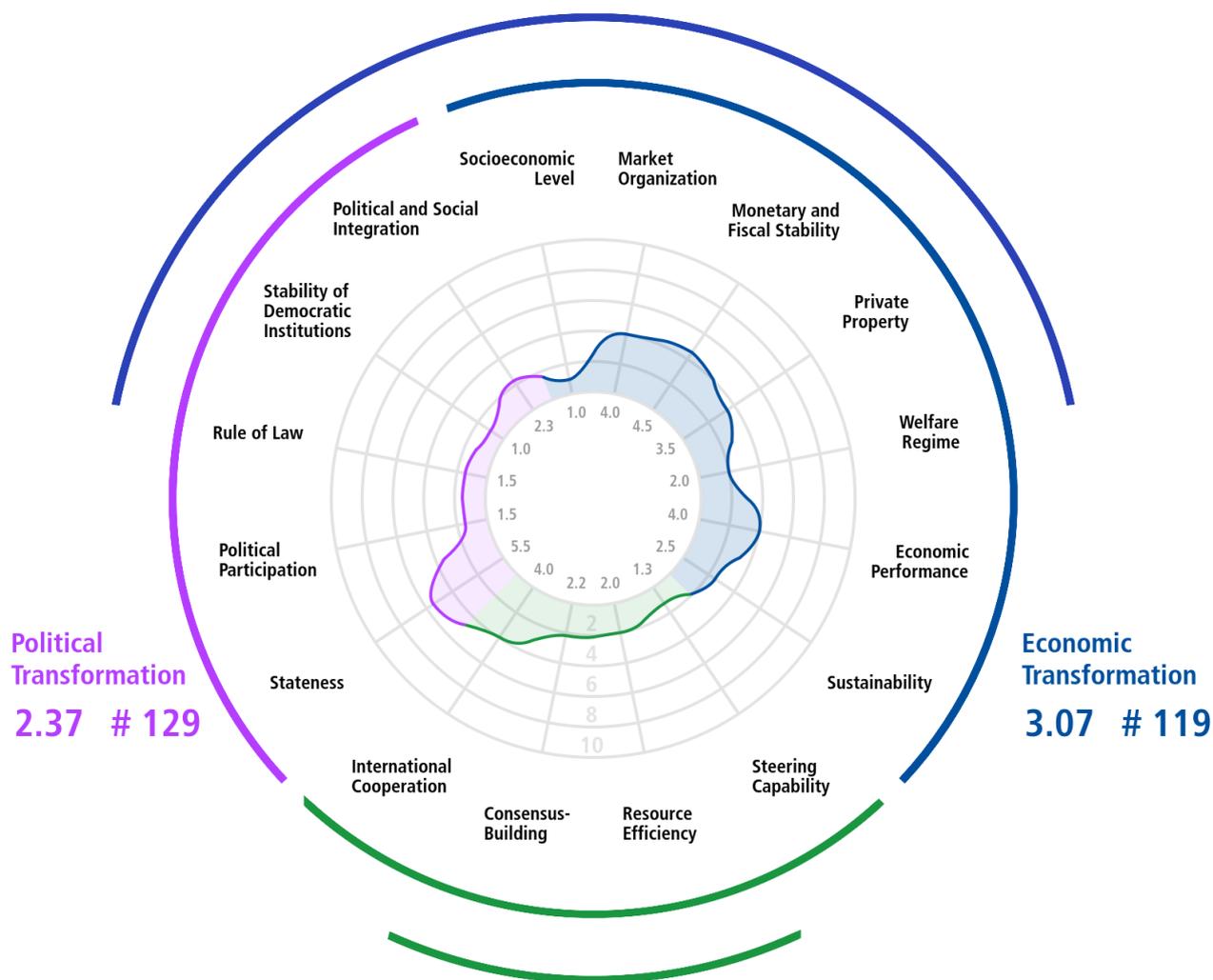


Chad

Status Index

2.72 # 124

on 1-10 scale out of 137



Political Transformation
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on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2024**. It covers the period from February 1, 2021 to January 31, 2023. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	17.7	HDI	0.394	GDP p.c., PPP \$	1668
Pop. growth ¹	% p.a.	3.1	HDI rank of 189	190	Gini Index	37.5
Life expectancy	years	52.5	UN Education Index	0.309	Poverty ³	% 64.6
Urban population	%	24.1	Gender inequality ²	0.652	Aid per capita \$	42.0

Sources (as of December 2023): The World Bank, World Development Indicators | UNDP, Human Development Report 2021-22. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

Chadian President Idriss Déby-Itno, who had just been elected for his sixth term, passed away in late April 2021 under unclear circumstances while visiting troops fighting against the Front for Change and Concord in Chad (Front pour l'Alternance et la Concorde au Tchad), a politico-military movement advancing toward the capital.

According to the constitution, the president of parliament was supposed to serve as interim president and organize new elections within 90 days. However, the Transitional Military Council, led by Déby's son Mahamat, seized power immediately, disregarding the constitutional process and raising concerns about a potential dynastic power grab by the Déby clan.

The period under review was dominated by the ongoing transition, characterized by tensions between the political elite and the political and civil oppositions. The ruling elite sought to establish a legal framework to maintain its hold on power through the creation of institutions and legislation. In contrast, the opposition took to the streets to resist retention of power by the old elites, resulting in clashes between demonstrators and security forces on October 20, 2022, which led to the highest death toll recorded in a single day.

One prominent opposition member called for an investigation by the International Criminal Court into the junta leaders for alleged crimes against humanity. Peace negotiations between the transition government and over 50 politico-military movements in Doha resulted in a peace agreement, signed by 40 movements in August 2022, followed by a national dialogue. However, the most powerful military factions, including the Front for Change and Concord in Chad, refused to sign the agreement, claiming that their demands were not met.

In October 2022, a National Dialogue Forum, claiming to represent all social and political groups, decided to extend the transition period to two years instead of the initially planned 18 months. This reset the timeline. Mahamat Déby was inaugurated as president for the transition. A new

constitution and general elections are supposed to mark the end of the transition, allowing Mahamat Déby potentially to run for president, contrary to African Union regulations. Elections are scheduled to take place no later than the end of 2024.

