 in 2020, the highest ever recorded over the past 10 years.¹⁶ In the 2022-2023 school year, the teachers unions Sindicato Democrático dos Professores (SINDEPROF) and the Frente Nacional dos Professores e Educadores (FRENAPROFE) each undertook 22 days of strike action (one month of school days). The Sindicato Nacional dos Professores (SINAPROF), the oldest and largest union, undertook 2 days of strike action.¹⁷

¹³ Central Intelligence Agency. (2023). Guinea-Bissau. In CIA World Factbook. Available at www.cia.gov/the-world-factbook/countries/guinea-bissau/.

¹⁴ IMF (2023). Request For A Three-Year Arrangement Under The Extended Credit Facility-Press Release; And Staff Report.

¹⁵ In the 2022-2023 school year, the Sindicato Democrático dos Professores (SINDEPROF) and the Frente Nacional dos Professores e Educadores (FRENAPROFE) each undertook 22 days of strike action (one month of school days). The Sindicato Nacional dos Professores (SINAPROF), the oldest and largest union, undertook 2 days of strike action (UNICEF education sector strike tracker, 2023).

¹⁶ CCA (2023). Common Country Assessment. United Nations Country Team Guinea-Bissau. ACLED database.

¹⁷ UNICEF education sector strike tracker, 2023.



1.2

Economic situation

The structure of Guinea-Bissau's economy has barely changed over the past two decades.¹⁸ Agriculture, a vital part of the country's economy, represents more than 45% of gross domestic product (GDP) and employs about 80% of the labor force, mainly women. It is the source of almost all exports (80%), while industry accounts for 15%, with services making up the remainder (5%).¹⁹

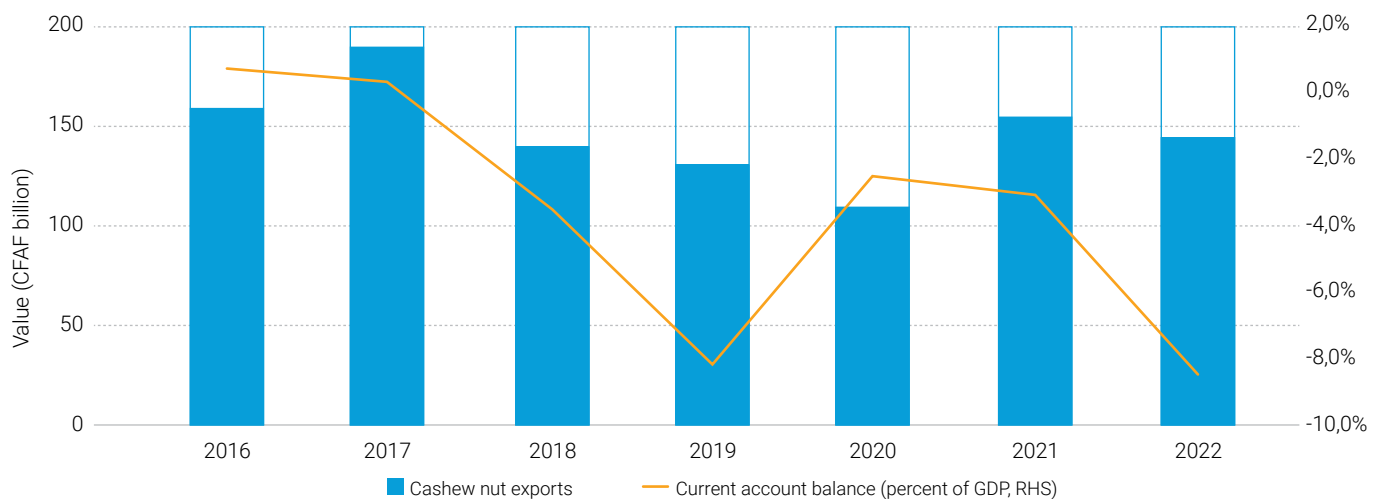
The economy remains highly dependent on the export of raw cashew nuts (Figure 1),^{20,21} which has accounted for between

90% and 98% of total export earnings for the past ten years, providing income to around 80% of the population, mainly smallholder farmers and temporary harvest workers. Only approximately 3% of domestic output of raw cashew nuts is processed locally. As a result, economic growth is inherently linked to the export performance of the crop.

The poorly diversified economy makes the country highly vulnerable to global shocks and adverse climatic conditions, such as irregular rainfall or floods.²²

FIGURE 1

Cashew nut exports and current account balance in Guinea-Bissau (2016 – 2022)



Source: IMF Country Report No. 22/196

¹⁸ World Bank (2019). Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

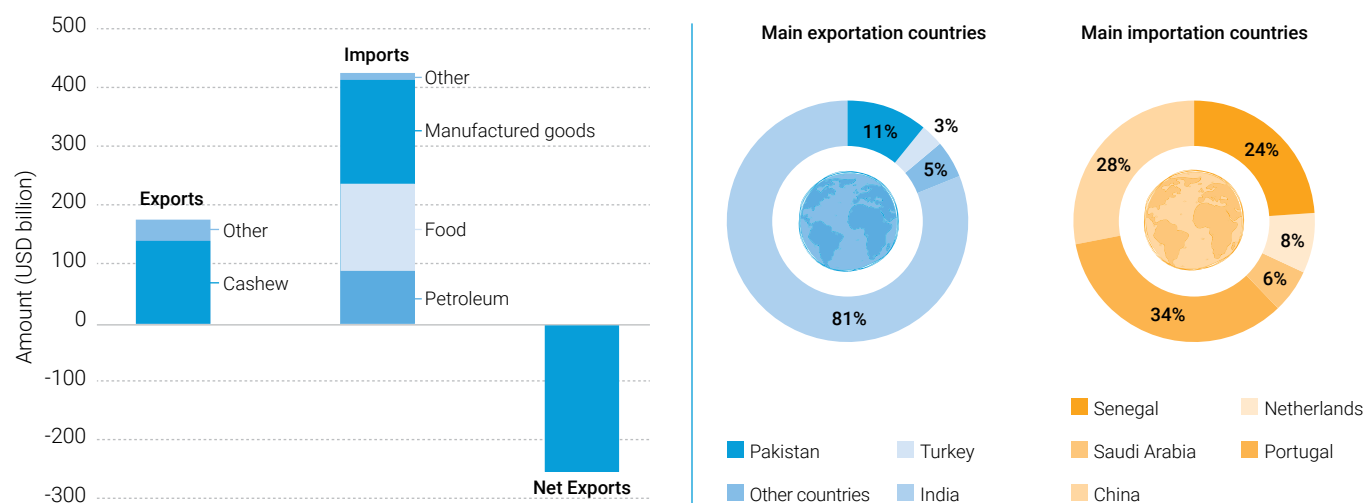
¹⁹ Ibid.

²⁰ IMF (2022). Guinea-Bissau, Country Report No. 22/196. Available at www.imf.org/-/media/Files/Publications/CR/2022/English/IGNBEA2022002.ashx.

²¹ Guinea-Bissau is the second-largest cashew producer in West Africa and among the top five globally.

²² World Bank (2023). Economic update, Guinea-Bissau. <https://documents1.worldbank.org/curated/en/099022502172340925/pdf/P1774230ee6e310310831203c4dceb10109.pdf>.

FIGURE 2
Overview of exports and imports in 2021 in Guinea-Bissau



Source: World Bank Open Data

The country's economy has recovered to some extent from the COVID-19 pandemic, due to strong cashew production in 2021 (figure 1), with growth reaching 6.4% in 2021, after a significant drop of 3 percentage points in 2020 (figure 3). Economic activity slowed to 3.5% GDP growth in 2022.²³ On the demand side, this was driven by inflation, which more than doubled to 7.8% in 2022 as a spillover from the war in Ukraine, thereby reducing private consumption.²⁴ On the supply side, weak cashew export performance has contracted revenues, while higher-than-expected expenditures, especially on wage bills, have led to a high fiscal deficit and rising debt.²⁵ Within the framework of the 2023 Extended Credit Facility arrangements with the IMF²⁶, the authorities have committed to fiscal consolidation to ensure medium-term sustainability. However, evidence across countries show that the implementation of austerity measures required for fiscal consolidation could have the impact of increasing poverty and resulting in the retrogression of economic, social and cultural rights.²⁷

The agricultural sector faces several challenges that have contributed to low productivity, including insufficient energy supply, shortage of rural infrastructure, limited access to modern technologies, inadequate financing and inputs, declining soil fertility and the impacts of climate change.²⁸ Electricity production and distribution in Guinea-Bissau remain limited²⁹, with only 36% of the population (and less than 10% outside the capital) having access to electricity in 2021, which is below the 51% average of Sub-Saharan Africa.³⁰

In its VNR 2022³¹, the government noted that “economic diversification is essential to stimulate inclusive economic growth” and that it “will take advantage of growth opportunities by addressing the constraints that have hampered the structural diversification and transformation of the economy”. The publication continues by stating that the sectors identified as “engines of growth” [and in which it] “will therefore invest substantially, are the agriculture and agro-industry, fisheries and aquaculture, tourism, health and education”.³² The health and education of the population are key to economic transformation and, in addition to essential infrastructure, require increased investments, including from the private sector, and ring fencing of public budgets.

²³ World Bank (2022). Macro Poverty Outlook, Spring Meetings 2022: Country-by-country Analysis and Projections for the Developing World. Washington, DC. <http://hdl.handle.net/10986/37346>.

²⁴ Ibid.

²⁵ Ibid.

²⁶ IMF, 2023. www.imf.org/en/News/Articles/2023/02/07/pr2326-guinea-bissau-imf-executive-board-approves-ecf-arrangement-for-guinea-bissau.

²⁷ www.policydialogue.org/files/publications/papers/Global-Austerity-Alert-Ortiz-Cummins-2021-final.pdf.

²⁸ World Bank. (2019). Guinea-Bissau Unlocking diversification to unleash agriculture growth. <https://documents1.worldbank.org/curated/en/341991563831364596/pdf/Guinea-Bissau-ASA-Agriculture-sector-Publication.pdf>.

²⁹ World Bank. (2023). World Bank Open Data. Available at <https://data.worldbank.org/>.

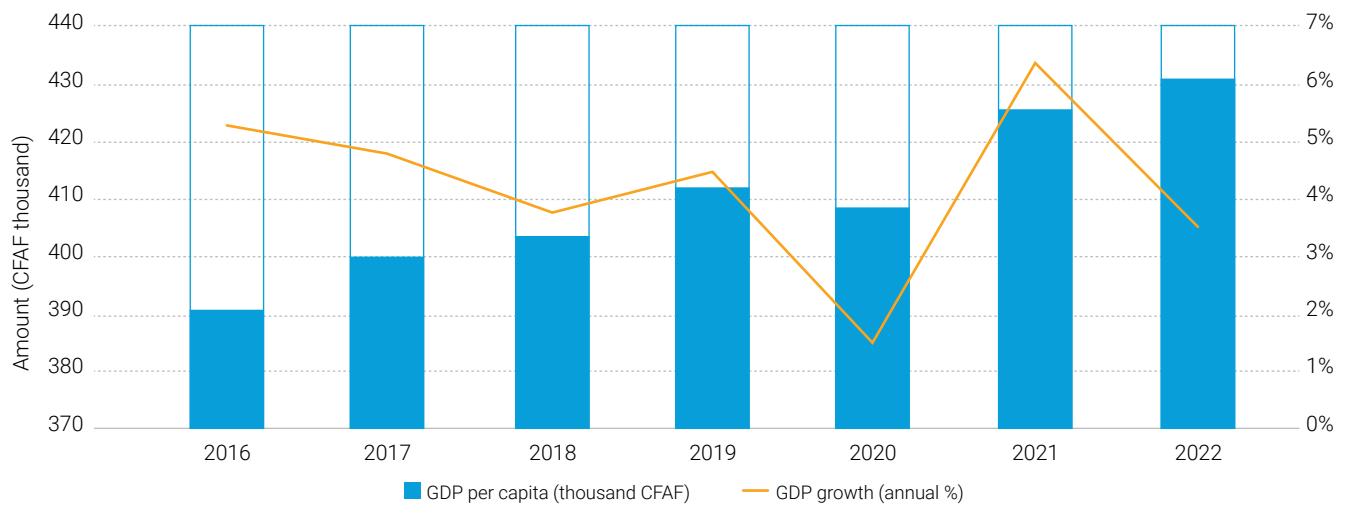
³⁰ Ibid.

³¹ <https://hlpf.un.org/countries/guinea-bissau>.

³² Guinea-Bissau. (2022). Voluntary National Review 2022 (VNR). Available at <https://hlpf.un.org/countries/guinea-bissau/voluntary-national-review-2022>.

FIGURE 3

GDP per capita and GDP growth of Guinea-Bissau (2016–2022)



Source: The World Bank, 2022

1.3

Guinea-Bissau's human rights commitments: health and education

Guinea-Bissau has ratified eight of the nine core human rights treaties, including the ICESCR, which enshrines the rights to health and education, as well as a right to an adequate standard of living. However, there is no national mechanism on implementation, reporting and follow-up; as a result, periodic reporting to treaty bodies has been scarce. There are only two available sets of concluding observations, one by the Committee on the Elimination of Discrimination Against Women (2009)³³ and one by the Committee on the Rights of the Child (2013).³⁴ The latter made recommendations on the budgeting process and allocation of resources.

The Constitution of the Republic of Guinea-Bissau refers to some economic, social and cultural rights.³⁵ According to its article 15, the aim of public health is to promote the physical and mental well-being of populations and their balanced integration into the socio-ecological environment in which they live. It should focus on prevention and the progressive socialization

of medicine and the medical-pharmaceutical sectors. Article 16 notes that the aim of education is to train people. Education must remain closely linked to productive work and provide the acquisition of skills, knowledge and values that enables citizens to integrate into the community and contributes to its continuous progress. The State considers the elimination of illiteracy to be a fundamental priority. According to article 49, every citizen has the right and duty to education, and the State shall progressively promote free and equal access for all citizens to different levels of education.

According to article 29 of the Constitution, constitutional and legal procedures relating to fundamental rights have to be interpreted in harmony with the Universal Declaration of Human Rights. The Committee on Elimination of Discrimination against Women has recommended that Guinea-Bissau "considers, in the process of its constitutional reform currently under way, the adoption of an explicit provision ensuring that the human rights treaties which it has ratified have legal effect as part of the State party's national law and have superiority over any incompatible national laws." Constitutional reform has yet to take place.

³³ CEDAW/C/GNB/CO/6.³⁴ CRC/C/GNB/CO/2-4.³⁵ www.constituteproject.org/constitution/Guinea_Bissau_1996.pdf?lang=en.

Guinea-Bissau has issued a standing invitation to Special Procedures of the UN Human Rights Council since 7 May 2010. Only two have visited the country to date, including the Special Rapporteur on extreme poverty and the Special Rapporteur on independence of judges and lawyers, in 2014 and 2015, respectively.³⁶ The first recommended that:

- i. The proportion of the State budget that is allocated to social services, in particular healthcare and education and to basic infrastructure must be increased considerably for the country to have any chance of meaningful development progress; this can be achieved by diverting funding from lower-priority sectors such as for military expenditure, which are not as essential to the enjoyment of rights; and
- ii. State takes immediate steps to improve the provision and quality of social services provided in the country.

The three Human Rights Council's Universal Periodic Review cycles (2010, 2015 and 2020) have produced 456 UPR recommendations in total, the majority of which were supported by the government. Several recommendations address economic and social rights, with some explicitly calling on Guinea-Bissau to increase budget allocations in the social sectors; Guinea-Bissau has committed to doing so. The following are some of those commitments made by Guinea-Bissau in the context of the 2020 UPR:

- » Increase the health budget allocation to the recommended minimum of 15% of the national budget, in line with commitments under the Abuja Declaration, in order to counter the alarming maternal and under-five mortality and morbidity rates (rec. 96.129);
- » Take further steps to ensure that people's right to basic services is fulfilled, by allocating the necessary budget, resources and workable programs, particularly in the education, health and employment sectors (rec. 119.95);
- » Build a healthcare funding system capable of reducing the financial access barrier to health, and promote an efficient use of economic resources (rec. 119.111);
- » Meet the financial resource allocation requirement stipulated in the Education Sector Plan (rec. 119.129);
- » Allocate an adequate budget to the education sector and take meaningful measures to increase school enrolment rates, particularly in rural areas and of girls (rec. 119.130);
- » Continue to increase investment in education and promote the enrolment rate of school-aged children (rec. 119.125).

Since SDGs are strongly interlinked with and anchored in human rights, the commitments of Guinea-Bissau towards the 2030 Agenda are also noteworthy. The government has worked to align the National Development Plan (PND 2020-2023) with the 2030 Agenda and the 2063 Agenda of the African Union (see figure 4).³⁷ Guinea-Bissau presented its first VNR in 2022, outlining (among others) the following commitments regarding health and education:

Regarding Health (page 63):

- » Effective implementation of the third national health development plan;
- » Improvement of governance and accountability;
- » Design and implementation of a universal health coverage system (offering it as the implementation of the recommendation 119.109 of the universal periodic review in 2020);
- » Increase of budgetary allocations for the health sector;
- » Strengthening of health legislation and of implementation of policies and guidelines aimed at improving access to healthcare services, in particular for people living with disabilities, women and young people;
- » Building of a healthcare financing system capable of reducing financial barriers to access to health, and the promotion of an efficient use of economic resources;
- » Provision or the decentralization of sexual and reproductive health services to the local level, including by extending the personnel protection services of the Ministry of Health, Family, and Family and Social Cohesion in the regions.

