

Recent developments: Following a rebound of 4.2 percent in 2021, growth in Sub-Saharan Africa (SSA) has weakened this year as domestic price pressures, partly induced by supply disruptions owing to the war in Ukraine, are reducing food affordability and real incomes, especially in low-income countries (LICs).

Limited direct trade and financial linkages with Europe and Central Asia have helped contain some of the negative effects of the war in Ukraine on SSA. However, the sharp deceleration of global growth and war-related shortages of food and fuel are creating substantial headwinds for the region, even more so in countries reliant on wheat imports from Russia and Ukraine (Democratic Republic of Congo, Ethiopia, Madagascar, Tanzania). In many SSA countries, increasing living costs have also tempered gains from looser social restrictions and higher commodity export prices.

Growth in the three largest SSA economies—Angola, Nigeria, and South Africa—was an estimated 3.8 percent in 2021 supported by the 4.9 percent rebound in South Africa. Growth momentum carried on in Angola and Nigeria, where high oil prices, the stabilization of oil production, and recovery in non-resource sectors supported activity in the first half of this year. Nevertheless, persistently high domestic inflation, power cuts, and shortages of food and fuel have been weighing on recoveries. In South Africa, growth has moderated substantially amid policy tightening, high and rising unemployment, and recurring power shortages. Infrastructure damage to the country's main port following severe floods has also exacerbated supply chain disruptions related to the war in Ukraine and lockdowns in China. Elsewhere in the region, the boost from a waning of the pandemic and a gradual rebound in tourism is being muted by rapidly rising living costs and weakening domestic demand. In some countries, debt distress, policy uncertainty, social unrest, and violence still hamper recoveries, especially in fragile and conflict-affected LICs.

Outlook: Growth in SSA is expected at 3.7 percent in 2022 and 3.8 percent in 2023 – on par with January projections. Yet, excluding the three largest economies, growth was downgraded by 0.4 percentage point both in 2022 and 2023. Although, elevated commodity prices would underpin recoveries in extractive sectors, in many countries rising inflation would erode real incomes, depress demand, and deepen poverty. Growth in LICs was revised down by almost a full percentage point this year as food price inflation and food shortages are expected to take a particularly severe toll on vulnerable populations, further worsening food insecurity in those countries.

The growth slowdown in SSA could also intensify pandemic-induced losses in per capita incomes. The region is now expected to remain the only Emerging Market and Developing Economy (EMDE) region where per capita incomes will not return to their 2019 levels even in 2023. In about 45 percent of the region's economies and in half of its fragile and conflict-affected countries, per capita incomes are forecast to remain below pre-pandemic levels next year. Surging food and fuel import bills could also reverse recent progress in poverty alleviation across the region, especially in countries where vulnerable populations are sizable (Democratic Republic of Congo, Nigeria), and dependence on imported food is high (Benin, Comoros, The Gambia, Mozambique).

Risks: Risks to the outlook are predominantly to the downside. A prolonged disruption to global trade in cereals and fertilizer due to the war in Ukraine would significantly worsen affordability and availability of staple foods across the region. In addition, insecurity and violence pose a threat to the outlook, especially in LICs, while rapid increases in living costs risk escalating social unrest.

A faster-than-expected slowdown of the global economy, which could be triggered by the accelerated policy tightening in advanced economies and the global resurgence of the COVID-19, would hurt many SSA commodity exporters. Much tighter financial conditions in EMDEs would raise borrowing costs and the risk of debt distress. Fiscal space, already constrained by high levels of public debt, could narrow further if spending pressures to curb the impact of rising food and fuel prices continue to build up. Finally, persistent domestic inflation could speed up monetary policy tightening, escalating stagflation risks across the region.