Poverty levels have continued to rise in Chad, exacerbating the challenges the population faces due to inflation and lack of purchasing power. Furthermore, extensive flooding during the 2022 rainy season affected Chad's southern regions and parts of the capital, N'Djamena, displacing hundreds of thousands of people and damaging farmland. This has resulted in crop failures and increased risk of hunger.

History and Characteristics of Transformation

In the 1990s, Chad began its journey toward economic and political transformation following a devastating civil war. However, conflict lines between the Muslim north and the Christian/Animist south continue to define the country's political landscape. Idriss Déby-Itno, an ethnic Zaghawa and former army chief of staff, came to power through a coup d'état in 1990 and remained in power until his death in 2021. The Patriotic Salvation Movement (Mouvement Patriotique du Salut, MPS), Déby's party, established hegemony through multiparty parliamentary elections in 1997. Chad operated as a presidential republic with minimal checks and balances. Political opposition to Déby's rule was weak, with many opponents co-opted by promotions into high-ranking government positions.

Throughout his rule, Déby faced challenges from various politicized military movements that sought to overthrow his regime. French military support prevented major attacks by coalitions such as the Military Command Council for the Salvation of the Republic (CCMSR) and the Union des forces de la résistance (UFR). Déby passed away while visiting troops fighting against the Front for Change and Concord in Chad, which was advancing toward the capital. However, this politicized military movement did not claim responsibility for his death.

In the lead-up to the 2021 presidential elections, a new alliance called Wakit Tamma emerged, uniting civil society, political opposition and trade unions. Wakit Tamma organized demonstrations against Déby's sixth term, which security forces brutally suppressed. Les Transformateurs, a prominent party within Wakit Tamma, led by Succès Masra, emerged as a fierce opponent of both Déby and his son.

In 2015, Chad experienced terrorist attacks from Boko Haram for the first time. In March 2020, the Chadian army suffered a major defeat attributed to Boko Haram. Déby carried out punitive actions against civilians in the Lake Chad region. Chad's military actively participates in the fight against Boko Haram in Nigeria and joined the Joint Force of the Group of Five of the Sahel (G5 Sahel) to combat terrorism. By 2022, Chad had hosted a significant number of refugees, internally displaced persons, returnees and asylum-seekers.

Chad began transitioning toward a market economy in the 1990s, with the successful completion of an enhanced structural adjustment facility through the IMF. However, the country faced challenges due to its external debt, particularly that owed to Glencore, a commodity trading and

mining company based in Switzerland. The execution of reforms, irregularities in arms purchases, corruption, and the oil-price shock hampered the implementation of development plans and limited the government's commitment to market economy reforms.

Efforts to restore public finances and external accounts in Chad, a country plagued by corruption, have been a major challenge. Despite initial hopes of substantial socioeconomic improvement through the construction of the Chad-Cameroon pipeline, Chad failed to achieve long-term development, pro-poor spending targets and economic diversification. The country's dependence shifted from agrarian commodities like cotton and cattle to oil revenues. Meanwhile, widespread corruption undermined government revenue from customs and taxes.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Political-military movements have repeatedly contested Chad's state monopoly on the use of force. These are run by Chadian exiles and political opponents, sometimes even family members of the Déby clan operating from the neighboring countries of Libya and, to a lesser extent, Sudan, as well as by local self-defense groups in the region of Miski in northern Chad.

However, never before was Déby's monopoly on power so severely impacted as at the beginning of the period under review. On presidential election day, April 8, 2021, Front pour l'alternance et la concorde au Tchad (FACT) units marched toward N'Djamena and were halted only 300 km from the capital. While visiting his troops, Déby was killed under circumstances that remain unclear. FACT never claimed responsibility for his death, which was kept concealed until the CMT took power (the AU refrained from condemning the takeover as a military coup). With assistance from France, FACT was eventually repelled.

Despite the state of emergency, the local population and Chadian army bases on the Chadian shore of Lake Chad regularly suffer from attacks by Boko Haram and its offshoots. These attacks have resulted in deaths and forced locals to flee their villages and islands.

In August 2022, several armed opposition groups, notably the Union des forces pour la démocratie et le développement (UFDD) and the Union des forces de la résistance (UFR) signed the Doha Agreement. However, two other significant armed groups, the Conseil de commandement militaire pour le salut de la République (CCSMR) and FACT, based in southern Libya did not sign the agreement.

By January 2023, a new rebel group had emerged in southern Chad. It claims to have several thousand combatants, partially based in the Central African Republic.

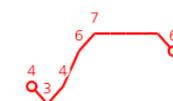
Also in January 2023, a peace deal was struck with the local self-defense group in Miski, but a faction of the group rejected the agreement.

Question
Score

Monopoly on the
use of force

6

'06 '24 10



1

Despite the country's ethnic and religious diversity, Chadian citizenship and the concept of the nation-state have not yet been challenged by the main social groups or the political elite. However, the controversial transition, which continues the northerners' grip on power, and the violent clashes between demonstrators and security forces seem to be fueling growing anger among some southern ethnic groups. The fact that the leading opposition politician, Succès Masra, is from the south reinforces this growing anger. The demonstrations on October 20, 2022 took place in N'Djamena and exclusively in southern cities. Most of the victims of the violent repression were young people from the south. The mourning heightens their frustration about the late Déby regime's poor governance and about one group's monopoly on political and economic power. Identity with the state is in danger of being questioned.

Citizenship and access to citizenship are not politically relevant issues. Apart from administrative shortcomings, there are few problems with access to citizenship. All citizens formally have the same civil rights.

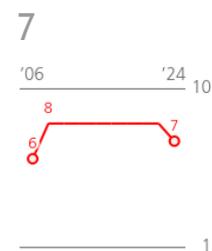
Following the French example, Chad is a secular state based on the principle of "laïcité," noted in the first article of all its constitutions since independence, as well as in the two transitional charters since Déby's death that guarantee the separation of state and religion.