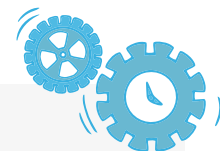
Regarding Education (page 69):

- » Effective implementation of the sector plan for education;
- » Increase the education budget within the general state budget.

A fundamental element for the State to realize economic, social and cultural rights for its population is the use of maximum available resources. Article 2(1) of the ICESCR obliges States parties to the Covenant to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the Covenant by all appropriate means, including particularly the adoption of legislative measures. The following box further explains the concept of maximum available resources.

³⁶ United Nations. (2015). Report of the Special Rapporteur on extreme poverty and human rights: Mission to Guinea-Bissau. Available at www.ohchr.org/en/press-releases/2015/06/human-rights-council-holds-interactive-dialogue-extreme-poverty-and-counter.

³⁷ Guinea-Bissau VNR 2022, page 9.



BOX 1: Maximum Available Resources (MAR)

In its General Comment No. 3 on the Nature of States Parties Obligations, the Committee on Economic, Social and Cultural Rights emphasizes that, in order to be able to attribute its failure to meet at least its minimum core obligations to a lack of available resources, a State party should demonstrate that every effort has been made to use all resources that are at its disposition in an effort to satisfy, as a matter of priority, those minimum obligations (para. 10). The Committee also explains that the phrase “to the maximum of its available resources” refers to both the resources existing within a State and those available from the international community through international cooperation and assistance (para. 13). Additional references to the concept of “maximum available resources” can be found in the Committee’s General Comments no. 24 (States obligations in the context of business activities, para. 37); no. 23 (right to just and favorable conditions of work, paras. 50 and 77); no. 22 (right to sexual and reproductive health, paras. 37 and 61); and no. 21 (right to take part in cultural life, para. 65); and no. 19 (right to social security, paras. 41, 59, 62 and 77).

The following box presents the concept of progressive realization as outlined in article 2(1) of the ICESCR, as interpreted by the Committee on Economic, Social and Cultural rights.



BOX 2: Progressive Realization Obligation

The notion of progressive realization means that States are not expected to immediately and fully implement all economic, social and cultural rights at once. Instead, they are obligated to work towards their fulfillment over time, taking concrete and deliberate steps to gradually improve the enjoyment of these rights for all individuals within their territory. In its General Comment No. 3 on the Nature of States Parties’ Obligations, the Committee on Economic, Social and Cultural Rights further elaborates on the progressive realization obligation. It emphasizes that States must adopt “deliberate, concrete and targeted” measures to move towards the full realization of rights. These measures should be pursued as expeditiously and effectively as possible, depending on a State’s available resources and the level of development. The Committee also clarifies that the obligation to progressively realize economic, social and cultural rights does not mean that States can indefinitely postpone their efforts. States must take immediate steps to ensure the minimum core obligations of these rights. The minimum core obligations are the essential elements of each right that must be realized without delay, regardless of a State’s resource constraints. These minimum core obligations are non-negotiable and are required to be implemented immediately. Specific descriptions of the minimum core obligations for each right under the Covenant can be found in the respective General Comments issued by the Committee on Economic, Social and Cultural Rights.*

* https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/TBSearch.aspx?Lang=en&TreatyID=9&DocTypeID=11%E2%80%9D

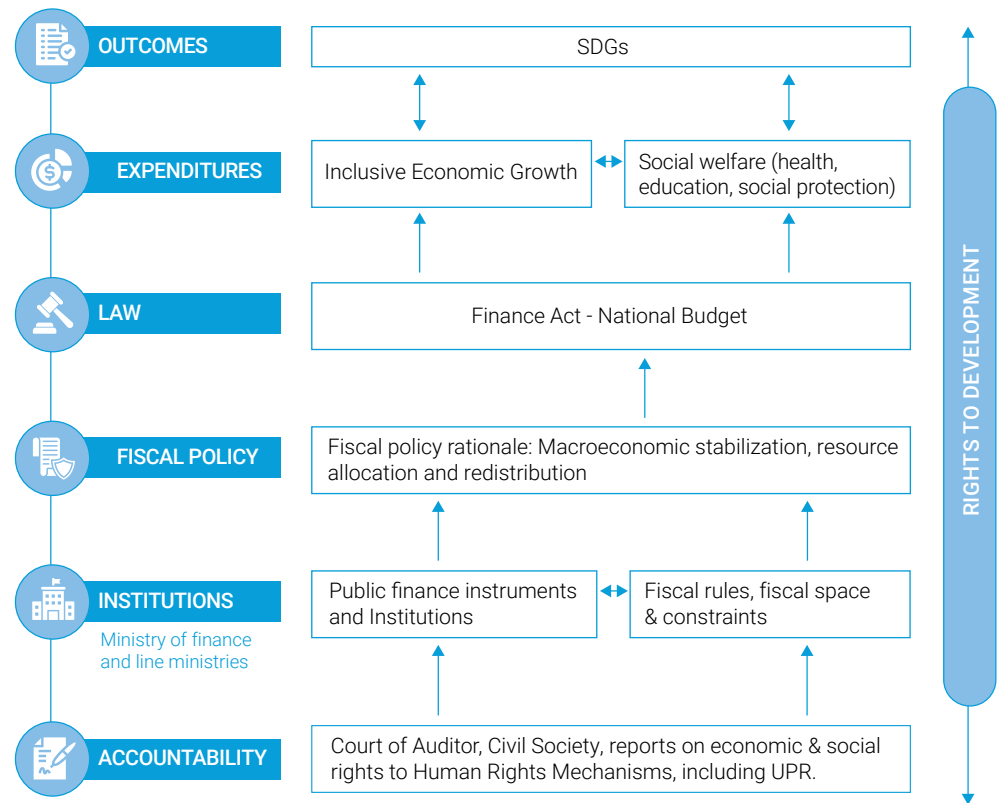


CHAPTER 2

Overview of the budget process and structure of Guinea-Bissau's budget



FIGURE 4
Framing the right to development in Guinea-Bissau's budget process
RCO conception



A budget is a political statement made by governments about their development priorities. The existence of effective transparency and accountability mechanisms is critical to ensure that governments fulfil their obligations and promises.³⁸ Without them, citizens (rights-holders) cannot track the use of resources and the delivery of services promised in the budget, nor hold government (duty-bearers) accountable. In the absence of transparency and accountability, the resulting level of mistrust can go as far as undermining social stability and economic growth.³⁹ Therefore, the combination of budget transparency and accountability, as well as the recognition of the right to participate in public affairs as stipulated in Article 25 of the International Covenant on Civil and Political Rights (ICCPR)⁴⁰, reinforces the democratic principles that should underpin a government's approach to budgeting. It enables citizens to play an active role in shaping their country's development priorities, including for human rights, while holding the government responsible for its actions, ultimately contributing to the progressive realization of ESC rights and the effective management of public resources.

³⁸ CABRI. Transparency and Accountability. Available at www.cabri-sbo.org/en/our-work/transparency-and-accountability.

³⁹ Ibid.

⁴⁰ More information can be found in OHCHR Guidelines on the effective implementation on the right to participate in public affairs, www.ohchr.org/en/documents/tools-and-resources/guidelines-effective-implementation-right-participate-public-affairs.

2.1

The budget process

As a member of the West African Economic and Monetary Union (WAEMU), Guinea-Bissau's budget process follows directives on public finance management adopted in 2009. The directives on Finance Act⁴¹ and Public Accounting⁴² specifically establish the principles, processes and responsibilities for formulating and implementing the national budget. This budget is adopted on a yearly basis and no expenditure can be incurred without prior authorization of the Finance Act. The Ministry of Finance is the chief authorizing officer of the budget. The WAEMU directives also introduce modern public finance management concepts, including program budgeting and medium term expenditure framework. Article 100 of the Constitution grants the government the responsibility to prepare and implement the budget. Article 85 defines the competencies of Parliament, the organ of elected representatives to approve the state budget. In addition to the budget, the National People's Assembly (ANP) also approves the national development plan and the Government Expenditure Account for the year, as well as reports from the Court of Auditors.

The budgetary process in Guinea-Bissau is a top-down, iterative and complex process involving both the executive and legislative branches of the government. The process is spearheaded by the Ministry of Finance and Economy through the Directorate General of the Budget (DGO), in collaboration with the tax collection authorities, General Directorate of Contributions and Taxes (DGCI) and General Directorate of Customs (DGA), as well as the General Directorate of Planning and Regional Integration (DGPIR). In principle, the cycle commences two years prior, starting in December. The DGO presents a budget framework to the Council of Ministers for approval. Subsequently, during December and January, the DGO sets the priorities and drafts the strategic options, as illustrated in Figure 2.

From January to March, the macroeconomic and revenue forecasts are established for the budget year in preparation, which is later revised down during the preparatory year. Projections of external financing flows are also established during the first quarter of the preparatory year. Concurrently, DGPIR projects the investment priorities for the sectors and ministries, followed by a conference on projected public investment programs.

Allocation of resources is underpinned by politics and power relations. The involvement of sectoral and line ministries in the budgetary process is initiated by a Prime Minister's Circular issued in May. The sectoral ministries prepare their expenditures as per the prime ministerial guidelines. This

process involves negotiations and arbitration with the Ministry of Economy and Finance, who then revises the draft budget, which is then submitted to the Council of Ministers in August for discussions and approval. Following this, in September, the budget is presented to the National Assembly⁴³ for review and subsequently debated and passed into law by December 31. There is a specialized committee in Parliament that reviews the draft budget presented by the government for adoption in the plenary. Throughout this period, there are some limited opportunities for participation in the budget process through consultations and engagement with Parliament. The first reading of the budget is done in the plenary and then submitted to the permanent specialized committees, including finance for in-depth review. The reviewed budget is then submitted to Parliament for a second reading and adoption.

While progress has been made in transposing all of the six WAEMU directives, their implementation remains patchy and uneven. The Ministry of Finance and line ministries often deviate from sound public finance management principles, leading to ad hoc budget allocations. As of 2021, only 9% of the WAEMU directives concerning the Framework Budget Law and General Regulation on Public Accounting have been put into practice.⁴⁴ The Ministry of Finance oversees the allocation of funds for expenditure across various ministries, but their capacity to negotiate with the Ministry of Finance during the arbitration phase of the budget remains weak.⁴⁵ The politics of the budgetary process remains incremental, driven by the negotiating capacity of the line ministries with the Ministry of Finance and Economy. In fact, discussions tend to rely on existing figures from the previous year's budget as the planning base rather than aligning with the planned priorities outlined in the national development plan. This path-dependency of the budgetary process leads to a mismatch between international commitments and resources towards their progressive realization, including human rights and the achievement of the SDGs. The implementation of the program budget, as per the WAEMU directive, is still in its pilot phase, with only the health and education sectors participating. The alignment between the national development plan and the investment programs in the budget is very limited⁴⁶, and there are no clear lines or identifiable expenditure going to national development priorities disaggregated across the SDGs, sectors, regions, groups and/or gender.

⁴¹ WAEMU (2009). Directive N°06/2009/CM/UEMOA. Available at www.uemoa.int/sites/default/files/bibliotheque/directive_06_2009_cm_uemoa.pdf.

⁴² WAEMU (2009). Directive N°07/2009/CM/UEMOA. Available at www.uemoa.int/sites/default/files/bibliotheque/directive_07_2009_cm_uemoa.pdf.

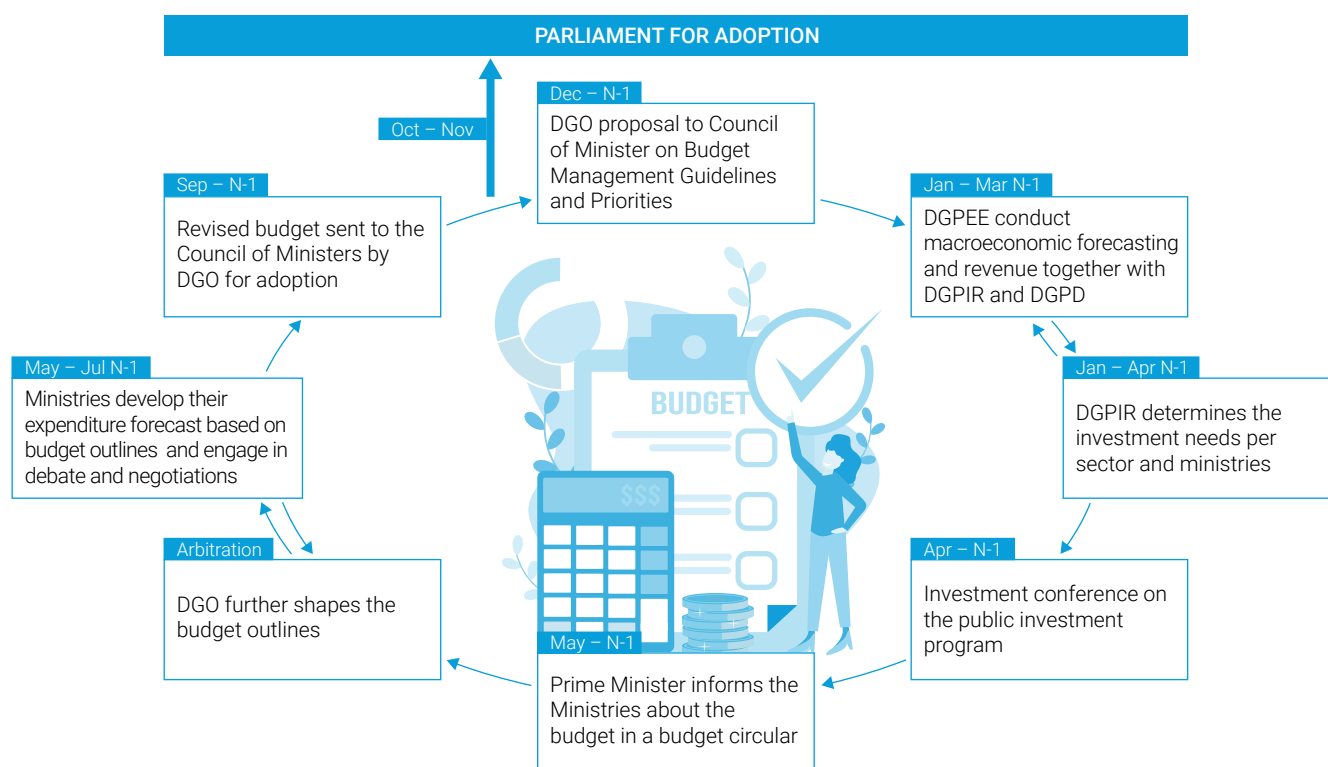
⁴³ Article 58 of the Framework Law for the budget states that "the draft bill for the General State Budget, including the publication and explanatory annexes, shall be submitted to Parliament no later than the opening day of the November budget session."

⁴⁴ IMF (2022). Strengthening the WAEMU Regional Fiscal Framework. IMF Working Paper. WP/22/49.

⁴⁵ World Bank (2004). The Challenge of Restoring Budgetary Discipline: A Public Expenditure Review. Guinea-Bissau. Report No. 27175-GW.

⁴⁶ CCA (2023). Common Country Analysis. United Nations Country Team. Guinea-Bissau.

FIGURE 5
The budget preparation cycle in Guinea-Bissau in theory



Furthermore, political impasses and tensions between different state institutions have often hampered Parliament's role in budget and expenditure oversight, with most recently the dissolution of the ANP (May 2022) preventing Parliament from appraising and approving the 2023 national budget. In 2019, the government draft budget was not approved by Parliament, leading to an extension of the 2018 budget. Oversight within the committee is weak, as the scope of the 5-member specialized committee remains too broad, focusing on economy, planning, finance, commerce, trade and industry. There are limited hearings with ministers at the committee stage, as well as inputs from key sectoral committees through technical opinions on the budget. Additionally, members of Parliament lack technical capacity and in-house expertise within the commissions to implement their sovereign constitutional roles. The Constitution, dating back to 1993, lacks effective arrangements for oversight, including specific deadlines for the government to submit the budget to the ANP for appraisal and approval. Guinea-Bissau scores well below conflict-affected states and the African average on nearly all public finance management indicators.⁴⁷ The Court of Auditors ensures oversight and external audit of public expenditures as part of parliamentary control; however, the Court has neither audited budget implementation nor transmitted any report to Parliament since 1992.⁴⁸ The last time the Court of Auditors prepared an audit report on the executive's year-end publication was

in 2010.⁴⁹ Coordination between Parliament, the Court of Auditors and other control institutions, including the sharing of information and access to reports, remains very weak.