Sub-Saharan Africa Country Forecasts¹

(Annual percent change unless indicated otherwise)

	2019	2020	2021e	2022f	2023f	2024f
GDP at market prices (average 2010-19 US\$)						
Angola	-0.7	-5.2	0.7	3.1	3.3	3.2
Benin	6.9	3.8	7.2	5.9	6.1	6.0
Botswana	3.0	-8.5	12.1	4.1	4.0	4.0
Burkina Faso	5.7	1.9	7.0	4.8	5.4	5.3
Burundi	1.8	0.3	1.8	2.5	3.3	4.1
Central African Republic	3.1	0.9	0.9	3.2	3.4	4.0
Cabo Verde	5.7	-14.8	7.1	5.5	6.1	6.0
Cameroon	3.7	0.5	3.5	4.0	4.3	4.4
Chad	3.2	-1.6	-1.2	2.8	3.5	3.9
Comoros	1.8	-0.3	2.4	2.8	3.1	3.7
Congo, Dem. Rep.	4.4	1.7	5.7	6.0	6.4	6.1
Congo, Rep.	-0.1	-6.2	-3.5	3.5	3.0	4.5
Côte d'Ivoire	6.2	2.0	7.0	5.7	6.8	6.6
Equatorial Guinea	-6.0	-4.9	-1.6	1.8	-2.6	-2.1
Eritrea	3.8	-0.6	2.9	4.7	3.6	3.7
Eswatini	2.6	-1.9	3.1	2.0	1.8	1.8
Ethiopia²	9.0	6.1	6.3	3.3	5.2	5.9
Gabon	3.9	-1.8	1.5	3.3	2.6	3.0
Gambia, The	6.2	-0.2	5.6	5.6	6.2	6.5
Ghana	6.5	0.4	5.4	5.5	5.2	5.0
Guinea	5.6	4.6	3.1	4.3	5.9	5.8
Guinea-Bissau	4.5	1.5	3.8	3.5	4.5	4.5
Kenya	5.0	-0.3	7.5	5.5	5.0	5.3
Lesotho	2.6	-6.5	1.6	2.3	2.1	2.0
Liberia	-2.9	-3.0	4.0	4.4	4.8	5.2
Madagascar	4.4	-7.1	4.4	2.6	4.2	4.6
Malawi	5.4	0.8	2.8	2.1	4.3	4.2
Mali	4.8	-1.2	3.1	3.3	5.3	5.0
Mauritania	5.3	-0.9	2.4	4.5	5.3	7.7
Mauritius	3.0	-14.9	3.9	5.9	6.0	3.9
Mozambique	2.3	-1.2	2.2	3.6	6.0	5.8
Namibia	-0.9	-8.5	0.8	2.9	2.1	2.0
Niger	5.9	3.6	1.4	5.2	7.1	10.4
Nigeria	2.2	-1.8	3.6	3.4	3.2	3.2
Rwanda	9.5	-3.4	10.9	6.8	7.2	7.4
São Tomé and Príncipe	2.2	3.1	1.8	2.8	3.0	3.3
Senegal	4.6	1.3	6.1	4.4	8.5	10.6
Seychelles	2.0	-13.3	7.9	4.6	5.7	5.0
Sierra Leone	5.3	-2.0	3.1	3.9	4.4	4.8
South Africa	0.1	-6.4	4.9	2.1	1.5	1.8
Sudan	-2.2	-3.6	0.1	0.7	2.0	2.5
South Sudan²	3.2	9.5	-5.1	-0.8	2.5	4.0
Tanzania	5.8	2.0	4.3	5.3	5.7	6.1
Togo³	5.5	1.8	5.1	5.0	5.8	6.4
Uganda²	6.4	3.0	3.4	3.7	5.1	6.5
Zambia	1.4	-3.0	3.6	3.3	3.6	4.0

Zimbabwe	-6.1	-6.2	5.8	3.7	3.6	3.6
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Source: World Bank.

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

1. Data are based on GDP measured in average 2010-19 prices and market exchange rates.

2. Fiscal-year based numbers.

3. For Togo, growth figure in 2019 is based on pre-2020 rebasing GDP estimates.