Nevertheless, a distinction can be made between Muslim and Christian attitudes toward secular power. There is a tendency for Muslim leaders to support Mahamat Déby's assumption of power from his father. Meanwhile, the Archbishop of N'Djamena and the Bishop of Pala sharply criticized the state for its use of weapons against demonstrators in October 2022. The Catholic Church boycotted the National Dialogue, while Protestant and Muslim leaders participated.

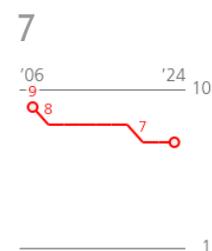
Muslims (about 55 % of the population) dominated both Déby's and his son's government, as well as the transitional parliament. They are also overrepresented as government officials.

The state organizes annual pilgrimages to Mecca. Important Muslim and Christian holidays are public holidays, although there seems to be growing pressure to neglect Sundays and Christian holidays. Interreligious dialogue between the country's religious leaders, who preach peaceful coexistence, takes place regularly. The leaders of the three major religious groups (Muslims, Protestants and Catholics) attend state ceremonies, including the opening ceremony of the National Dialogue. In the past, the president (Idriss Déby) appointed a president to the High Council for Islamic Affairs and dominated the National Day for Prayer Reconciliation – originally initiated as a solemnly religious day in 2011. It was not commemorated in 2021. In 2022, the Catholic Archbishop held it on November 28. Protestants prayed on their own.

State identity



No interference of religious dogmas



In the Muslim community, most Chadians adhere to the Sufi Tijaniya(h) (Tidjanie) tradition. Only a minority follow beliefs associated with Wahhabism or Salafism – a trend that worries Tijanya and non-Muslim Chadians. Wahhabism is banned by the government. Wahhabi Muslims are not officially represented in the High Council for Islamic Affairs and in response demand their own council. The majority of Protestants are evangelical Christians.

So far, religious extremists have found little political influence. However, religious ideas have some influence on societal issues such as the role of women and the adoption of family law.

Since 2018 Chad's administrative units comprise 23 provinces, 95 départements and 365 communes. The presence of state representatives does not mean that state services are also provided. Administrative structures are generally small, poorly funded, and highly susceptible to corruption at the expense of the population – be it in rural areas or the capital.

Administration of communication, transport and other basic infrastructure are provided in N'Djamena and provincial towns, but not in rural regions. The state of the roads is degrading rapidly, thus slowing and complicating transport inside the country. A Chadian airline that provided flights inside the country since 2018 was officially liquidated in August 2021.

Communications, such as telephone and internet, are costly, often interrupted by state authorities due to political protest, or nonexistent in remote regions.

Basic infrastructure, especially access to sanitation and water is extremely poor: in 2020, only 10.1% of the population had access to improved sanitation facilities and less than half to an at least basic water source (46.2%). Only 5.6% can use a safely managed water source. Electricity is only available to 11.1% of the population. Basic health services can be found in towns. In remote areas, they are rare or nonexistent. Maternity and infant mortality rates are among the highest in the world.

Basic schooling is provided but run and paid for by parents themselves.

2 | Political Participation

The last presidential elections were held in April 2021. Idriss Déby was elected for a sixth term with 79.3% of the vote in an election considered fraudulent and boycotted by the main opposition figures. As in the past, the government did not allow fair competition but instead worked to silence political dissent.

President Déby died shortly before or after the results were publicized. The Transitional Military Council took power and suspended the constitution. No elections took place during the first 18 months of the transition process. According to the prime minister, the next elections are planned for the end of 2024 at the earliest. The initially announced timeframe for the transition of 18 months was extended to 24 months.

Basic administration



Free and fair elections



The last elections to the National Assembly were held in 2011. The parliament's mandate ran out in 2015, but no elections have been organized. In September 2021, the Transitional Military Council replaced the National Assembly with the National Transitional Council and appointed its 93 members. In November 2022, the president appointed 104 additional members to the National Transitional Council, including opposition figures and representatives of the rebel groups that had signed the Doha peace deal in August 2022, which the transitional authority, several rebel groups and opposition factions had accepted.

In January 2023, the transitional government named the committee that is to organize the constitutional referendum at the end of the transition period. It mainly comprises members of the government and is chaired by Limane Mahamat, a key figure in the National Dialogue and current minister of territorial administration, decentralization and good governance. It cannot be assumed that the committee will be impartial.

There were no democratic processes during the transition period and none are foreseen before the end of 2024. The president of the transition government appointed all officeholders. According to the transitional constitution, he will continue to do so. It is therefore difficult to speak of veto powers. The Transitional Military Council was the most important actor during the first 18 months of the transition. It was dissolved when the 24-month transition period began in October 2022.

Previous constitutions – including the transitional constitution – provide for freedom of association and assembly. However, these rights, especially among opposition civil society groups and parties, were repeatedly restricted or suspended even before the beginning of the transition. In particular, groups without their own facilities, such as Wakit Tamma, found it increasingly difficult to rent meeting rooms. Security forces repeatedly broke up meetings and gatherings.

The ordinance of 2018 (Ordinance no.023/PR/2018 of June 27, 2018) that imposes a number of restrictions on associations is still in effect. The authorities can easily use it to prohibit the formation of associations, to dissolve them, and to hinder their functioning. The law bans “regionalist or community associations”, and requires associations to obtain authorization from the Ministry of Territorial Administration to begin operations and imposes hefty fines on people involved in the creation and administration of “unauthorized and unregistered associations.”

Demonstrations have long been prohibited and violently repressed, with beatings, arrests and even shootings, for example, in the run-up to the presidential election and after the death of former President Déby in 2021. According to a February 2023 announcement by the National Human Rights Commission, 128 people were killed and over 500 injured by security forces during a demonstration by Wakit Tamma and the Transformateurs on October 20, 2022. The World Organization Against Torture

Effective power to govern



Association / assembly rights



expressed concern “about the violent repression of the peaceful demonstrations that took place on 20 October 2022, as part of a repressive governance system, where cases of extrajudicial killings, torture, disappearances and massive arbitrary detentions were registered.”

Chad’s constitution allows for freedom of expression and of the press. These freedoms are, however, regularly curtailed and there is a persistent threat against those voicing criticism of the authorities.