Both the lack of transparency and accountability in the budget process have been major challenges in the country.⁵⁰ While the government has made efforts to increase transparency by publishing some budget documents and budget implementation reports online, the level of public engagement remains low. The effectiveness of public participation and monitoring are hindered by the inadequate quality of fiscal and budgetary information.⁵¹ Specifically, there is a lack of capacity to gather and process information, making it difficult to verify the extent to which resources are being efficiently allocated to essential services, such as schools and health centers, in accordance with the approved budget.^{52,53}

⁴⁷ Cuiabano, S (2022). Constitutional reform in Guinea-Bissau: contributions towards fiscal management. Africa economic brief. Volume 13, issue 2.

⁴⁸ Ibid.

⁴⁹ World Bank (2020). Escaping the Low-Income Trap: Guinea-Bissau Country Economic Memorandum. Washington, DC: World Bank. <http://hdl.handle.net/10986/34752>.

⁵⁰ Guinea-Bissau does not feature in the Open Budget Survey.

⁵¹ An excerpt of a summarized structure of the budget of Guinea-Bissau is shown in annex 1.

⁵² It is common to have completely different figures from different official sources for the same budget line. Many times, the internal revenues of the health sector are not publicationed in annual budgets, nor are expenditures paid out of such revenues. As a result, there is no reliable information about the overall budget and expenditure of the health sector.

⁵³ World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

CHAPTER 3

Budget allocations, expenditures and execution (2016 - 2022)



As per WAEMU directives, Guinea-Bissau is required to present its budget in a comprehensive format, including administrative, functional, economic and programmatic⁵⁴ domains. Budgetary allocations are categorized by administrative structure and organization of the government. The appropriations are broken down according to ministries and constitutional institutions, as well as per functions/sectors such as defense, education, health, etc. The budgetary items are additionally broken down in terms of their economic form, including operating expenses, capital expenditures and personnel costs. The WAEMU directives require that budget appropriations made in the Finance Acts be further broken down into programs, organized around a coherent set of actions representing clearly defined public policy objectives, and their outcomes are regularly assessed. However, this is yet to fully be implemented.

3.1.

Overall budget allocations (2016 – 2022)

As shown in Figure 5, allocations in Guinea-Bissau followed a steady upward trend from 2016 to 2020, with a subsequent drop in 2021 before increasing in 2022. The nominal budget growth suggests that the government is allocating more money over time to address its development challenges. However, in gross domestic product terms, the growth remains modest and volatile, indicating that the increase in allocations may not be keeping pace with overall economic growth. As a share of economic output, budget expenditure in 2022 remains unchanged from that of 2018.⁵⁵ When compared to peer countries, government expenditure as a share of GDP remains lower than the African average, suggesting inadequate resources for its structural transformation.⁵⁶ Among the four main sectors, the economic and financial sector consistently received the highest share of resources throughout the period under review, followed by the social sector and the defense and sovereignty sector. The misalignment between the nominal budget allocations and real economic indicators suggests inefficiency and ineffectiveness of the budgetary process.

The main drivers of volatility in real government expenditure growth includes transfers, goods and services and other recurrent expenditures and capital expenditures.⁵⁷ However, capital expenditures and wages as share of economic outputs are higher than those of peer countries. While higher capital expenditures suggest government efforts to improve infrastructure and stimulate economic growth, they can also pose fiscal challenges if not managed efficiently. High wage bills, if not aligned with effectiveness of service delivery and revenue generation, may also strain public finances and fiscal space.

⁵⁴ Article 16 of the Directive N°06/2009/CM/UEMOA On Finance Laws Within UEMOA.

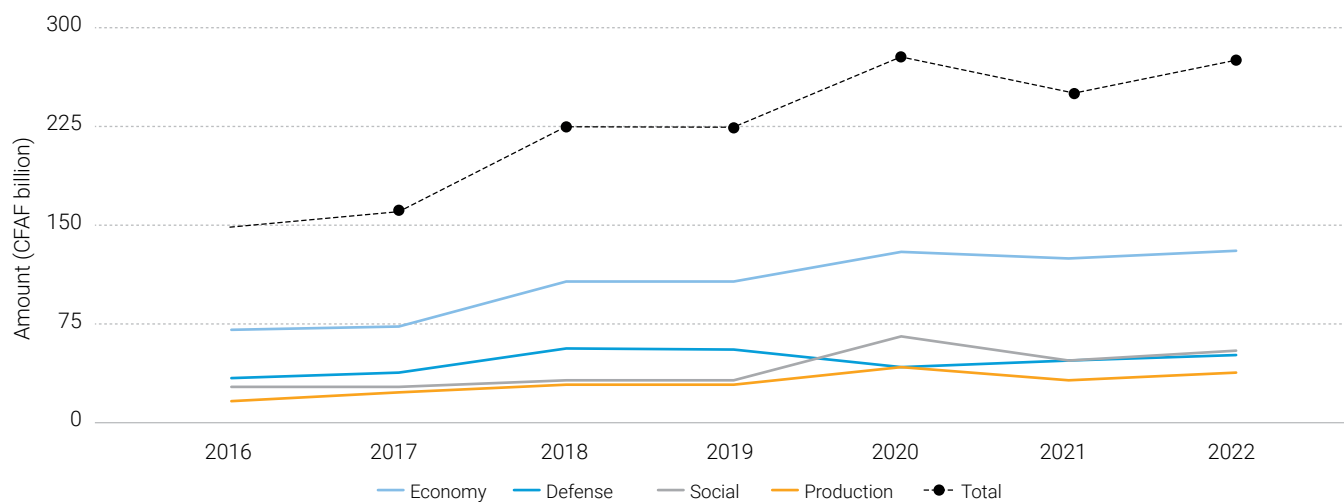
⁵⁵ Source: Budget Execution Reports 2017-2021, Budget Proposals 2016-2022, Ministry of Finance; IMF.

⁵⁶ IMF (2021). World Economic Outlook.

⁵⁷ IMF (2022). Third Review of the Staff Monitor Program.



FIGURE 6
Sector-wise allocations (2016 – 2022)



Source: Author's calculations

3.2

Budget allocations for the social sector (2016 – 2022)

From 2016 to 2018, the allocation for the social sector (Education, Health, Social Protection & Others) experienced a relatively stable trend, with a gradual increase in 2018. However, in 2020, there was a significant jump, peaking at 23% of the total allocation, due to Covid 19. In 2021 and 2022, the trend stabilized slightly, with the social sector consistently accounting for between 19% and 20% of the total budget allocation. Under a new IMF program, the government has committed to ensuring the protection of priority expenditures in areas such as health, education, social sectors and public investments. In fact, the government projects an increase of 0.6 percentage points of GDP for priority social spending when compared to the pre-Covid-19 period average, aligned with the program's target for social and priority spending.⁵⁸ The implementation strategy,

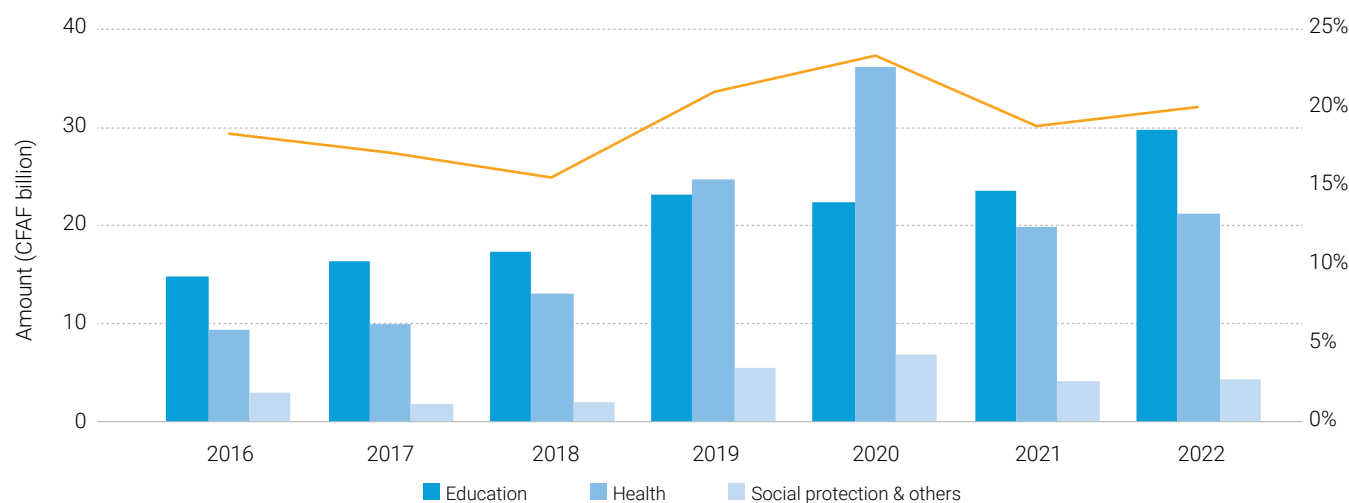
however, remains unclear, given the unequal burden of the wage bill rationalization reforms which have disproportionately fallen on the social sectors.

Guinea-Bissau's report to the 2022 VNR states that "In 2021, in the context of the Covid-19 crisis, social spending was primarily directed toward vaccination efforts, health, education and other social services, amounting to 4.7% of GDP. Education spending took the lead, followed by health spending, including COVID-19 pandemic-related expenditures, and broader social spending. However, these allocations remain largely insufficient to address disparities and ensure access to quality essential services for all." This underscores the need for increased attention to equity and access in social spending.⁵⁹

⁵⁸ IMF (2023). First Review Under The Extended Credit Facility Request For A Waiver Of Non observance Of Performance Criterion-Press Release; Staff Report. June 2023.

⁵⁹ Guinea-Bissau, VNR 2022, page 42.

FIGURE 7
Budget allocations to the social sub-sectors (2016 – 2022)



Source: Author's calculations

3.3

Budget execution (2016 – 2022)

Budget execution is a critical phase in the budget cycle. On average, approximately 88% of the budgeted resources planned are spent over the period covered by this publication, slightly higher than the African average of 82%.⁶⁰ However, this figure masks substantial disparities, with deviations from the approved budget ranging between chronic underspending of less than 34% of allocated funds to exceeding the budget by 9%. Underspending in some categories often occurs concurrently with overspending on other expenditure items. In fact, in the assessment of Public Expenditure Financial Accountability (PEFA), the overall budget execution performance is graded as a D, underscoring the need for improvements in financial management practices.⁶¹

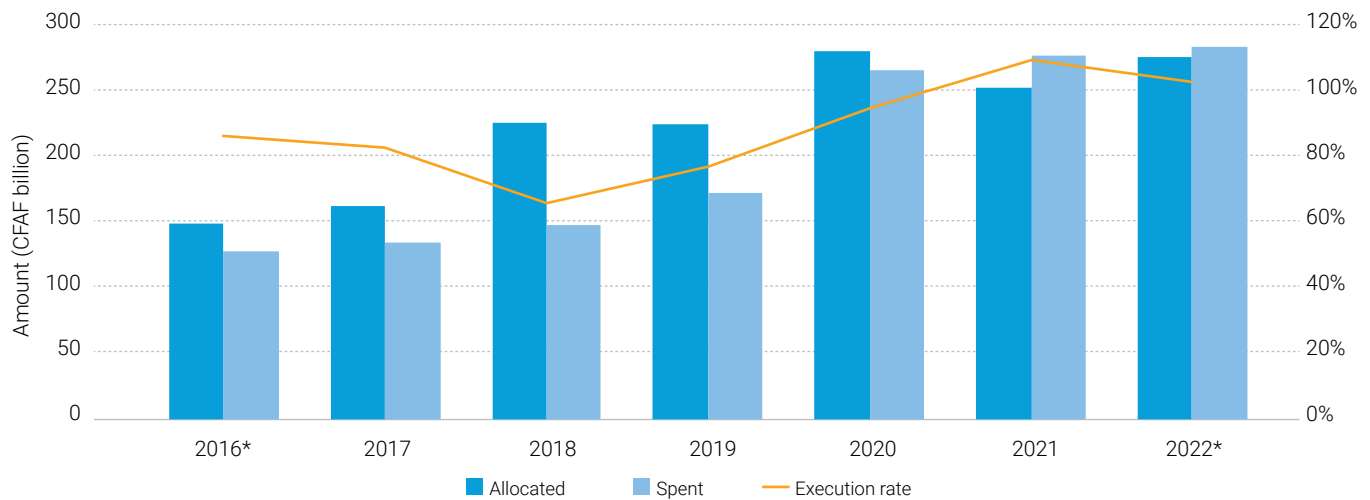
The variability suggests public finance weaknesses, including inefficiencies in the accounting system. While WAEMU directives require the adoption of accrual method of accounting, implementation remains very weak and patchy. The reliance on cash-based accounting contributes to the volatility in the national budget execution rate in Guinea-Bissau. Timing of payments and the delayed recording of financial transactions under a cash-based system can result in variations in budget execution from year to year. The rate of execution can vary annually depending on when payments are processed, which can fundamentally contribute to volatility.

⁶⁰ Fuhfkirchen et al (2021). Budget Execution in Health: concepts, Trends and Policy Issues. World Bank, WHO.

⁶¹ CABRI Report on Public Health Budget Practices and Procedures in Africa: How African Countries Budgeted for Health.

FIGURE 8

General budget execution (2016 – 2022)



Source: Author's calculations from the budget execution report

3.4

Budget execution in the social sector (2016 – 2022)

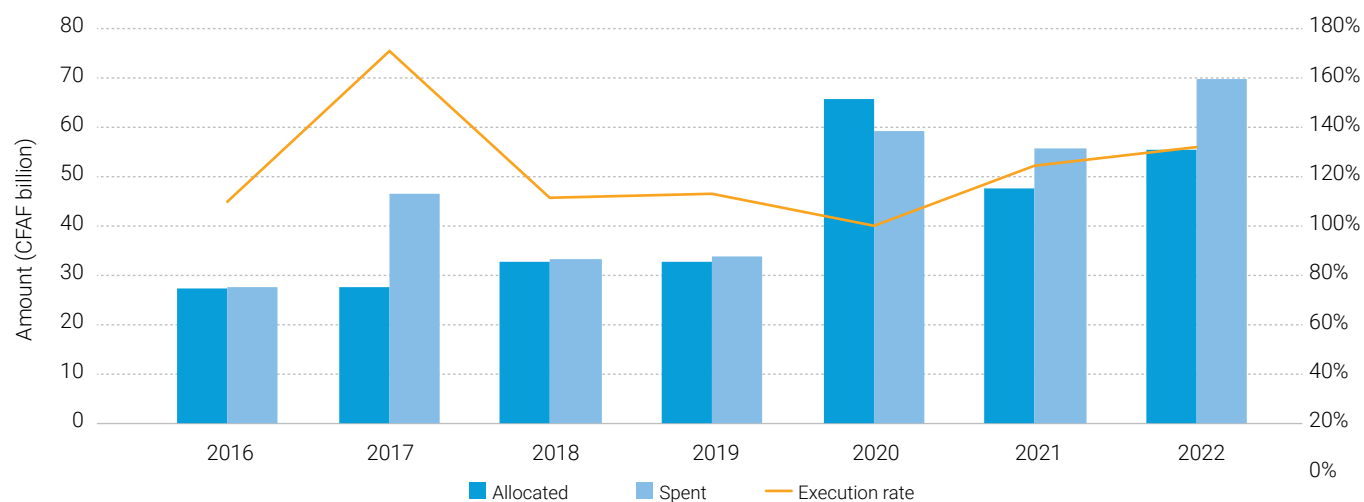
The budget execution rate for the social sectors averaged 87%, slightly lower than that of the general budget and consistent with the African average (see figure 8). Similar to the general budget, the average figure masks substantial deviations in spending, suggesting weaknesses in the public financial management systems, with service delivery impacts. The budget execution rate is systematically higher for wages and salaries than they are for goods and services or capital expenditures, highlighting the rigidities of the budget.

The deviations observed in the budget execution rate point to a recurring practice of issuing supplementary budgets throughout the fiscal year, which helps explain the anomalies in execution rates exceeding 100%. For instance, the implementation of the "Lei de Carreira Nacional Docente" (National Teaching Career

Act) resulted in higher-than-expected costs for education staff. Additionally, teachers' unions have raised various retroactive grievances from previous years, such as unpaid salaries and benefits, and addressing these issues may have contributed to increased costs.

The nominal upward trend in overall budget execution rate could be an indication of the government's commitment to advancing social development, with a particular focus on education and healthcare. However, the budget's design lacks comprehensiveness, especially in terms of the breakdown of expenditures and the execution of priority programs. This deficiency complicates the tracking of outcomes and their assessment, including impacts on vulnerable communities and gender.

FIGURE 9
Budget execution in the social sector (2016 – 2022)



Source: Author's calculations from the budget execution report

3.5

Challenges to Guinea-Bissau's financial sustainability

Guinea-Bissau, akin to many developing nations, continues to face key challenges in achieving fiscal sustainability while ensuring the realization of socioeconomic rights, with a particular emphasis on healthcare and education. These challenges stem from several factors, including domestic revenue mobilization, macroeconomic stability, allocations, governance, institutional capacity and politics.

One of the primary constraints in Guinea-Bissau's revenue mobilization is the narrow tax base. As a share of the economy, Guinea-Bissau collects less tax than peer countries at 10% of GDP, which is far below the WAEMU regional convergence target of 20%. The country relies heavily on a few revenue sources, such as import tariffs and value-added tax (VAT), which can be volatile and inequitable, with burdens falling disproportionately on poor households. Income taxes, which are progressive, contribute approximately 28% of the overall tax share as compared to 37% in Africa.⁶² While the corporate tax rate of 25% is consistent with the lowest end of the WAEMU requirements, excessive tax exemptions and incentives provided to some entities and sectors further erodes the tax base, resulting in substantial revenue losses and reducing effective tax rate.

Overall, tax efforts remain very low, with Guinea-Bissau using only 34% of its fiscal capacity potential compared to 50% for Africa.⁶³ This is compounded by corruption and tax administration weaknesses.

A substantial portion of economic activity in Guinea-Bissau remains informal and unregulated, often operating beyond the reach of taxation and resulting in revenue leakages. It is one of the few countries where, in principle, all income earned is subject to taxation, even earnings below the poverty line.⁶⁴ Although the income tax system is designed to be progressive, its progressivity is relatively limited, placing a heavier burden on the very poor and creating significant disincentives for workers to enter the formal workforce. Individual income tax rate ranges between 2% and 20% for salaried income and 30% for the self-employed.⁶⁵

⁶³ The ratio of actual tax revenue collected as a percentage of GDP and the predicted Tax Capacity, expressed as a percentage of GDP. <https://idea.usaid.gov/cd/guinea-bissau/domestic-revenue-mobilization>.

⁶⁴ ODI (2022). Employment Income Tax in Africa: Findings from a New Data set. Working paper 619.

⁶⁵ ENS (2023). Doing Business in Guinea-Bissau. Africa regulatory and business intelligence.

⁶² OECD (2023). Revenue Statistics in Africa 2022 www.oecd.org/tax/tax-policy/revenue-statistics-africa-chad.pdf.

While progress has been made to digitalize tax collection, inefficiencies across the system remain significant and a source of revenue leakages. Coordination among revenue mobilizing entities remains suboptimal. For example, while the Electricity and Water Company of Guinea-Bissau (EAGB) collects the audiovisual tax directly from the consumers' utility bills, the data is not immediately shared with the Ministry of Finance, underscoring the lack of transparency. Furthermore, the database of the business formalization center (CFE) is not synchronized with that of the tax authorities (DGCI), presenting opportunities for potential tax evasion.

Fiscal management in Guinea-Bissau continues to exhibit inadequacies. Despite some advancements in the implementation of fiscal reforms, budgeting and financial management practices remain deficient, thereby eroding the budget's credibility. Notably, there is a substantial disparity between projected revenues and actual collections, as well as between budget allocations and the resources effectively expended by various ministries. This situation is exacerbated by the absence of a program-based budget and a medium-term expenditure framework anchored in a long-term national development plan aligned with the sustainable development goals.

Fiscal rules remain a binding constraint on macroeconomic stability. The debt burden is significantly high, averaging about 80% of GDP, well beyond the regional convergence target of 70% (see figure 9). Based on a joint World Bank-IMF Debt Sustainability Analysis (DSA) for low-income countries, the risk of debt distress is estimated as "high".⁶⁶ As a share of GDP, interests' payment on publicly guaranteed debts has risen faster than tax collection. With expenditures systematically larger than revenue, the country is running a systematic fiscal deficit, way above the 3% of GDP per annum established by the WAEMU convergence criteria.

Debt burden crowds out fiscal space for human capital investment.

The government relies heavily on grants and loans from international financial institutions and regional banks. This reliance is further compounded by volatility in aid flows, as well as lack of coordination and alignment with the government's own priorities. The entire capital expenditure, comprising of over 32% of the budget, is funded by multilateral and bilateral donors. Key creditors include the World Bank, the IMF, the Export-Import Bank of India, the Saudi Fund, the West African Development Bank, the Kuwait Fund, the Islamic Development Bank and the Export-Import Bank of Taiwan.⁶⁷

The composition of expenditures remains skewed. The wages and salaries, the most rigid and non-discretionary category of

spending, represents about 38% of overall recurrent budget, followed by good and services. Wages, as a share of economic activity (6% of GDP), are higher than those of peer countries.⁶⁸ Unregistered expenses (others), including incentives and bonuses paid to staff, are rising (see fig 9). Bonuses paid to some few staff in the Ministry of Finance, aimed at incentivizing tax collection, have been estimated to reach up 1.3% of GDP, which is over half of the health sector's budget. This underscores the extremely high cost of compliance by taxpayers, including the perception of corruption.⁶⁹

Increased spending on public administration and security crowds out spending on priority social and economic sectors. National defense and public security spending accounted for 12% of total expenditure in 2020⁷⁰ compared to the African average of 7%.⁷¹ Spending on public administration and general services accounts for roughly 50% of the total state budget – the highest among regional peers (31% of the budget in Burundi and 40.2% in Senegal).⁷²

Meanwhile, there are some key governance and political challenges to fiscal sustainability. Recurrent political and institutional instability has created an uncertain environment for national development planning and implementation. These disruptions often result in shifts in fiscal priorities and inconsistencies in economic strategies, making it difficult to maintain sustainable public finances. This issue was acknowledged in the VNR itself, which states that "[cyclical political and institutional stability] has neither fostered economic growth nor the establishment of coherent social policies, thus leading to dependence on aid from the international community in the economic, health and education social sectors".⁷³ While there is commitment to protect social sector spending, the fiscal stance remains heavily focused on stability, disadvantaging allocation and distribution roles of policy. Though the government's strategy to create fiscal space for additional spending includes domestic revenue mobilization, its main focus is more on meeting fiduciary targets rather than human capital payoffs. The balance between the predictable short-term fiduciary payoffs and its uncertain human development outcomes with the uncertain fiduciary payoffs but predictable development paybacks on investment in social sectors remains uncertain.⁷⁴ There is a need to develop a credible

⁶⁸ IMF (2022). Third Review of the 9-Month Staff Monitoring Program.

⁶⁹ World Bank (2018). Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development.

⁷⁰ World Bank, 2023. Public Expenditure Review for Guinea-Bissau: Creating Fiscal Space While Enhancing Public Expenditure in Health, Pensions, and Energy (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099090723141535862/P17726604e686502e091f70c5b7833f486e>.

⁷¹ Khera (2018). Military Expenditure in Africa. <https://idsa.in/africatrends/military-expenditure-in-africa>.

⁷² Ibid.

⁷³ Guinea-Bissau. (2022). Voluntary National Review 2022 (VNR), page 16: <https://hlpf.un.org/countries/guinea-bissau/voluntary-national-review-2022>.

⁷⁴ Roy, R, Heuty, A and Letouze, E (2009). Fiscal Space for What? Analytical Issues from a Human Development Perspective. In Fiscal Space: Policy Options for Financing Human Development. UNDP and Earth Scan.

⁶⁶ World Bank (2023). Public Expenditure Review for Guinea-Bissau: Creating Fiscal Space While Enhancing Public Expenditure in Health, Pensions, and Energy (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099090723141535862/P17726604e686502e091f70c5b7833f486e>.

⁶⁷ Ministry of Finance. Budget of 2023. www.mef.gw/publicacoes/orcamento-geral-do-estado.

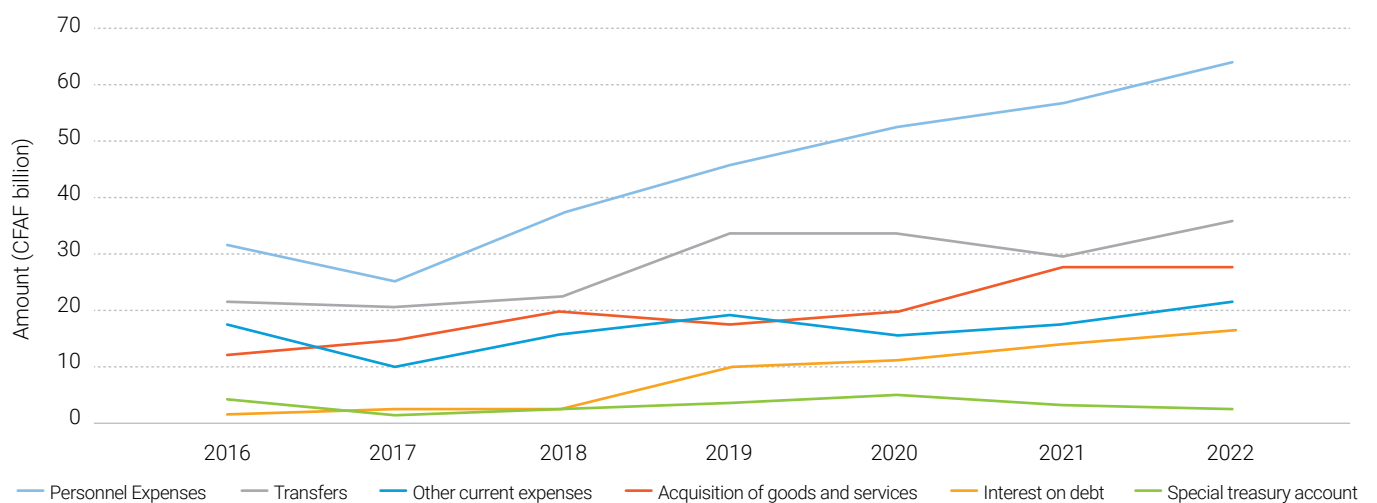
long-term development vision that takes advantage of the short-term fiduciary payoffs and the human capital outcomes in dynamic and transformative ways for social protection and the achievement of the SDGs.

A viable fiscal social contract to underpin an integrated national financing policy is lacking. Two pressing questions emerge: first, what is the required fiscal space to enable the realization of the SDGs and international human rights commitments? Second, how can domestic revenue mobilization, debts and grants and innovative financing instruments, as well as reprioritization and efficiency of spending in budget allocations create sufficient fiscal space to achieve the SDGs? These are not just technical issues of fiscal targets, expenditure benchmarks, floors and ceilings or fiscal rules; they require the rethinking of the fiscal

social contract between government and citizens to support an inclusive development bargain between the government and citizens for structural transformation of the economy and society in Guinea-Bissau.

According to the 2022 VNR report, there is a growing consensus regarding the necessity for financing development beyond relying solely on Official Development Assistance (ODA). The emerging perspective suggests that future financing should encompass private investments, innovative funding mechanisms and sustainable self-generated revenues. Additionally, it emphasizes the importance of enhancing accountability procedures to monitor the utilization of resources mobilized by Guinea-Bissau. This monitoring aims to optimize the efficiency of resource utilization and ensure that funds are used effectively.⁷⁵

FIGURE 10
Distribution of operational expenditures by economic classification (2016 – 2022)



Source: Author's computation

⁷⁵ Guinea-Bissau VNR 2022, page 137.

CHAPTER 4

Budget allocations and expenditures in the health and education sectors



The government has agreed to international and regional benchmarks on social spending. These recommendations require that health and education sectors receive approximately 15%⁷⁶ and 20%⁷⁷ of the total government budget, respectively. In terms of economic indicators, it is recommended that national education expenditure average around 4% of GDP and health expenditure reach 6%.⁷⁸ Recent estimates for the health sector emphasize that achieving universal health coverage would require a minimum of 7.5% of GDP in low- and middle-income countries.⁷⁹

However, the government in its 2022 VNR acknowledged that the debt situation and the potential impacts of the war in Ukraine on the budget pose risks, which could further limit the already constrained fiscal space for increasing social investments. Moreover, it recognizes a sustained decline in investments in crucial social services, particularly in health and education, with certain demographic groups, particularly women, bearing a disproportionate burden of poverty.⁸⁰

4.1.

Health sector

Article 15 of the Constitution of Guinea-Bissau provides that public health aims to promote the physical and mental well-being of populations and their balanced insertion in the socio-ecological environment in which they live. It further states that public health should be oriented towards prevention and advocate aim for the progressive socialization of medicine and drug and medical sectors.⁸¹ Furthermore, article 58 provides that Guinea-Bissau will progressively create the conditions required for the full accomplishment of the economic and social rights.⁸²

⁷⁶ World Education Forum. (2015). Incheon Declaration. Available at https://unesdoc.unesco.org/in/rest/annotationSVC/DownloadWatermarkedAttachment/attach_import_1580c921-cf37-4bd3-9a49-f67df14562e3?_=233813qaa.pdf (Incheon Declaration, 2015; Abuja Declaration, 2001; WHO, 2010).

⁷⁷ Abuja Declaration (2001). Available at <https://apps.who.int/iris/bitstream/handle/10665/341162/WHO-HSS-HSF-2010.01-eng.pdf>.

⁷⁸ World Health Organization (2010). Health Systems Financing: the Path to Universal Coverage. Available at <https://apps.who.int/iris/rest/bitstreams/52792/retrieve>.

⁷⁹ Stenberg, K. et al. (2017). Financing transformative health systems towards achievement of the health Sustainable Development Goals: a model for projected resource needs in 67 low-income and middle-income countries. The Lancet Global Health. Available at: [https://doi.org/10.1016/S2214-109X\(17\)30263-2](https://doi.org/10.1016/S2214-109X(17)30263-2).

⁸⁰ Guinea-Bissau VNR 2022, page 42.

⁸¹ UNIOGBIS. (2017), Report on the Right to Health in Guinea-Bissau. Available at https://uniogbis.unmissions.org/sites/default/files/infographics_rr2health_2017_en.pdf.

⁸² Ibid.





BOX 3: Right to health

The right to health is recognized in numerous international instruments, including the UDHR (art. 25), the ICESCR (art. 12), the Convention on the Rights of the Child (art. 24) and the Convention on the Elimination of All Forms of Discrimination Against Women (art. 12).

The Committee on Economic, Social, and Cultural Rights affirms that the right to health is not only a human right but also indispensable for the exercise of other human rights (General Comment no. 14, para. 1).

The key elements of the right to health encompass: **Availability:** This means that functioning public health and healthcare facilities, goods, services and programs should be available within the state. **Accessibility:** Health facilities, goods and services should be physically accessible to and affordable for all, ensuring that those in vulnerable and marginalized groups can equally access healthcare. **Acceptability:** Health facilities, goods and services should be respectful of medical ethics and culturally appropriate. **Quality:** health facilities, goods and services must be scientifically and medically appropriate and good quality. (General Comment no. 14, para. 12).

Article 29 notes that constitutional and legal procedures relating to fundamental rights must be interpreted in harmony with the UDHR, which recognizes the right to health in article 25.

Guinea-Bissau has ratified the ICESCR, whose article 12 enshrines the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.

BOX 4: Health legislation in Guinea-Bissau

The idea of adopting a framework health law was discussed between 2010 and 2011. Unfortunately, these discussions came to an abrupt halt following the coup d'état on April 12 2012. Despite this, there are several pertinent laws on the right to health in place:

- (i) Law No. 5/2007, addresses HIV/AIDS and serves to ban any form of discrimination against individuals living with this condition, while also ensuring the preservation of confidentiality.
- (ii) Law No. 11/2010, focuses on reproductive health and family planning, and notably raises the minimum age for marriage to 18.
- (iii) Law No. 12/2011 combats and prevents trafficking in persons, especially women and children. It incorporates the major provisions of the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, Especially Women and Children, which supplements the United Nations Convention against Transnational Organized Crime.
- (iv) Law No. 14/2011 endeavours to prevent, combat, and suppress female genital mutilation, firmly prohibiting and criminalizing this harmful practice.

However, there remains significant concern about the inadequate implementation of these laws and the lack of a framework law on the right to health.