Only journalists who can provide proof of journalistic training are allowed to register with the Supreme Media Authority and work as journalists. Salam Info Magazine was suspended on December 2, 2022, allegedly because the editor had no journalistic training. In reality, however, it was for criticizing the Supreme Media Authority and the transitional authorities on social media.

Critical journalists, bloggers and other commentators continue to risk prosecution and imprisonment under the transitional authorities.

Ten newspapers are published regularly. Four private television stations broadcast in the capital and some 60 radio stations are in operation nationwide. Private newspapers are struggling to survive in the face of high costs and diminishing advertisements.

Social media are increasingly taking over the role of the news media and disseminating unverified opinion pieces and information. At the same time, access to the internet was regularly blocked.

Reporters work under threat of death when covering clashes between the population and state power, becoming accidental victims themselves, like Narcisse Oredje during the demonstrations on October 20, 2022. They are also directly threatened or killed when reporting on issues critical of the government, such as the intercommunal conflicts in southern Chad.

3 | Rule of Law

Since the death of Idriss Déby and the subsequent beginning of the transition period, there has been no official separation of powers. As defined in the transitional constitution, transitional President Déby appoints all position holders in politics, administration and the judiciary. Although the transitional constitution provides for the transitional parliament to control the government, it is doubtful that it is willing or able to carry out this role. Following a statement by Prime Minister Kebzabo’s government, Parliament Speaker Haroun Kabadi even stated incorrectly that parliament has no right to vote.

Freedom of expression

2

'06 _____ '24 10



1

Separation of powers

1

'06 _____ '24 10



1

According to the transitional constitution of October 2022, the judiciary is independent. During the transition period, judicial power will be exercised by the Supreme Court, the courts of appeal and the ordinary courts. The president appoints members of the state's high institutions, including judges. Therefore, even in formal terms, the judiciary is not institutionally differentiated, and its decisions and doctrine are subordinate to the government.

In the past, the judiciary suffered interference from the executive branch, lacked sufficient resources, and was riddled with corruption. Judges who acted independently were massively intimidated or dismissed. This is expected to continue during the transition period.

The trial of those arrested during the demonstrations on October 20, 2022 proceeded without legal defense. On December 2, 2022, 262 accused were sentenced to two- and three-year prison terms. Chad's bar association denounced the process as a parody of justice.

Corruption is dominant at all levels of society in Chad. Ordinary citizens can hardly avoid becoming victims. All bureaucratic processes require citizens to give something (i.e., bribe).

What is observed at the everyday level is largely mirrored at the political level, with no long-lasting consequences for perpetrators. A prominent example is the former private secretary and closest adviser to Mahamat Déby, Idriss Youssouf Boy. He was apparently involved in embezzling large sums of money in connection with the Chadian Hydrocarbons Company. He was removed from office in June 2022, but a court case was not pursued. He sat in the front row at Mahamat Déby's inauguration in October 2022.

The interim constitution guarantees civil rights. Like all other constitutions since independence, it enshrines the secular character of the state (Paragraph 3). It emphasizes the equality of men and women and prohibits propaganda of an ethnic, tribal, regional, or religious nature. De facto, however, civil rights exist only on paper. Women's rights are routinely violated. The authorities rarely investigate cases of abuse or domestic violence, leaving women nowhere to seek protection.

Homosexuality is generally considered incompatible with tradition and religion. With the Criminal Code of December 12, 2016, homosexuality was no longer classified as a crime but as a petty offense. The new penal code also prohibits underage marriages.

The death penalty was abolished in 2014 but reauthorized for terrorist offenses after the Boko Haram attacks in 2015. On April 28, 2020, parliament again abolished the death penalty.

In general, citizens are at the mercy of state authorities. Members of the opposition, civil society and trade unions fear arrest and detention without due process of law.

Independent judiciary

1

'06 _____ '24 10



Prosecution of office abuse

2

'06 _____ '24 10



Civil rights

2

'06 _____ '24 10



For example, Max Loalngar, spokesman for Wakit Tamma, was arrested in May after a demonstration and transferred to the notorious maximum security prison in Koro Toro without even being charged.

4 | Stability of Democratic Institutions

Already under Idriss Déby, democratic institutions were enshrined in the constitution – including the national government, parliament, the judiciary and the public administration. But they were largely inefficient and lacked democratic legitimacy, although elections took place more or less regularly.

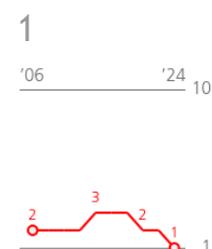
Since the death of Idriss Déby, the willingness to create such institutions is discernible, but not the motivation to make them perform democratically.

Nominations to the transitional government and parliament show a clear bias toward individuals close to or in some way dependent on the power elite. It may still be early to judge, but there seems to be hardly any potential for future democratization.

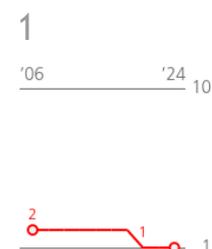
Since the unconstitutional takeover of the Transitional Military Council under Mahamat Déby, the power elite has tried to represent itself as ruling via democratic institutions. The implementation of the National Dialogue is a typical example of this. Ostensibly, its purpose was for social and political groups to negotiate the political future of the country and its institutions. Shortly afterwards, it became clear that the only goal of the dialogue was to keep Mahamat Déby in power – longer than originally planned. He had promised a transition period of 18 months, which could be extended once by 18 months. With a new transition period of 24 months, he received an additional six months in power. His immediate appointment of the prime minister, government and members of parliament suggests that Chad's rulers care about presenting a democratic façade to the international world.

Only a few groups did not participate in the process, namely Wakit Tamma, a civil society organization, some political parties, of which les Transformateurs is the most important, and the Catholic Church (which suspended participation during the proceedings). However, members of the opposition are constantly threatened; some opposition figures like Succès Masra have fled the country, while others went into hiding.

Performance of democratic institutions



Commitment to democratic institutions



5 | Political and Social Integration

The old and new transitional constitutions recognize the existence of political parties. The registration of political parties in Chad depends on the goodwill of the power elite, which creates a blurred distinction between parties and their agendas. For instance, Succès Masra's party, les Transformateurs, was only recognized as a political party after the death of Idriss Déby in 2021. By the end of 2019, there were 220 registered political parties in Chad.