4.1.1

Budget allocations for the health sector (2016 – 2022)

While progress has been recorded, budget allocations for the health sector remain low and volatile. The budget allocations for the health sector significantly increased from 2016 to 2020, with a jump from 9.34 billion CFAF in 2016 to 36.17 billion CFAF in 2020 (see Figure 11) and with a slight increase between 2021 and 2022, suggesting greater resource allocation during 2020 to fight the Covid-19 pandemic. During the period of interest, the government allocated between 6% and 13% of the state budget to health, falling short of the 15% target set by African Union governments in Abuja in 2001. As a share of

GDP, budget allocation averages 2.7% of GDP, compared with the internationally expected 4-5% benchmark.⁸³

The government is yet to optimize the fiscal space for health. In fact, excluding the spike in Covid-related expenditures in 2020, the responsiveness of general health expenditure with increasing economic activity remains

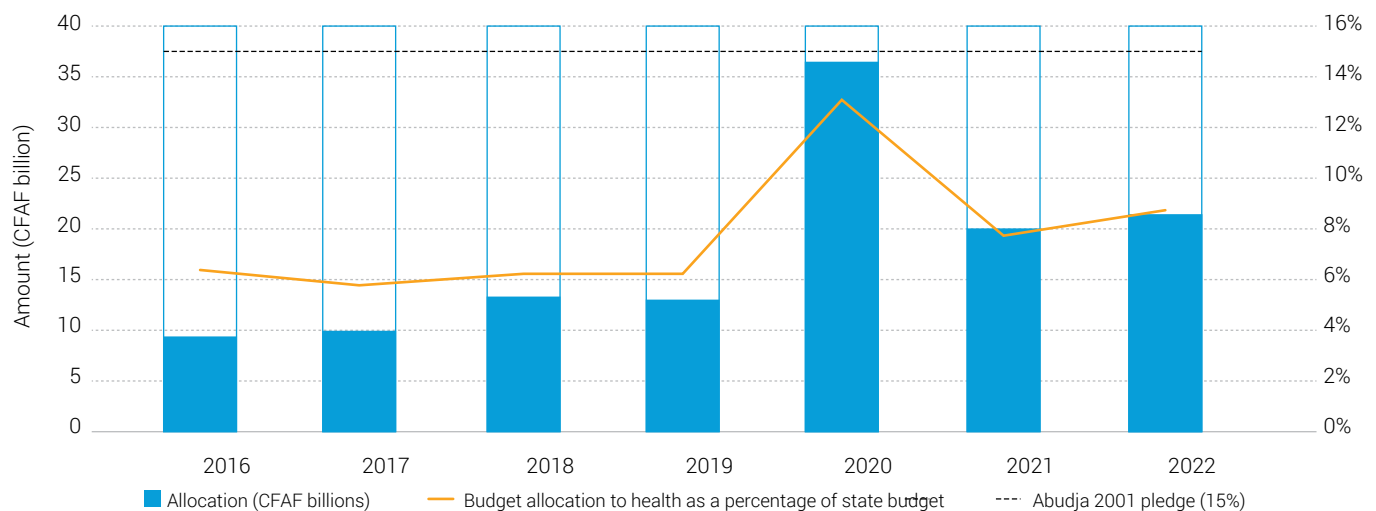
⁸³ McIntyre D, Meheus F, Røttingen JA (2017). What level of domestic government health expenditure should we aspire to for universal health coverage? *Health Economics, Policy, and Law*, 12(2), 125-137.

very low and inelastic. Over the period covered by this publication, for every 1% increase in GDP, government health expenditure increases only by approximately 0.0437%, or 4.37 basis points⁸⁴, compared with 1.16% expected for low-income countries such as Guinea-Bissau.⁸⁵ This low responsiveness suggests that without strong political commitment, conducive macroeconomic conditions may not automatically translate into commensurate spending

on health. Given the overdependence on external financing for the health sector, there is scope for the government to proportionately allocate levels of own resources in the health sector, especially if the economy continues to grow and fully recover. This insufficient funding for healthcare has significant implications for the realization of the right to health and the achievement of the SDGs in Guinea-Bissau, in particular SDG 3.

FIGURE 11

Budget allocation to the health sector as a percentage of total budget (2016 – 2022)



Source: Author's computation

4.1.2 Health financing and expenditures

Health financing is fragmented and insufficient. While the budget plays a significant role, it represents only a portion of the total funds available to the health sector. Over the period covered by this publication, government spending averaged 16.5% of overall health spending, peaking at 37% in 2021.⁸⁶ These allocations include public investment programs and operations within the health sector. Over 80% of the budget is allocated to fixed expenses, including staff cost (see figure 13), which limits resources for investment. Public investment programs depend entirely on external financing (see figure 14) and are therefore susceptible to the changes in interests and priorities of partners. External financing by donors comprises approximately 24% of overall financing of the health sector in Guinea-Bissau.

Resource allocation remains inefficient and inequitable. On average, allocation on per capita basis averages \$61 compared with \$115 per capita in the region.⁸⁷ Out-of-pocket expenditures, which are both regressive and inefficient, make up the primary source of health financing, averaging 64%, one of the highest rates in the region.⁸⁸ The gap between the inequitable self-financing of healthcare and public financing through the national budget continues to significantly widen, highlighting the disproportionate burden placed on poor households by the health system for financing access to healthcare services. Even as per capita income has increased, the share of public financing allocated to health on per capita basis has fallen from \$17 in 2010 to \$5 in 2020, emphasizing the need for greater prioritization of health in the national budget.⁸⁹

⁸⁴ Personal calculations based on budget figures and GDP.

⁸⁵ Tandon, A & Cashin, C (2010). Assessing Public Expenditure on Health From a Fiscal Space Perspective. HNP Discussion Paper. World Bank.

⁸⁶ Estimations based on Ministry of Health (2022). National Health Accounts.

⁸⁷ WHO (2022). African Regional Health Expenditure Dashboard.

⁸⁸ Guinea-Bissau. National Health Accounts.

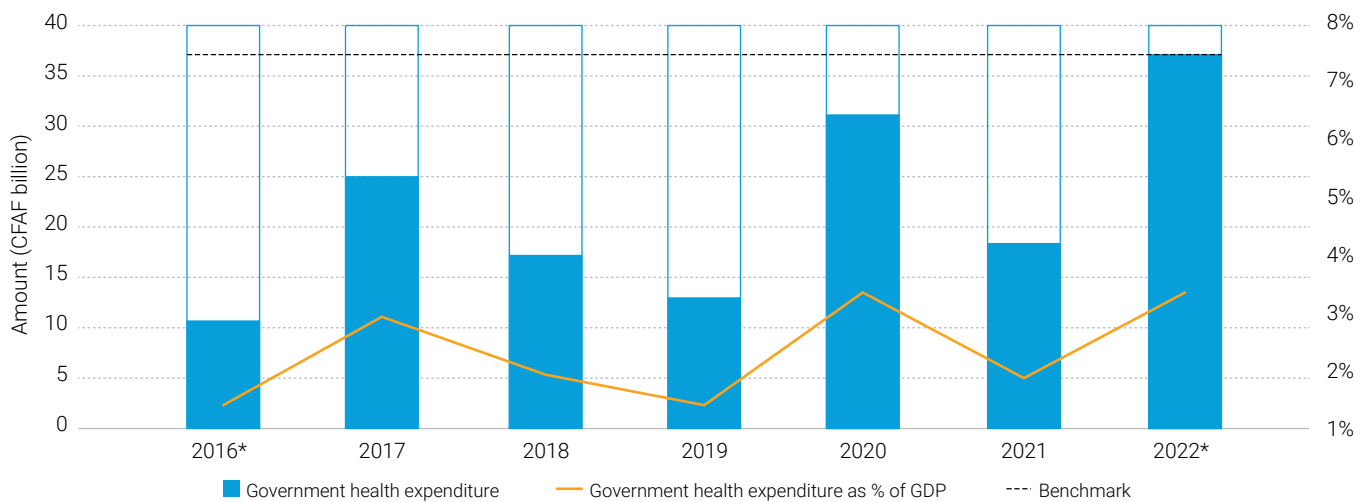
⁸⁹ Ibid.

Budget execution within the Ministry of Health has been inconsistent and generally low. Throughout the period covered by this publication, the execution rate was an average of 74%, which is notably below the national average of 85%.⁹⁰ This chronic underspending compounds the already low prioritization of health spending in the national budget. The deviation from the committed spending surpasses the typical range of $\pm 15\%$ observed in comparable countries.⁹¹ The average rate masks disparities across various budget categories; while the execution rate for wages and salaries remains high, it lags considerably for goods and services. This underspending effectively reduces the health share of the national spending in the budget from its estimated 9% to roughly 5%.

Such chronic underspending hinders the progress towards universal health coverage, resulting in missed opportunities for enhancing efficiency, accountability, equity and the quality of health services. There is an increased reliance on out-of-pocket expenses to cover financing shortfalls, which disproportionately affects poorer households. The World Health Organization (WHO) defines Universal Health Coverage as ensuring that all individuals can access a comprehensive range of quality health services as and when they need them, without facing financial hardships.⁹² Besides the official user fees charged, there are also informal charges for health services, including unofficial salary supplements and corruption.⁹³

FIGURE 12

Government health expenditure as a percentage of GDP (2016 – 2022)



Source: Author's computation * Estimated based on mid-term execution report

Government health expenditure is low, and the proportion of staff costs accounts for 75%, except for 2020, where it was approximately 30% (see Figure 13).

⁹⁰ Calculations based on budget execution reports.

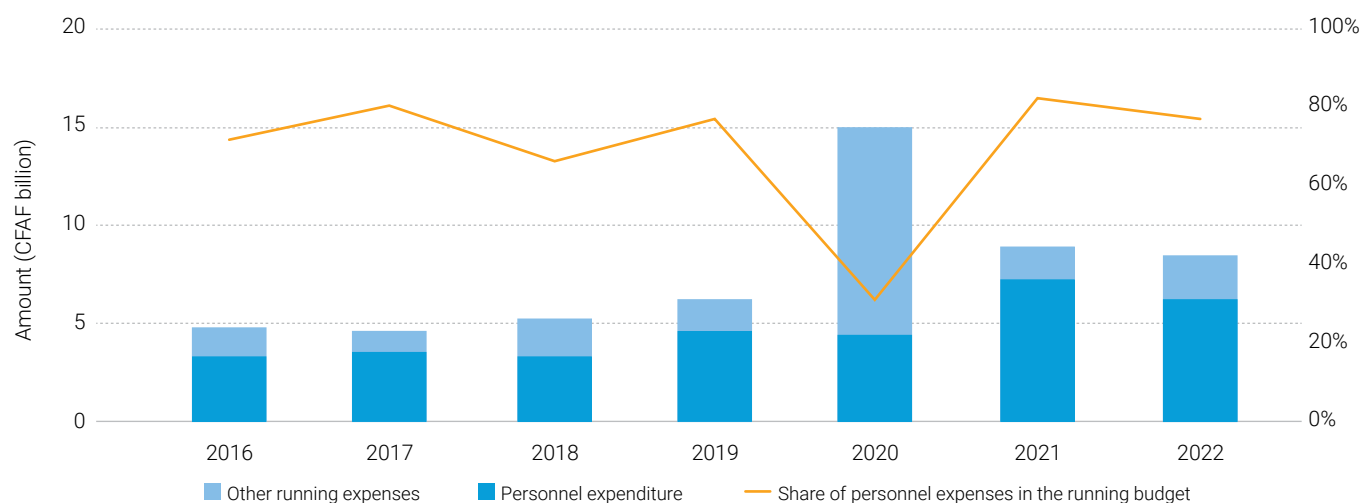
⁹¹ Piatti-Funfkirchen, M et al (2022). Budget Execution in Health: Concepts, Trends and Policy Issues. WHO and World Bank Group.

⁹² World Health Organization & World Bank. (2015). Tracking universal health coverage: first global monitoring report. World Health Organization.

⁹³ Kitson, N (2019). Informal payments in the public health sector in Guinea-Bissau. Overseas Development Institute ODI. Working Paper 564.

FIGURE 13

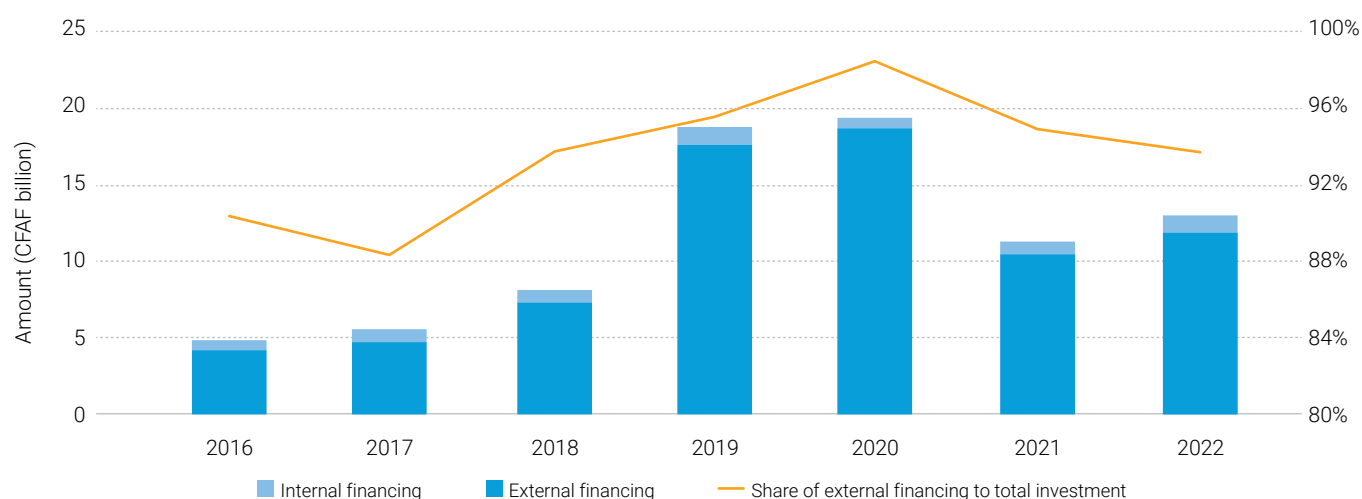
Government health expenditure, including staff costs (2016 – 2022)



Source: Author's computation

FIGURE 14

Operating budget of the Ministry of Health (2016 – 2022)



Source: Author's computation

4.1.3

Health outcomes and challenges to the right to health in Guinea-Bissau

Progress has been made in improving the performance of the health system; nevertheless, more is needed to catch up with regional peers and achieve the health-related SDGs by 2030.⁹⁴ Over the last few years, the incidence of maternal and child mortality, HIV, malaria, stunting and underweight among children under five has declined.⁹⁵ While the COVID-19 fatality rate is slightly

higher than its peers, the government has been quite successful in its efforts to tackle the pandemic, given the high recovery rates and sharp reduction in infection rates since the last quarter of 2021.⁹⁶ Since 2021, additional resources (mainly external financing) have been allocated to boost purchases and deliveries of COVID-19 vaccinations.⁹⁷

⁹⁴ World Bank (2023). Public Expenditure Review for Guinea-Bissau: Creating Fiscal Space While Enhancing Public Expenditure in Health, Pensions, and Energy (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/099090723141535862/P17726604e686502e091f70c5b7833f486e>.

⁹⁵ Ibid.

⁹⁶ World Bank (2023). Public Expenditure Review for Guinea-Bissau: Creating Fiscal Space While Enhancing Public Expenditure in Health, Pensions, and Energy (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/099090723141535862/P17726604e686502e091f70c5b7833f486e>.

⁹⁷ In October 2022, the vaccination rate was 38 % of the national target for partial vaccination and 25 % of national target for full vaccination. The national target is 70% of total country population.



BOX 5: The Health Sector in Guinea-Bissau

The public health sector in Guinea-Bissau is organized by eleven health regions which operate through three distinct levels, each contributing to the delivery of healthcare services across the nation.

Local Level - Primary Healthcare: At the grassroots level, primary healthcare services are rendered through a network of 139 health centers (see distribution in annex 4) and categorized into three types. The classification is based on the level of complexity of healthcare interventions they can accommodate. These health centers serve as the initial point of contact for individuals seeking medical assistance and offer a range of services, from basic healthcare to more advanced treatments, depending on their classification.

Regional Level - Intermediate Healthcare: This level involves administrative health directorates overseeing healthcare activities within their respective areas. The regional health directorates play a crucial role in coordinating healthcare efforts, ensuring equitable distribution of resources, and maintaining healthcare standards. Complementing this administrative structure are five secondary-level regional hospitals that provide specialized care beyond the capabilities of primary health centers.

Central Level - Tertiary Healthcare and Policy: At the central level, the capital city of Bissau hosts the most advanced healthcare facilities. The flagship institution is the National Hospital Simão Mendes, which serves as a hub for tertiary care, advanced medical treatments, and specialized services. In addition to healthcare facilities, the central level houses policy institutions such as the Ministry of Health and the National Institute of Public Health. These policy entities contribute to the strategic planning, formulation, and implementation of healthcare policies and initiatives at the national level.

Source: World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

Nonetheless, health outcomes are weak in comparison to peers, and the realization of the right to health in Guinea-Bissau is hampered by many obstacles. These include aspects related to the underlying determinants of health, such as endemic poverty; deficits in access to food, education, safe drinking water and sanitation; limited and inadequate infrastructure, as well as other outstanding challenges related to the availability, accessibility, acceptability and quality of the healthcare system. All this is compounded by an increasing dual burden of disease characterized by the gradual emergence of non-communicable diseases together with persisting communicable diseases. It is important to note that these obstacles are all interconnected and often serve to compound the challenges to the attainment to the right to health.

4.1.3.1 Availability

The health system in Guinea-Bissau faces persistent challenges related to low public spending, poor infrastructure, and an inadequate supply of health workers. Health facilities remain chronically inadequate to meet the requirements under article 12 of the ICESCR.⁹⁸ While progress has been made since the Special Rapporteur on extreme poverty and human rights report⁹⁹, the health workforce remains insufficient and

maldistributed, with approximately 2.2 doctors, 10 nurses and 2 dentists for every 10,000 people.¹⁰⁰

The health workforce averages mask disparities across regions and population centers. Health workers are concentrated in the urban areas, and vast remote regions are left without a minimum level of health workforce. In fact, it is estimated that over 51% of all physicians and 40% of nurses are based in Bissau, despite it only comprising 25% of the overall population.¹⁰¹ Bafata, with 13% of the population, has only 7% of the health workforce.¹⁰² Medical specialists are all concentrated in the Bissau area – home to the country's level 3 hospital and a few private practices. There are no specialty training programs in the country for doctors, which, coupled with the poor working conditions, has led to a "brain drain" of the already very limited health workforce overseas.¹⁰³ Poor working conditions have also led to recurrent strikes by healthcare workers, in 2021 notably resulting in the deaths of 31 people due to the unavailability of healthcare services.¹⁰⁴

¹⁰⁰ www.who.int/data/gho/data/themes/topics/health-workforce.