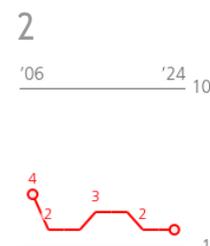
During the initial 18 months of the transition, the distinction between political parties became increasingly unclear, as leaders from various parties, including opposition parties and the former ruling party, participated in the transition process. However, some parties, such as les Transformateurs and Yaya Dillo's Socialist Party without Borders, chose not to engage in the process.

Although the ruling party, Mouvement Patriotique du Salut, lost its chairperson and some political influence with Déby's death, it remains the sole party operating on the national level. The party's leadership positions are filled with individuals loyal to the Déby family, and its members come from diverse groups, often joining for pragmatic or self-interested reasons.

Some individuals close to the power elite have established parties in order to complicate the political landscape. The former political opposition, which was historically weak, has seen many of its leaders, like Saleh Kebzabo, assume high positions in the transitional government or other structures. Les Transformateurs has taken up the role of opposition, gaining in popularity among urban youth and enjoying strong support in southern regions. However, the party has never participated in elections. Its chairman, Succès Masra, hails from the Christian-majority south, reflecting the pattern of Chadian politics such that parties and opposition are often tied to individuals and have ethnoregional roots. Ideology has played a limited role in Chadian political parties. Opposition parties typically achieve significant election results only in their respective leaders' regions of origin.

Two other notable parties are the National Union for Development and Renewal (Union Nationale pour le Développement et le Renouveau) led by Prime Minister Saleh Kebzabo, with strong support in the Lac Léré area, and the Party for Liberty and Development (Parti pour les Libertés et le Développement), which has a significant following in the east, particularly Ouaddaï. The Parti pour les Libertés et le Développement has experienced a decline in influence since the disappearance of Ibni Oumar in 2008. Its general secretary, Mahamat Ahmad Alhabo, who was once a fierce opposition member, has served as the minister of justice in the transition government since May 2021. Additionally, there is a growing trend among Zahawas, like Yaya Dillo, a relative of the Déby family and leader of the Parti pour les Libertés et le Développement, to establish their own parties.

Party system



Like the opposition parties, civil society is weak and fragmented. Cooperation exists only to a limited extent between organizations whose leaders struggle to trust each other in an environment characterized by corruption and co-optation by the regime. Human rights organizations – with the exception of the government-sponsored national human rights organization that is now headed by the often-persecuted former human rights activist Mahamat Nour Ibedou – and NGOs that focus on peaceful cohabitation or women’s and youth rights make an important contribution to societal issues but are often undermined by institutionalized pseudo-representative groups financed by the government. The Big Heart Foundation (Foundation Grand Cœur) led by former First Lady Hinda Déby-Itno seems to have lost some of its influence.

Human rights organizations are often the only witnesses and are able to attract limited international attention toward human rights violations. The safety of their employees depends on the level of international awareness.

The constitution and labor code permit the foundation of and membership in trade unions, which are organized under three umbrella unions. The Syndicate of Trade Unions of Chad (Union des Syndicats du Tchad) represents 30 trade unions and associations. It is a member of Wakit Tamma and has repeatedly called for demonstrations.

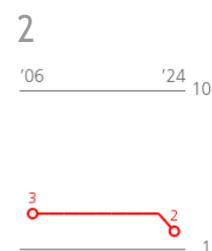
In November 2022, the Minister of Territorial Administration declared that all alliances or coalitions between political parties and non-political civic associations that do not share the same goals are prohibited.

Given the lack of representative survey data in the country, it is difficult to evaluate the population’s attitudes toward democracy in general or toward

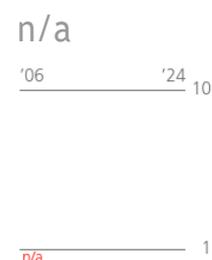
individual institutions. Social media and large turnouts at demonstrations, however, reflect a high degree of frustration among the young population. A number of Chadian online newspapers frequently criticize the undemocratic functioning of the state.

Afrobarometer does not conduct surveys in Chad. However, a survey conducted in five major cities in Chad by the Arnold Bergstraesser Institute in 2015 points to relatively high levels of support for the idea of liberal democracy, despite the authoritarian character of the regime. This survey found that 56% of respondents had overwhelmingly democratic attitudes, while 38% held partially undemocratic views, and 5% undemocratic views. According to this data, public dissatisfaction with government policies is high. However, just over one-third of respondents agreed with the statement that “government would do the right thing.” Generally, the population, and especially young people, are upset about the political situation, especially the continuation of the power elite, their own increasing poverty, and their daily struggle to survive.

Interest groups



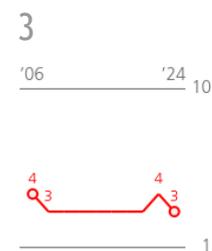
Approval of democracy



Social self-organization and the creation of social capital do occur. Some 20,000 cooperative groupings operate in the country but are mainly concentrated at the village and district levels. Small saving groups, primarily comprising women working locally or with their church, try to create some sort of capital for their members. Parents associations employ 70% of the teachers in Chad and play an important role in supporting the educational system.

Chad's long history of violent intercultural conflicts means that there is very little trust among the population, and intercultural and interreligious tensions continue to persist under the surface. Generally, people organize along ethnic lines or according to religious identities. The general insecurity and dissatisfaction with the political figures who have joined the transition process, as well as increasing poverty, seem to have caused an increase in distrust since Déby's death.

Social capital



II. Economic Transformation

6 | Level of Socioeconomic Development

Chad experienced a 34.5% increase in HDI between 2000 and 2021. However, it remains one of the least developed countries in the world, with a very low HDI value of 0.394 (2021), ranking 190th out of 191 countries, just above South Sudan. The overall loss in HDI score due to inequality was 36.3% in 2021.

All indicators confirm that a significant portion of Chad's population is affected by high levels of poverty, which were further exacerbated by the COVID-19 pandemic and the instability that followed the sudden death of Idriss Déby. In 2018, 62% of the population was living below the national poverty line. The Multidimensional Poverty Index is 0.517 (2021), with 64.6% of the population living in severe multidimensional poverty. The 2022 Global Hunger Index value of 37.2 reflects a steady decline in hunger since 2000 when the score was 50.7, indicating a shift from an extreme to an alarming level. Chad is ranked 117th out of 125 countries. Rural areas are particularly affected by poverty, with rural populations and a portion of the urban population (24%) relying primarily on subsistence farming or livestock breeding.

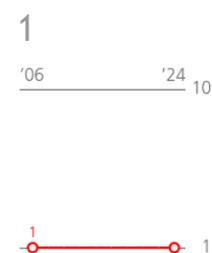
Chad's Gini coefficient of 37.5 in 2018 and the World Economic Inequality Index of 31.3 in 2022 highlight persistent income inequality, despite an improvement in the Gini coefficient from 43.3 in 2011. Oil and state revenues tend to be concentrated in the hands of the ruling elite and are not used to reduce poverty.

The level of gender-based socioeconomic exclusion is alarmingly high in Chad. With a score of 0.652, Chad ranks among the lowest in the world on the 2021 Gender Inequality Index. The number of years of schooling for girls and boys are 5.9 and 8.8, respectively. Only 13.3% of girls compared to 28.2% of boys complete the first four years of schooling.

Question

Score

Socioeconomic barriers



Overall, Chad lacks the necessary socioeconomic foundations to provide its citizens with adequate freedom of choice. Modest economic growth in the early 2010s was primarily driven by oil revenues, but this declined with the fall in global oil prices. The subsequent rise in oil prices did not have a significant impact on economic growth. The government has neglected economic diversification and maintained a rentier state, where wealth is largely redistributed among the country's power circle. Chad's oil revenues have benefited only a small portion of the population. Social marginalization is deeply entrenched and widespread both qualitatively and quantitatively.

Economic indicators		2019	2020	2021	2022
GDP	\$ M	11315.0	10715.4	11780.0	12704.1
GDP growth	%	3.2	-1.6	-1.2	2.2
Inflation (CPI)	%	-1.0	4.5	-0.8	5.8
Unemployment	%	1.1	1.6	1.5	1.4
Foreign direct investment	% of GDP	5.0	5.2	6.0	4.8
Export growth	%	6.0	1.1	-0.4	5.0
Import growth	%	4.0	1.8	5.1	2.0
Current account balance	\$ M	-	-	-	-
Public debt	% of GDP	51.6	55.9	57.4	48.8
External debt	\$ M	3325.3	3669.6	3933.6	-
Total debt service	\$ M	89.2	114.3	161.7	-
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	3.6	4.7	4.7	4.0
Public education spending	% of GDP	2.4	2.7	2.9	2.5
Public health spending	% of GDP	0.7	0.9	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	2.1	3.0	2.8	2.9

Sources (as of December 2023): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Market-based competition is underdeveloped in Chad; the institutional framework is weak and inconsistent.

In the Heritage Foundation's 2022 Index of Economic Freedom, Chad dropped considerably (0.6%) and was ranked 146 out of 177 countries in the category of "repressed." What is more, it remained last out of 141 countries in the World Economic Forum's 2019 Global Competitiveness Index.

Several structural factors impede the establishment of a market-based economy. The economy relies to a great extent on the informal, subsistence agricultural sector, herding and fishing, which together account for almost 50% of GDP and employ approximately 80% of the population. Thus, the informal sector plays an important role in the population's daily survival.

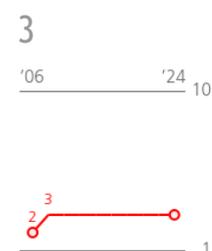
However, the ruling elite remains the biggest obstacle to developing a market-based economy, as the corrupt structures within the governing system deter sustainable investments. Other factors contributing to this problem include poorly functioning public institutions, lack of venture capital, an unwelcoming regulatory environment, widespread corruption and patronage, serious shortcomings in the rule of law, and costly access to unreliable energy. These can all be linked to the lack of will among the elite to support equal opportunities for large sections of the population.

The few private companies that exist must pay high taxes. Government contracts, for example, for construction work, are part of the patronage system and awarded to those in the ruling elite. The private sector remains insufficient. Privatization has predominantly served to enable members of the ruling elite to gain senior management positions and plunder former state-owned companies that are left struggling to survive.

Chad supports foreign direct investment. Foreigners can own companies up to a share of capital of \$2,060,000. The privatization of state enterprises progressed somewhat, but the state has also established new enterprises. State companies offer valuable opportunities for patronage and a form of corruption that favors them not functioning.

Chad is a member of the Central African Economic and Monetary Community (CEMAC), whose six member states share a common central bank and a common currency pegged to the euro.

Market
organization



The Central African Economic and Monetary Community (CEMAC) is not a member of the International Competition Network. As a member of the CEMAC, Chad is part of an economic community promoting regional cooperation. This includes a Regional Competition Agreement among its members Cameroon, Gabon, the Central African Republic and Chad. Operating according to a “two-tiered” model – as classified by the OECD – Chad has two separate levels of competition policy jurisdictions: the regional level, where competition infringements with regional impact are investigated by the regional competition authority, and the national level, which concerns cases with a national dimension.

However, as opposed to Cameroon, Gabon, and the Central African Republic, Chad does not have national competition legislation. Parliament approved a law on competition in 2014 that included the creation of a council of competition (Article 35, Law Nr. 043/OR/2014). Subsequently, the Council of Ministers adopted a decree in 2018 on the creation of a council of competition to enforce antitrust policies. Another decree, on March 12, 2019, finally nominated 15 members for the National Competition Council (Conseil National de la Concurrence). The government regulates the formation of monopolies and oligopolies inconsistently.