¹⁰¹ World Bank (2019). Republic of Guinea-Bissau Health Labor Market Analysis.

¹⁰² World Bank (2018). Guinea-Bissau: Service Delivery Indicator Report.

¹⁰³ Russo, G et al (2017). Can we halt Health workforce deterioration in failed states? Insights from Guinea-Bissau on the nature, persistence and evolution of its HRH crisis. Human Resources for Health. Vol 15:12.

¹⁰⁴ www.reuters.com/world/africa/over-30-dead-during-guinea-bissau-health-worker-strike-union-says-2021-09-22/.

⁹⁸ E/C. 12/2000/4 (see footnote 1), para 12(a).

⁹⁹ A/HRC/29/31/Add.1.

The availability of essential medicines in Guinea-Bissau's health facilities remains complex and varied. WHO defines essential medicines as those that satisfy the priority healthcare needs of the population. They should be available in adequate amounts, in appropriate dosage forms, with assured quality and adequate information and at a price the individual and community can afford. However, according to a service delivery indicator survey by the World Bank in 2019, on average, health facilities across the country had 69% of the necessary and unexpired essential medicines.¹⁰⁵ However, significant regional disparities exist; for example, Bolama-Bijagós recorded the lowest availability at 59%, while Biombo and Oio recorded 81% for these vital essential medicines. UNICEF publications that frequent stock-outs of vaccines and essential medicines, governance limitations and inadequate investments, particularly at the community level, has meant that many pregnant women, new mothers, infants and young children have had restricted access to essential maternal and child health services.¹⁰⁶

4.1.3.2 Accessibility/affordability

The ICESCR requires State parties to ensure that health facilities, goods and services are accessible to everyone without discrimination, within the jurisdiction of the country. Accessibility requires four overlapping dimensions: non-discrimination, physical accessibility, economic accessibility and informational accessibility.¹⁰⁷

Accessibility remains a binding constraint to the health system in Guinea-Bissau. While there is no pattern of discrimination based on ethnicity, access to health services remains inequitably distributed. Universal health coverage for essential health services averages 31% compared to 37% in Africa.¹⁰⁸ Gender-based discrimination remains a significant constraint in the health system. Guinea-Bissau has one of the world's highest maternal mortality ratios (MMR), estimated at 667 per 100,000 live births.¹⁰⁹ Over a third (36%) of births are to mothers under 20, and three-quarters of births are to mothers who have previously given birth less than two years earlier. Women who seek sexual and reproductive health services tend to suffer multiple discriminations across health services. Only 22% of women of childbearing age have access to contraceptives, with disparities across regions, income status, and urban and rural areas.¹¹⁰ Approximately a quarter of health expenditure is allocated to children under five versus 15% for the population over 50 years.¹¹¹

Economic accessibility constitutes a key barrier, with most patients unable to afford healthcare. Health insurance remains very weakly developed. The majority of revenue for health facilities comes from out-of-pocket payments, constituting approximately 80% of their income—41% from user fees and 38% from the purchase of medicines.¹¹² This heavy dependence on direct payments places a considerable financial strain on low-income households, often leading to catastrophic health-related expenses. In addition, the proportion of population with large household expenditure on health, more than 10% of total household expenditure, was estimated at 6.3%.¹¹³ On average, healthcare accounts for 15% of a family's non-food expenditures.¹¹⁴

The country's healthcare infrastructure remains underdeveloped, with a limited number of hospitals and clinics, especially outside major urban centers. UNICEF publicationed that about 66% of the population has to walk more than one hour to reach the nearest health center, particularly in sparsely populated regions such as Bafatá and Gabú. In 2022, only 61% of births were assisted by skilled health personnel, though this number has increased from 42% in 2021. Road conditions, which are generally poor, were further degraded by intense rains in 2022, hindering access to remote villages for about four months of the year.¹¹⁵

Informational accessibility to health services is constrained by factors such as limited health literacy, poverty, education, language barriers and socio-economic disparities.

4.1.3.3 Quality

Guinea-Bissau's healthcare system faces significant challenges, resulting in substantial disparities in healthcare quality and outcomes. These challenges are underscored by a range of quality indicators that reveal both persistent shortcomings and emerging concerns.

An evaluation of knowledge of clinical guidelines and treatment accuracy among health workers in Guinea-Bissau reveals varying levels of proficiency across different medical cases, with knowledge ranging between 20% and 61%, and accuracy ranging between 36% and 76%.¹¹⁶ While some health workers demonstrate sound knowledge and accurate treatment recommendations, others exhibit moderate proficiency, indicating potential disparities in the quality of healthcare delivery. Moreover, differences in treatment accuracy between

¹⁰⁵ World Bank (2018). Guinea-Bissau: Service Delivery Indicator Report.

¹⁰⁶ UNICEF (2021). Child Survival and Development: Giving children a chance to survive and thrive www.unicef.org/guineabissau/child-survival-and-development.

¹⁰⁷ E/C.12/2000/4 (see footnote 1), para 12 (b).

¹⁰⁸ World Health Organization and World Bank. 2023. Tracking Universal Health Coverage 2023: Global Monitoring Report. World Health Organization and World Bank.

¹⁰⁹ www.unicef.org/guineabissau/child-survival-and-development.

¹¹⁰ WHO (2022). Health for all. 75.

¹¹¹ National Health Accounts 2015-2017.

¹¹² World Bank. 2019. Guinea-Bissau: Service Delivery Indicators Report - Health. World Bank, Washington, DC. <http://hdl.handle.net/10986/32029>.

¹¹³ World Health Organization: Integrated African Health Observatory. World Health Organization https://apps.who.int/nha/database/country_profile/index/en.

¹¹⁴ World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

¹¹⁵ www.unicef.org/guineabissau/child-survival-and-development.

¹¹⁶ World Bank. 2019. Guinea-Bissau: Service Delivery Indicators Report - Health. World Bank, Washington, DC. <http://hdl.handle.net/10986/32029>.



categories of health workers further underscore the complexity of maintaining consistent and high-quality healthcare services.¹¹⁷

Few births in the country are attended by qualified health personnel; only 45% of women of childbearing age who had a live birth in the previous year received professional assistance. Failure to reduce the maternal mortality ratio may be due to poor quality of care and a shortage of midwives in the country (there are currently only 139 midwives in the entire country). Despite the fact that a large number of nursing and auxiliary staff have been trained to provide basic obstetric care, the quality of care provided varies greatly.¹¹⁸

4.1.3.4 Accountability

Weak accountability and governance mechanisms within the healthcare system hinder progress toward improved health outcomes. Informal payments are widespread in the healthcare sector, adversely impacting equity and transparency, including unsolicited, unofficial salary supplements, nepotism, cost-contribution payments and unsolicited donations.¹¹⁹ Corruption in Guinea-Bissau is among the highest in the world, with the country ranking 164 out of 180 countries surveyed in Transparency International's 2022 Corruption Perceptions Index (CPI), scoring 21 on a scale from 0 ("highly corrupt") to 100 ("very clean").¹²⁰ This undermines trust in the healthcare system and impedes efforts to provide equitable and effective healthcare services and deliver on the right to health.¹²¹

Social accountability is weak due to a broken social contract where political elites fight to gain legitimacy by using the state to effectively deliver services. The political settlement in Guinea-Bissau is narrow and elitist.¹²² The urban and rural poor are not well organized, and their engagement in the political system is mostly through patronage networks.

The Ministry of Public Health (MINSAP)¹²³ has acknowledged the "widespread impunity at all levels", noting that even when managers try to enforce technical and financial standards, they face a lack of support, becoming frustrated and demotivated. Moreover, there appears to be a deficit of accountability mechanisms in the health sector. As stakeholders have highlighted, there is no effective judicial or other mechanisms to consider complaints of health rights violations, with the formal justice system inaccessible

¹¹⁷ Ibid.

¹¹⁸ UNIOGBIS. 2017. Report on the right to health in Guinea-Bissau. www.ohchr.org/sites/default/files/Documents/Countries/GW/RightHealthGuineaBissau_EN.pdf.

¹¹⁹ Kitson, N (2019). Informal payments in the public health sector in Guinea-Bissau. Overseas Development Institute. Working Paper 564. October 2019.

¹²⁰ www.wikiwand.com/en/Corruption_in_Guinea-Bissau#References.

¹²¹ This is also the case in the education sector.

¹²² Kelsall, T (2016). Thinking and working with political settlements. Overseas Development Institute. London.

¹²³ Report of the Special Rapporteur on the independence of judges and lawyers on her mission to Guinea-Bissau, A/HRC/32/34/Add.1, 4 April 2016.

for most of the population. Although there is a law on medical negligence, there are no recorded cases being brought under it.

Guinea-Bissau's health budget has encountered persistent constraints, resulting in inadequate resource allocation for the health sector. Limited financial resources impede the government's capacity to invest in vital healthcare infrastructure, procure essential medical equipment and supplies and employ and retain well-trained healthcare professionals. This translates into tangible barriers for individuals seeking timely and quality medical care, particularly those residing in underserved and/or remote regions, who may have difficulties – financial or other – in seeking healthcare further away from home.

Transparency and accountability in budget management are paramount to ensure that allocated resources are optimally utilized to address the health needs of the population and ensure the progressive realization of their right to health. However, challenges related to corruption, mismanagement^{124,125} and a lack of robust financial oversight mechanisms continue to undermine efficient resource utilization. These issues erode not only budget allocations but also public trust in the healthcare system. The geographic disparity in resource allocation exacerbates existing health inequities, limiting the accessibility of healthcare services for vulnerable populations and infringing upon their right to health.

4.2

Education sector

The right to education is recognized in numerous international instruments, including the Universal Declaration of Human Rights (art. 26), ICESCR (arts. 13 and 14), Convention on the Rights of the Child (art. 28), Convention on the Elimination of All Forms of

Discrimination against Women (art. 10) and Convention on the Rights of Persons with Disabilities (art. 24). The following box presents the interpretation of this right under the ICESCR by the Committee on Economic, Social and Cultural Rights.

BOX 6: Right to education

The right to education is recognized in numerous international instruments, including the Universal Declaration of Human Rights (art. 26), ICESCR (arts. 13 and 14), ICCPR (art. 18), CRC (art. 28), CEDAW (art. 10), and CRPD (art. 24). The Committee on Economic, Social and Cultural Rights states that education is both a human right in itself and an indispensable means of realizing other human rights, and that education is recognized as one of the best financial investments states can make (General Comment no. 13, para. 1). Essential features of this right include: (i) availability - functioning educational institutions and programs have to be available in sufficient quantity; (ii) accessibility - educational institutions and programs have to be within safe physical reach and affordable to all, without discrimination; (iii) acceptability - the form and substance of education have to be acceptable (e.g. relevant, culturally appropriate and of good quality) to students and, in appropriate cases, parents; (iv) adaptability - education has to be flexible so it can adapt to the needs of changing societies and communities and respond to the needs of students within their diverse social and cultural settings. (For further information, see General Comment No. 13 on the right to education (1999), The Committee on Economic, Social and Cultural Rights, E/C.12/1999/10).



Guinea-Bissau has ratified several international human rights treaties that guarantee the right to education, including the

ICESCR and CRC. The following box focuses on domestic legislation of Guinea-Bissau guaranteeing this right.

BOX 7: Domestic legislation on education in Guinea-Bissau

Article 49 of the Republic of Guinea-Bissau's Constitution of 1984, as revised in 1996, guarantees the right to education for all citizens without discrimination and prioritizes the elimination of illiteracy. As article 29 of the Constitution provides that constitutional and legal procedures relating to fundamental rights should be interpreted in harmony with the UDHR, article 49 also should be interpreted in line with all articles of the UDHR, especially its article 26. The Basic Education Law of Guinea Bissau of 2010 affirms that basic education is compulsory and provides that the first and second cycles of basic education, comprised of grades 1-6 (EB1 and EB2), are provided for free. School fees are charged in the third cycle of basic education (EB3, grades 7–9).



¹²⁴ World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

¹²⁵ Internal controls in Guinea-Bissau's health sector are weak due to outdated policies and informal procedures. This affects asset protection, record-keeping, publication, and compliance. Inadequate mechanisms within the expenditure chain, involving the sector ministry and MEF, contribute to mismanagement and corruption risks.

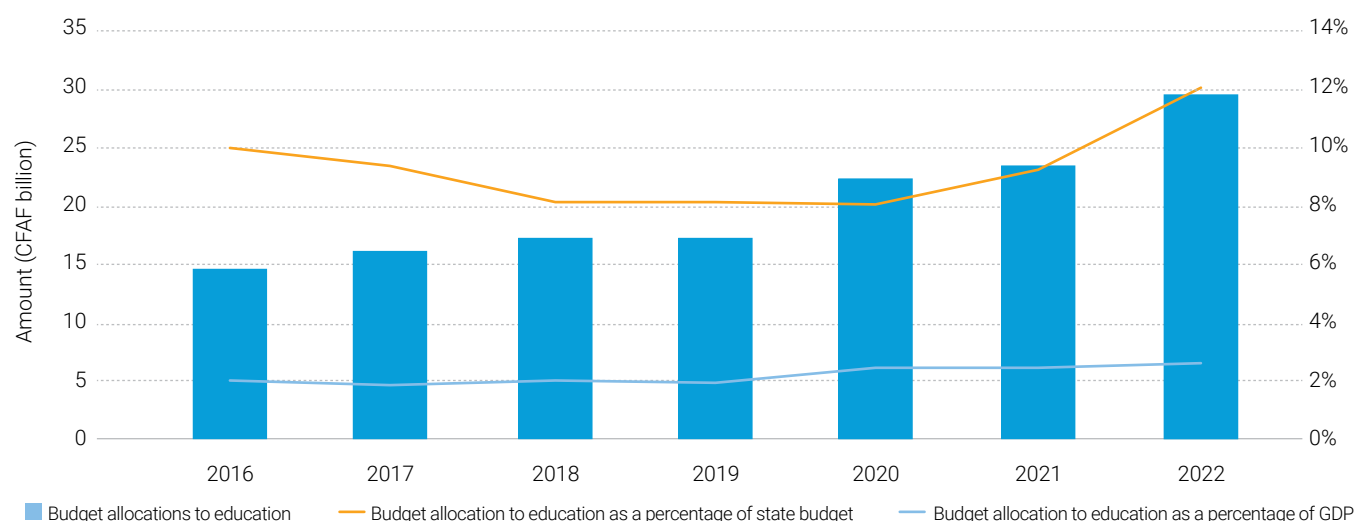
4.2.1 Education sector allocation trends (2016 – 2022)

Despite a progressive increase in spending, the allocation for the education sector remains inadequate and unpredictable. On average, education expenditure represented 9% of the total budget, which falls short of the global benchmark of 20%.¹²⁶ The strategic plan for Guinea-Bissau's education sector between 2017 and 2025 commits the government to incrementally earmark 20% of the total budget to education. Yet, the financing for education has seen variations throughout the period covered by this publication, as depicted in Figure 15, with significant increase between 2020 and 2022.

The relative responsiveness of educational spending to macroeconomic conditions indicates its high priority compared to other social sectors. With an average elasticity of 1.8 over the

period covered by this publication, the education budget grows by 1.8% for each 1% increase in GDP—significantly more responsive than that of the health sector at 0.0437.¹²⁷ However, the elasticity value, while reflecting a proportional change, does not on its own reveal whether the funding is sufficient as per the fiscal space, especially considering the extensive needs and challenges the sector faces. The 2022 VNR underscores the strategic importance of investment in improving education, identifying it as the most effective strategy for reducing long-term inequality by fostering human capital development (although underscoring that for this to materialize, the country must improve the management of public finances).¹²⁸ An additional year of schooling improves monthly income by 7% in Guinea-Bissau, and this private rate of return is even higher for women 8.3% than for men.¹²⁹

FIGURE 15
Budget allocations to education (2016 – 2022)



Source: Author's computation

4.2.2 Analysis of education expenditure patterns (2016 -2022)

Guinea-Bissau's government spending on education as a percentage of GDP averaged 2.5%, well below the 6% international benchmark (see Figure 16). The country spends

less than countries with a similar or a lower GDP per capita level, including Sierra Leone (9.1%) and Mali (4.4%).¹³⁰

¹²⁶ Countries agreed in 2015, as part of the Education 2030 Incheon Declaration to allocate at least 4-6 percent of GDP and/or at least 15-20 percent of public expenditure to education. The African Union - Dakar Commitment on Education for All also recommended for a 20% allocation of public resources through budget on education.