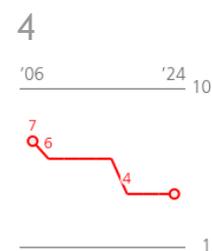
The state and foreign investors dominate the few market sectors in Chad. The state owns the country’s only water and electricity companies. The state-owned Société Cotonnière du Tchad Société Nouvelle, or CotonTchad S.N., has a monopoly on the marketing of cotton, the principal export commodity after oil and cattle. In its search for cash, the Chadian state sold 60% of this enterprise to the multinational Singaporean Olam in April 2018. The Chadian telecommunication society (Société des Télécommunications de Tchad – Sotel) was privatized in March 2014. The oil sector is dominated by the Chinese National Petroleum Corporation and an international consortium comprising ExxonMobil affiliate EssoChad, Petronas and ChevronTexaco. Because the power elite is the biggest profiteer from the market, the state does not fulfill its role as a safeguard.

In principle, trade in Chad has been liberalized. The country has been a member of the WTO since 1996 and GATT since 1963. However, Chad’s participation in international trade is limited in terms of both imports and exports. In 2020, Chad ranked 144th in total exports and 175th in total imports.

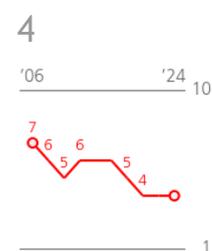
China is the primary destination for Chadian exports, followed by France, Germany and the United Arab Emirates. Similarly, imports mainly come from China, the United Arab Emirates, France, India and the Netherlands. According to the WTO (2020), the ratio of goods exports to GDP is 27.6%, and the Most Favored Nation Weighted Average tariff is 17.31%.

Chad does not have protectionist measures, import quotas or export limitations defined by law. As a landlocked country, Chad was among the early adopters of the African Continental Free Trade Agreement, ratified in 2018 and implemented on January 1, 2021.

Competition policy



Liberalization of foreign trade



The greatest challenge to fostering an open trade market in Chad is the burden of bureaucracy and the pervasive corruption that affects import and export processes at all levels. The National Investment and Export Agency aims to simplify procedures and assist clients in all sectors. Additionally, Chad has introduced measures such as a National Investment Charter, a Public-Private Dialogue Forum and fixed tariffs for creating, modifying and renewing business certificates.

The official collection of import taxes at the entry point on the Cameroon-Chadian border is largely ineffective, with the head of customs historically being someone close to the late president. Despite Chad's dependence on imported goods, import costs remain high. The IMF has recommended that the government lower tariff and non-tariff barriers to trade, and reduce the number of customs procedures. Difficult climate and road conditions contribute to the increasing costs of trade into and out of Chad. Being landlocked, Chad heavily relies on a limited number of predominantly poor-quality roads that are impassable for part of the year. Infrastructural constraints, roadblocks, corruption, cumbersome bureaucracy and the closure of borders with Nigeria and Cameroon due to terrorism threats further hinder trade.

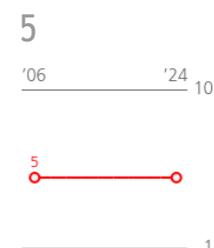
The Chadian banking sector is limited in size and available services, and is characterized by a severe shortage of stable long-term resources. It is regulated by Commission de Banque de l'Afrique Centrale, a regional banking agency. There are currently ten commercial banks operating in Chad. The Ecobank Chad also runs an Islamic department to provide Shariah-compliant products. The regional Banque des États de l'Afrique Centrale, which is backed by the French treasury, acts as the central bank.

Since its independence, Chad has been a member of CEMAC. The member states (Cameroon, Central African Republic, Chad, Congo, Equatorial Guinea, and Gabon) share the central African franc (XAF) as a common currency, which is fixed to the euro.

Credit is available from commercial banks on market terms, which average 16% to 25% for short-term loans.

The IMF stated in August 2020 that several banks were experiencing constrained liquidity and that the sector's capital adequacy ratio had slightly deteriorated. In 2018, the banks were capitalized with a capital adequacy ratio of 19.1%. The majority of bank assets are held by foreign banks (Société Générale, UBA and Ecobank), and only a third by a government-controlled bank. In 2019, the bank capital to assets ratio declined to 2.8% and again to 1.6% in 2020. Non-performing loans increased from 20.9% in 2016 to 25.9% in 2020. As interest rates are high, most citizens do not rely on banking but on the private sector. Therefore, most of the personal and small business financial transactions (over 90%) occur outside the formal banking system. There has been an improvement in information regarding access to credit after Chad established a framework through the CEMAC concerning the licensing and operation of credit bureaus.

Banking system



8 | Monetary and fiscal stability

The regional central bank, the Banque des États de l’Afrique Centrale (BEAC), is responsible for monetary policy for its member states. Therefore, Chad cannot pursue independent policies with regard to inflation, currency or foreign exchange rates. The regional currency, the central African franc (XAF), is pegged to the euro. Abbas Mahamat Tolli, from Chad, has held office as governor of the regional central bank since 2017, with his term lasting until the end of 2023. He is suspected of nepotism.

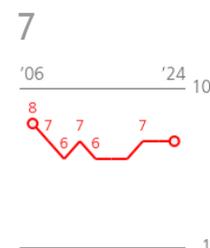
The BEAC seeks to limit inflation and Chad has usually experienced inflation below the 3% tolerance threshold set in the CEMAC zone. However, it rose to around 4% in connection with high global commodity prices as a result of supply-chain disruptions following the COVID-19 pandemic and Russia’s invasion of Ukraine, according to the Economist Intelligence Unit. Chad’s inflation rate can be highly volatile, oscillating between -0.8% and 7.5% over the last decade. Before the COVID-19 pandemic, inflation trends were primarily linked to the country’s dependence on the international oil market, economic recession and security issues in the region. The pandemic has worsened the situation. The Economist Intelligence Unit forecasts inflation to rise again in 2022 (5.3%) and decline in 2023 (3.8%), thus surpassing again the CEMAC’s 3% target.

Disastrous flooding in the fertile southern parts of the country during the rainy season in 2022 that followed a poor harvest of 2021/22 (at the time due to a lack of rainfall) will increase prices of agricultural products. The country faces a severe hunger crisis. The IMF predicts a 4.9% average annual inflation for 2022.