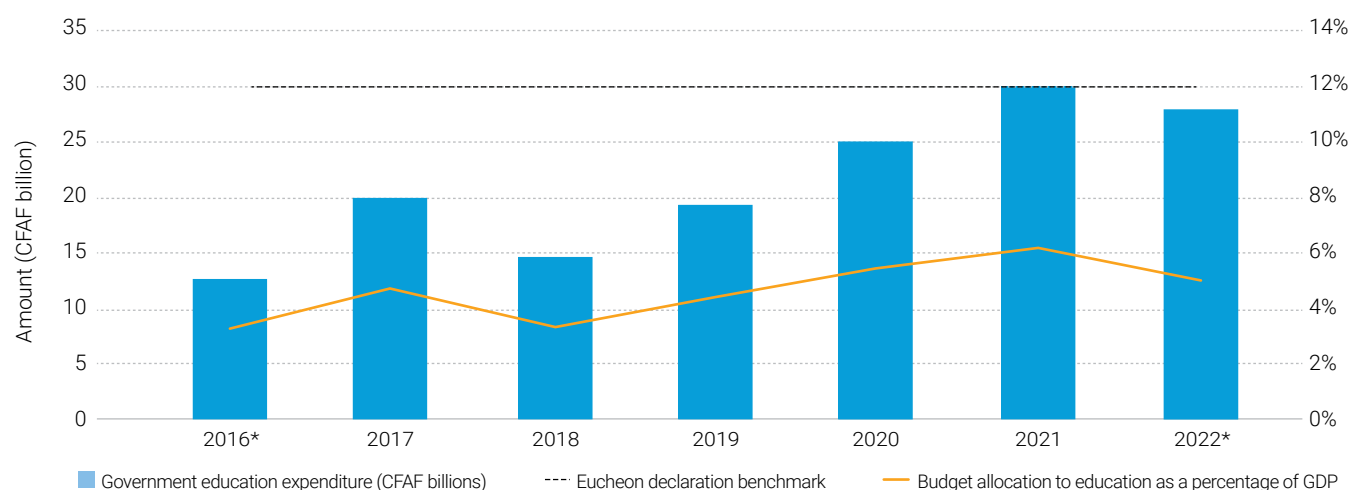
¹²⁷ Personal calculations based on budget 2016-2017.

¹²⁸ Guinea-Bissau VNR 2022, page 89.

¹²⁹ World Bank (2023). Economic Update Guinea-Bissau: Macroeconomics, Gender and Education.

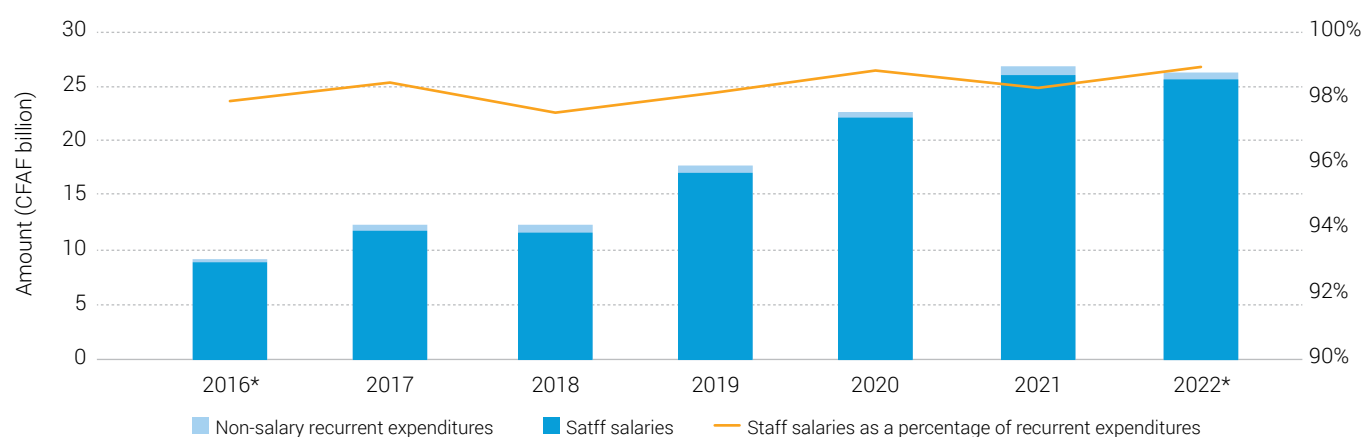
¹³⁰ World Bank Data. Government expenditure on education, total (% of GDP). Available at <https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS?locations=GW-SI-GM>.

FIGURE 16
Expenditure trend for the education sector (2016 – 2022)



Source: Author's computation and World Bank Data

FIGURE 17
Recurrent expenditures for education and share of staff salaries (2016 – 2022)



Source: Author's computation

The sector's expenditure is almost entirely absorbed by staff salaries, which account for between 97% and 99% of total recurrent expenditure, while non-salary recurrent expenditure accounts for only 3% to 1% (see Figure 17). While the salaries are consistent with those in the region, barriers in public finance management, such as unpaid salary arrears and suboptimal working conditions, frequently lead to teacher strikes. These labor disruptions are a primary factor contributing to the diminished quality of education outcomes.¹³¹ The budget allocation for education prioritizes primary education, which receives 46% of the funds, followed by post-secondary at 39%, and tertiary education at 14%.¹³² While budgetary spending on primary education aligns with regional

averages, it falls short of the Global Partnership for Education (GPE) recommendation of 50%.¹³³ Primary education, despite receiving less than half of the total resources, represents over 70% of school enrolment, highlighting potential equity concerns. The budget share for secondary education additionally surpasses that of peer countries. However, this relatively high allocation for secondary education has reduced the budget for higher education, making its funding one of the lowest in the region.¹³⁴

¹³¹ World Bank (2023). Economic Update Guinea-Bissau: Macroeconomics, Gender and Education.

¹³² Ibid.

¹³³ World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

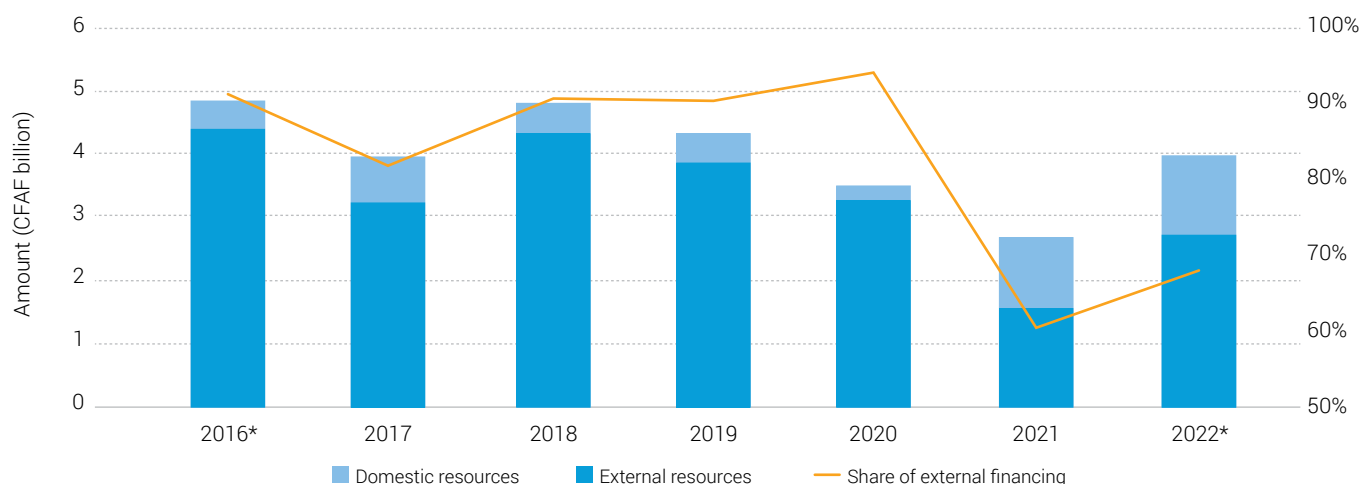
¹³⁴ Ibid.

4.2.3 Investments in education infrastructure and services

The education sector's reliance on external funding for more than 90% of its capital investment expenditure, as shown in Figure 19, renders it highly unstable and vulnerable to fluctuations in external assistance. This vulnerability is further evidenced by the continuous decrease in capital investment between 2018 and 2021, depicted in Figure 18. This decline in aid to the education sector mirrors a global pattern of stagnation¹³⁵, highlighting the risks associated with an over-dependence on external sources for educational financing. The main development partners in the education sector are: ADPP Humana People to People, the European Union (EU), Portugal, Plan International, UNICEF, the World Bank and the World Food Program (WFP). There are also a handful of NGOs in the sector working at the central, regional and local levels to improve service delivery and education outcomes.¹³⁶

The education sector's average budget execution rate stands at 107%, surpassing the general average. However, this figure conceals significant disparities, particularly between investment programs and recurrent expenditures. Although domestic resources for the investment budget have increased, as Figure 18 indicates, there is a notable credibility gap in government-funded investment programs, as evidenced by substantial discrepancies between the planned budget and the actual funds spent on constructing schools and classrooms. In 2021, the execution rate for government-funded investment programs within the Ministry of Education was zero, highlighting the ministry's extremely low capacity to utilize allocated funds.

FIGURE 18
Composition of budget allocation to capital investment (2016 – 2022)



Source: Author's computation

¹³⁵ Ibid.

¹³⁶ Ibid.

4.2.4

Education outcomes and challenges to the right to education in Guinea-Bissau¹³⁷

The quest to ensure the right to education in Guinea-Bissau is confronted with a complex web of challenges, stifling the realization of quality learning opportunities for its population. The formulation of an ambitious education sector strategic plan for 2017-2025, aspiring to allocate 20% of the total budget for education, stands as a commendable initiative. However, this aspiration has grappled with major barriers, including fiscal constraints, high turnover in leadership at the Ministry of Education, patronage and political instability. While demand for education services has increased, the state has not been able to meet this demand. Therefore, over the last several years, a large number of community/private schools have emerged, with communities playing a greater role in service delivery. In several more remote areas, parents and communities have come together to construct school buildings and pay teachers out of their own pockets. The emergence of community and private schools indicates that there is a significant gap left by the underinvestment of the government in the sector. While this can be seen as a community's resilience and commitment to education, it also reflects a systemic inequality, where access to education depends on a community's or family's resources and initiative. It also raises concerns about the quality and standardization of education received through these private and community-led initiatives.

4.2.4.1 Availability

In Guinea-Bissau, the availability of quality education remains a critical concern. While there is a network of educational institutions, including primary and secondary schools, the extent of their reach falls short of guaranteeing universal availability. Many regions, particularly remote and underserved areas, grapple with limited school infrastructure and a scarcity of adequately trained teachers.¹³⁸

Education expenditure shows regressive patterns at both regional and local levels. According to the 2019 World Bank's public expenditure review, rural areas, accommodating nearly 60% of the population, receive less than a quarter of education spending, which highlights an imbalance.¹³⁹ The capital, Bissau, absorbs over 60% of public resources yet caters to only 26% of students, while regions such as Oio, representing 14% of students, receive less than 4% of available resources. This skewed distribution is more evident in disadvantaged regions,

such as Gabu, Oio and Bolama/Bijagos, characterized by high student-teacher ratios and lower allocation.¹⁴⁰ Key challenges persist, including unclear resource allocation criteria, teacher retention in remote zones, and limited learning opportunities for students in economically deprived areas. Though teachers constitute a key input into Guinea-Bissau's education system and represent the largest cost element in the budget, their distribution across schools varies greatly, which is a cause for concern in terms of equity, quality and efficiency. A recent study showed a significant variation in student-teacher ratios across schools. The average ratio is 64.2 students per teacher with the bottom 10% of schools having ratios of less than 37 and the top 10% having ratios of more than 102.¹⁴¹ This is one of the world's widest ranges of student-teacher ratios across schools. The variation in ratios is also substantially wider within regions than between regions.¹⁴² While these variations raise equity concerns, more evidence is needed to assess its impact on educational outcomes.

4.2.4.2 Accessibility

Access to education in Guinea Bissau has improved over the last decade; however, the country remains far from achieving the goal of universal primary education.¹⁴³

Financial accessibility is one significant challenge that hinders access to quality education, with schools in Guinea-Bissau currently not receiving grants to cover operating expenses. These costs are primarily borne by parents and community contributions, which effectively translate into "hidden" fees that can place a financial burden on families, potentially deterring children from attending school.

Moreover, the fee structures for lower secondary (grades 7-9) and upper secondary (grades 10-12) education have a noteworthy impact on the functioning of the entire education system. According to the existing policy, a substantial portion of the fees paid by parents is directed towards financing the operation of schools. Approximately 60-70% of the funds raised from these fees remain within the schools, while the remaining 30-40% is sent to the Ministry of Education¹⁴⁴. This regressive policy can inadvertently exacerbate disparities in

¹³⁷ Reliable and up-to-date data on education outcome in Guinea-Bissau is scarce, which limits a comprehensive understanding of the extent of these challenges and the progress made.

¹³⁸ World Bank. 2019. Guinea-Bissau Public Expenditure Review: Managing Public Finance for Development. Washington, DC: World Bank. <http://hdl.handle.net/10986/31225>.

¹³⁹ Ibid.

¹⁴⁰ Ibid.

¹⁴¹ Ibid.

¹⁴² Ibid.

¹⁴³ World Bank. 2017. Quality Education for All in Guinea-Bissau. Available at <https://documents1.worldbank.org/curated/pt/372021517990868290/pdf/Guinea-Bissau-Quality-Education-for-All-Project.pdf>.

¹⁴⁴ UNICEF (2021). Time to Teach Teacher attendance and time on task in primary schools.

access to education and limit the educational opportunities of marginalized and economically disadvantaged students.

Physical accessibility is a significant barrier to education in Guinea-Bissau, with children in rural areas facing challenges in reaching frequently distant schools that lack proper facilities. The average minimum distance for children to walk to school is 2.2 km¹⁴⁵; in the capital, Bissau, children may walk up to three kilometers carrying their own stools or chairs. Poverty, food insecurity, child labor and discriminatory norms and practices towards girls further limit school attendance rates.¹⁴⁶

Girls face significant discrimination, which greatly impedes their access to education and results in low primary school completion rates. Only 25% of primary schools have classrooms to cover the full six years of primary education from grades 1-6.¹⁴⁷ As a result, over half the children, especially girls, have to switch schools to complete their primary education, often traveling to neighboring villages. Additionally, societal expectations often burden girls with unpaid domestic responsibilities or force them into early marriages, disrupting their educational pursuits. Such practices reinforce gender disparities, restricting their rights to a dignified life, personal growth and future opportunities.¹⁴⁸

Schools in Guinea-Bissau face a significant shortfall in operating funds, as, at present, these institutions do not receive grants to cover operational expenses. Instead, these costs are borne by parents and the community through contributions, effectively acting as "hidden" fees. This approach is regressive and poses barriers to access. In contrast, some countries in the region implement "block" or capacitation grants, which are allocated based on factors such as student numbers, regional needs and specific requirements, ensuring schools can manage their operational costs.

4.2.4.3 Quality

The poor quality of education in Guinea-Bissau is mostly due to the low quality of the teaching force. In an assessment conducted at a level corresponding to the fifth year of primary education, teachers failed to answer a quarter of the questions related to Portuguese and less than half of those in mathematics from the syllabus intended for their pupils.¹⁴⁹

A contributing factor to the low quality of education is the weak mastery of Portuguese, which is the official language of instruction, among both students and teachers. As Portuguese is not the primary language spoken in many communities, students often have difficulties in comprehending and following the curriculum, leading to subpar learning outcomes. This language barrier is particularly evident in Grades 2 to 5, where critical content is taught, and inadequate language proficiency impedes students' academic progress during their formative years.¹⁵⁰

Another contributing factor seldom discussed is the relatively low number of teaching days and contact hours in classrooms. Furthermore, the school day is quite short, with primary schools normally functioning for four hours, including a 30-minute break. The 2010 Basic Education Law does not stipulate the minimum number of school days or hours that the school year must provide.

Teacher absenteeism remains a binding constraint, adversely affecting the quality of education. Several factors contribute to this problem, including participation in traditional events, the need to travel to central locations to receive salaries and inadequate compensation.¹⁵¹ A UNICEF survey found that over one in four primary school teachers admitted to being regularly absent, with absences occurring at least once a week. Such regular absences are more prevalent in urban areas (29%) compared to rural regions (11%).¹⁵² Furthermore, over half of the public-school teachers surveyed cited strikes driven by chronic salary arrears as one of the top three reasons for their absences. In fact, in the 2016/2017 school year, 92 teaching days (or 46%) were lost to strikes within the public education system, though this was a decrease from 65% in the 2015/2016 period.¹⁵³ Teachers in self-managed schools in the UNICEF survey publicized the lowest absentee rates. This was attributed not only to the allocation of parent fees towards teacher salaries and financial incentives but also to the enhanced community involvement in monitoring teacher performance due to their financial contributions.¹⁵⁴

¹⁴⁵ UNICEF, 2019. Guinea-Bissau: Education. Contributing for quality education for girls and boys www.unicef.org/guineabissau/education.

¹⁴⁶ Ibid.

¹⁴⁷ UNESCO (2016). A major overhaul of the Guinea-Bissau education system is well overdue. November 2016 – Country Note 26.

¹⁴⁸ UNICEF, 2019. Guinea-Bissau: Education. Contributing for quality education for girls and boys www.unicef.org/guineabissau/education.

¹⁴⁹ UNESCO, 2016. A major overhaul of the Guinea-Bissau education system is well overdue. Available at <https://unesdoc.unesco.org/ark:/48223/pf0000247043/PDF/247043eng.pdf.multi>.

¹⁵⁰ World Bank. 2017. Quality Education for All in Guinea-Bissau. Available at <https://documents1.worldbank.org/curated/pt/372021517990868290/pdf/Guinea-Bissau-Quality-Education-for-All-Project.pdf>.

¹⁵¹ Ibid.

¹⁵² UNICEF (2021). Time to Teach Teacher attendance and time on task in primary schools.

¹⁵³ UNICEF (2017). UNICEF annual report 2017. Republic of Guinea-Bissau (the). https://sites.unicef.org/about/annualreport/files/Guinea_Bissau_2017_COAR.PDF.

¹⁵⁴ Ibid.



CHAPTER 5

Recommendations



NAÇÕES UNIDAS
GUINÉ-BISSAU

Pa ka disa ning



The following recommendations are made in line with the outcomes of the Universal Periodic Review¹⁵⁵ and the commitments made by the country in its VNR,¹⁵⁶ with the aim to ensure a higher attainment of the rights to health and education for all.

5.1

To the government

1. Strengthening Budget Alignment and Capacities:

- » Strengthen coordination among key institutions in the financial control chain, such as Parliament, the Court of Auditors, and the General Inspectorate of Finance, through regular communication channels so as to facilitate the sharing of information, reports and findings related to financial control and oversight activities.
- » Review and update the legal framework to clearly outline the roles, responsibilities and powers of each institution in the financial control chain. This will promote better understanding and adherence to the principles of cooperation and information sharing.
- » Enhance fiscal accountability mechanisms by ensuring the full implementation of principles such as transparency, equity and participation across the entire budget cycle. Specifically, establish clear statutory deadlines for the National Assembly's budget appraisal and approval processes to foster greater accountability, transparency and efficiency. This will promote responsible financial governance, guaranteeing that budget decisions are made with transparency, fairness and public involvement throughout the entire process.
- » Promote policy-based budgeting through aligning budget nomenclature with national development priorities, SDGs 3 and 4, and human rights commitments.
- » Enhance the technical capacity of the Directorate General of Budget and Administration to better ensure effective resource allocation and expenditure tracking in the health and education sectors.
- » Strengthen engagement in fiscal matters through training and capacity-building initiatives for staff in the budget and sectoral committees in Parliament, including all institutions involved in financial control so as to enhance their skills in data analysis, audit techniques and publication.
- » Implement an integrated national financing framework for achieving the SDGs, including inclusive strategies for mobilizing domestic and international financing for national development priorities.

2. Strengthening Health and Education Provisions for the increased attainment of human rights:

- » Prioritize the education and health budgets by aligning allocations with international commitments, and ensure that investments in these social sectors are progressively proportional to the growth in economic activity.

¹⁵⁵ See <https://uhri.ohchr.org/en/search-human-rights-recommendations>.

¹⁵⁶ See commitments regarding Education (page 69) and commitments regarding Health (page 63).



- » Promote greater engagement of sectoral ministries during budget formulation so as to increase allocations for the health and education sectors in line with sectoral priorities outlined in the national development plan, reflected in a Medium-Term Expenditure Framework through better coordination across ministries.
- » Implement a comprehensive national health financing strategy to mobilize increased resources for the health sector.
- » Implement a Medium-Term Expenditure Framework to translate national development plan priorities into long-term, rights-enhancing public expenditure programs.
- » Improve access to basic education by extending free education to the third cycle of basic education, i.e. grades 6-9.
- » Establish and expand operational grants for schools to alleviate the financial burden on communities for school maintenance. Currently, the lack of funding for supplies and repairs forces families to bear these costs, posing a significant barrier to educational access for the most marginalized households.
- » Prioritize robust data systems for education and health to establish clear priorities, effectively implement comprehensive national programs in both sectors and consistently monitor and evaluate the performance of the educational and healthcare systems.
- » Integrate human rights into the curricula of all health and education professionals to ensure a rights-based approach to service delivery.
- » Align the levels of ambition of education and health sector plans with the capacities and resources needed to implement them through the budget.
- » Enhance the credibility of the social sector budget through strengthening the capacity of the education and health ministries to efficiently utilize capital expenditure allocations, thus improving the execution of planned investments.
- » Strengthen the public finance management systems by fostering better coordination between the planning and budgeting processes within the health and education ministries.

3. Progressive Tax Reforms and Economic Diversification:

- » Implement progressive tax reforms focused on income and wealth, and clamp down on corporate tax avoidance and illicit financial outflows.
- » Promote economic diversification through investments in value addition of natural resources including cashew and domestic rice production in ways that will expand the tax base.
- » Increase domestic resource mobilization, including innovative financing, to augment fiscal space for increased investment in the health and education sector. For example, a tax introducing "sin taxes" on tobacco and alcohol and earmarking the revenues for the health sector.

4. Anti-Corruption Measures and Public Engagement:

- » Strengthen anti-corruption measures, including increasing transparency and accountability in procurement, contracting and financial management.
- » Establish oversight bodies, whistleblower protection and transparent governance to mitigate corruption risks.
- » Enhance the transparency and accountability of budget processes and encourage public participation so as to strengthen the management and oversight of financial allocations in the education and health sectors.
- » Implement a citizens' budget as a tool for presenting the national budget and its priorities in a manner and format that is accessible to citizens, and encourage their effective participation in the budgetary process.

5.2

To Parliament

- » Strengthen the capacity of members of Parliament to perform their oversight role through specialized committees.
- » Organize regular training on budget analysis, public finance management and oversight mechanisms.
- » Establish a dedicated finance committee in the national assembly to review and oversee the budget, ensuring the committee has access to independent auditors and finance experts.

- » Enhance public participation through public hearings during the budget formulation process so as to gather feedback from citizens and civil society organizations; ensure that all budget documents are made publicly available in a timely manner.
- » Review and amend existing laws to strengthen the role of Parliament in the budget process, including specifying a deadline for submission of the budget to Parliament.
- » Strengthen collaboration with the Court of Auditors to review budget implementation and ensure funds are used as intended.
- » Facilitate collaboration with international organizations, including the UN, to gain insights and technical assistance in strengthening budget oversight.
- » Assess the impacts of expenditures and ensure they are aligned with national development priorities.

5.3

To the international community

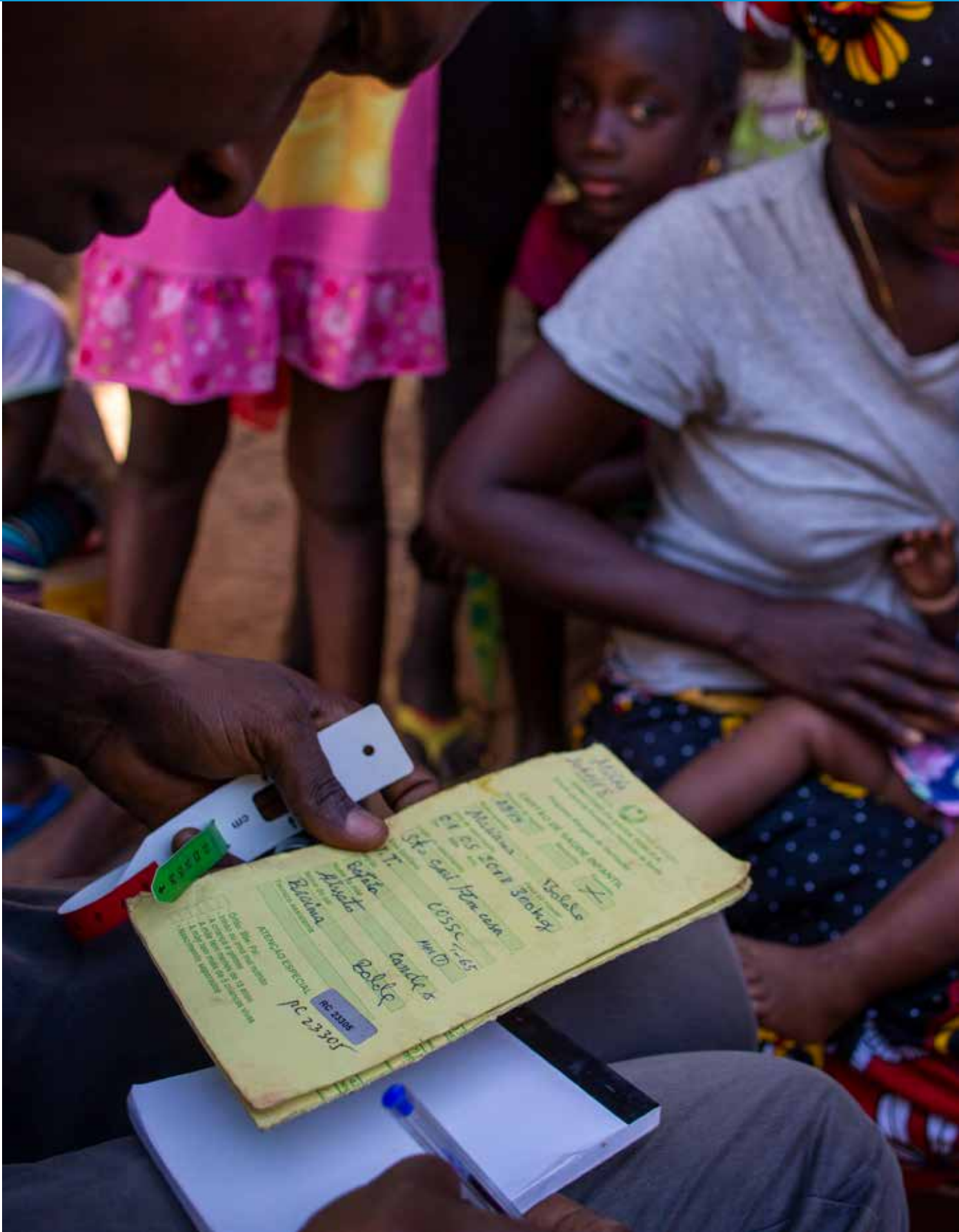
- » Advocate jointly for increased resources to the social sectors including the progressive increase of domestic financing for non-contributory social protection in line with the SDGs and Agenda 2030 commitments. This can be achieved by supporting inclusive efforts to expand fiscal space, including enhancing the efficiency and effectiveness of social sector spending and exploring innovative financing options such as debt-swap mechanisms to fund social sector investments. Collaborate with key stakeholders including international financial institutions to protect and improve social sector financing.
- » Strengthen the planning and budget departments of the ministries of education and health to implement program-based budgeting in ways that effectively ensure the progressive realization of the rights to health and education.
- » Advocate and provide support for the enhancement of budget execution capacities in the social sectors, particularly in health and education, by prioritizing comprehensive planning, evidence-based budgeting and efficient implementation to ensure the effective utilization of resources and the delivery of quality services to those most left behind.
- » Ensure adequate functioning of the Development Partners Coordination Group, which includes international financial institutions, to better facilitate and coordinate UN development system work in areas such as social and economic rights to development.
- » Explore the opportunity for establishing a social protection sector working group in the Development Partners Coordination Group to coordinate development partners in ways that support government leadership and priority setting for the implementation of a comprehensive social protection policy.

5.4

To civil society organizations

- » Advocate for increased investments, as well as more equitable and efficient allocation and utilization of funds in the health and education sectors, to enhance the progressive realization of the rights to health and education.
- » Monitor government spending and advocate for increased fiscal transparency to enable civil society to follow the money and engage in health and education sector planning, in addition to human rights and financing discussions with donors and the human rights mechanisms.
- » Explore the opportunity of a potential constitutional revision for the inclusion of enhanced provisions related to transparency, accountability and public participation in the formulation of the budget.
- » Develop a citizens' budget to summarize and explain basic national budget information in an accessible format, including online, using simple and clear language, in particular Creole. This will strengthen the citizens' engagement in the budget process, including monitoring and accountability.

Annexes



Annex 1:

Function and organic classification for state budget allocation in Guinea-Bissau during the period under review

FUNCTION	MINISTRIES / INSTITUTIONS
Defence and sovereign functions	National popular assembly
	Primature
	Supreme court of justice
	Court of auditors
	Attorney general's office
	Min. of foreign affairs, international cooperation and the communities
	Embassies
	Sec. state secretary for international cooperation
	Sec. state of communities
	Min. defence and freedom fighters of the homeland
	Min. of the interior
	Sec. state secretary for public order
Min. of justice	
Social function	Min. presidency c. ministers and paliamentary affairs
	Min. of public health
	Secretariat of state for hospital management
	Min. women, family and social solidarity
	Min. of national education and higher education
	Sec. of state for higher education and scientific research
	Secretariat of state for culture
	Secretariat of state for youth and sports
	Secretariat of state for social communication
	Secretariat of state for Army Veterans
Pensions - retirement, invalidity, survivor	
Economic and financial functions	Min. of finance
	Sec. state treasury
	Provisional retirement pensions
	Sec. state secretary for budget and tax affairs
	Min. of economy, planning and regional integration
	Min. of agriculture and rural development
	Min. of fisheries
	Min. of territorial administration and local government
	Ministry of Public Administration and State Modernization
Productive function and infrastructures	Min. of public works, housing and urbanism
	Min. of natural resources and energy
	Sec. state of tourism and handicrafts
	Min. of trade and industry
	Min. of transport and communication
	Min. of state for environment and biodiversity



Annex 2:**Budget structure and execution in 2020 to 2021**
(amount in million CFAF)

REVENUE						
Item	2020			2021		
	Budgeted	Executed	Exec. rate	Budgeted	Executed	Exec. rate
Domestic revenues	88,650	99,792	113%	120,031	122,661	102%
Tax revenues	61,584	67,763	110%	88,481	93,678	106%
Non-tax revenues	27,066	32,029	118%	31,550	28,982	92%
Other revenues	49,451	26,159	53%	30,000	60,072	200%
Donations to other projects	41,609	18,441	44%	30,000	38,725	129%
Donations to the COVID-19 project	1,872	5,918	316%	0	18,782	
Budgetary support (donation)	7,842	1,800	23%	0	2,565	
Total revenues	138,101	125,951	91%	150,031	182,732	122%
EXPENDITURE						
Operational expenditure	145,585	137,592	95%	130,095	147,192	113%
Personnel expenditure	46,851	52,941	113%	53,144	56,801	107%
Acquisition of goods and services	22,576	19,914	88%	22,881	27,172	119%
Transfers	35,130	33,427	95%	26,597	29,076	109%
Interest on debts	13,375	10,832	81%	11,980	13,928	116%
External	5,511	4,632	84%	5,109	5,221	102%
Domestic	7,864	6,200	79%	6,870	8,707	127%
Other current expenditure	23,693	15,447	65%	11,493	17,263	150%
Special treasury account	3,960	5,032	127%	4,000	2,953	74%
Capital expenditure	80,004	62,622	78%	62,000	84,809	137%
External investment	72,004	52,705	73%	50,000	77,674	155%
Government investment	8,000	9,916	124%	12,000	7,135	59%
Total expenditure	225,589	200,214	89%	192,095	23,002	12%
OVERALL BALANCE			-74,263			-42,064
Funding	146,530	146,294	100%	103,703	182,248	176%
Project loans	30,395	22,412	74%	20,000	24,001	120%
COVID-19 loans	0	5,934		0	2,929	
Treasury bonds	72,133	100,048	139%	83,703	111,287	133%
IMF budget support	44,002	17,900	41%	0	11,076	
IMF budget support DTS	0	0		0	21,600	
WB budget support COVID-19	0	0		0	11,354	
Debt repayments	53,072	81,583	154%	56,639	66,594	118%
External	13,402	12,125	90%	16,154	13,732	85%
Internal	39,670	69,457	175%	40,485	52,863	131%
Amort. Overdue		2,868			2,175	

Source: Ministry of Finance of Guinea-Bissau

Annex 3:

Number of health facilities by region in Guinea-Bissau

REGIONS	POPULATION (2017)	REGIONAL HOSPITAL	MCH CENTER	TYPE A	HEALTH CENTERS		
					TYPE B	TYPE C	
Bafata	217,045	1	1	1	-	1	12
Bijagos	24,007	-	-	-	1	-	10
Biombo	54,507	-	-	-	-	1	6
Bolama	11,510	-	-	-	1	-	4
Cacheu	229,204	1	2	2	1	1	17
Farim	58,060	-	-	-	1	1	4
Gabu	259,570	1	1	1	-	1	17
Oio	180,428	1	-	-	-	1	8
Quinara	77,465	-	-	-	1	3	10
SAB	513,846	-	-	1	-	3	6
Tombali	116,994	1	-	-	-	2	19
Total	1,742,636	5	5	5	5	14	113

Source: World Bank. SDI, 2019



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