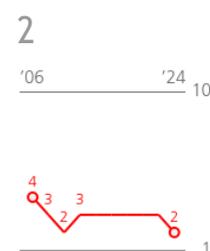
The Chadian economy relies heavily on the oil sector, which accounts for about 80% of exports. The government has neglected the diversification of the economy and revenues despite international donors’ advice. The country still has not recovered from the oil price shock of 2014/15, the COVID-19 pandemic, and the instability following the institutional coup and Mahamat Déby’s power takeover in 2021. The nominal GDP amounted to \$14 billion in 2014 and decreased to \$11.2 billion in 2019 and \$10 billion in 2020. The National Development Plan (2017 – 2021) emphasized strengthening non-oil sector recovery and the private sector, however with no visible results. The National Development Plan (2022 – 2026, Vision 2030) centers on improving access to basic social services, strengthening governance and supporting infrastructure investments and the private sector.

The IMF has repeatedly recommended improvements to fiscal stability such as ending public banks’ financing of the budget in order to reduce the high levels of non-performing loans, improving banking sector liquidity and anti-corruption measures.

Monetary stability



Fiscal stability



After successfully revising the contract with the Switzerland-based mining firm Glencore in 2018 to repay the loan under easier conditions, the Chadian government was able to repay \$95 million in 2019. Glencore holds nearly one-third of Chad's foreign debt. On November 11, 2022, after two years of negotiations, Chad became the first country to reach an agreement with its creditors under the Group of 20 Common Framework that will lead to a significant debt restructuring in 2024.

There is no transparency regarding state revenues or government spending, although the available numbers suggest that government spending amounted to 3.6% of GDP in 2018 and 4.7% in 2020 and 2021. In 2020, public debt amounted to 54.2% of GDP, falling from 52.3% in 2019 and 48.4% in 2018. External debt increased from 2019 (\$3,313.2 million) to 2020 (\$3,654.3 million). The total debt service increased from \$89.1 million in 2019 to \$113.8 million in 2020. The highest figure was \$183.2 million in 2017. Total reserves amounted to \$310.0 million in 2019. Data on the current account balance and lending and borrowing are not available.

As to other countries facing the economic impact of the COVID-19 pandemic, the IMF also provided financial assistance to Chad. The country received \$115.1 million and \$68.49 million on April 14, 2020 and July 22, 2020 (Rapid Credit Facility) and \$570.75 million on December 10, 2021 (Extended Credit Facility).

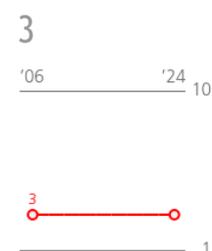
To finance the National Dialogue, the establishment of a constitution and elections, the UNDP established a basket fund in January 2022.

9 | Private Property

Like the suspended constitution, the transitional constitution guarantees private property (Article 29). Expropriation is only permitted in the public interest. However, as often in the Chadian context, despite well-defined laws, their enforcement lacks coherence and political will. The existence of Islamic and customary law alongside official law complicates the legal aspects even further. Therefore, the protection of property rights is weak. The 2022 International Property Rights Index ranked Chad 125th out of 129 countries.

From 2000 onwards, since the Chad-Cameroon Oil Pipeline and the occupation of land by international oil firms began, it has been evident that the political will to access land is at the expense of the local population and any notion of fair compensation. This pattern persists in other areas, be it the destruction of houses and shops in the capital or other towns without prior warning, presumably because of upgrading efforts or street work, or land grabbing in rural regions by members of the ruling elite. In the rural regions customary law prevails and land titles do not exist. Therefore, it is almost impossible for the population to prevent occupation or confiscation of their land. Close alliances between members of powerful individuals and groups and some corrupt members of the notary system facilitate the de facto expropriation of land.

Property rights



Changing climate conditions and lack of access to scarce resources have aggravated land disputes, as is clearly evident in the conflicts between farming and herding communities. However, as the ruling elite increasingly invests in animal herding, with some members the owners of large herds, it is difficult for the farming population to assert their rights.

The security apparatus often seizes private property from citizens, such as cars or motorbikes, especially in cases of conflict between the local population and the state.

The Doha peace agreement provides for the return of dispossessed property, which could lead to new conflicts with the current owners.

The private sector is weak and underdeveloped. This hinders economic development and the integration of young people seeking work into the labor market. Inadequate infrastructure, weak human capital development, and limited access to capital are among the reasons for the low number of private enterprises. Poor administration and high corruption are also contributing factors, as a collective of Chadian investors pointed out in January 2022. This collective has set a goal of establishing 3,000 private enterprises in the next few years. The IMF tried to raise awareness among government and enterprises in November 2022.

The World Bank notes that the business environment in Chad is far less favorable than in other countries in the region, citing difficulties with starting a business, obtaining construction permits, paying taxes, trading across borders and obtaining credit. In addition, there is no reliable access to electricity, high labor costs and high interest rates on loans for private investors.

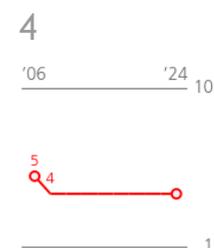
10 | Welfare Regime

Chad is one of the least developed countries in the world. At 54.5 years, life expectancy is among the lowest on the planet. Public expenditure on health is also at the lowest end at 0.8%. These figures reflect the deficiency of a public safety net for the majority of the population.

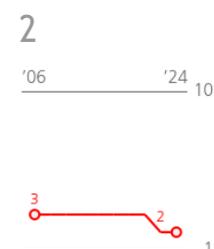
Comprehensible pertinent legislation does not exist. Only a small group of government, military and parastatal enterprise employees or those few working for development organizations benefit from social safety nets. Access to positions in these sectors is predominantly subject to patronage and corruption. Chad ratified the ILO Convention No. 102 on minimum standards of social security and No. 122 on employment policy in 2015. However, as the majority of the population is without employment, the convention is not applicable.

Two security nets do function more or less: the national pension fund (Caisse Nationale des Retraités) and a form of unemployment fund (Caisse Nationale de Prévoyance Sociale). Preconditions for receiving benefits are difficult to meet and

Private enterprise



Social safety nets



the two funds are highly prone to corruption and the absence or disappearance of funds. Rightful beneficiaries hardly ever receive the entire amount of their assistance but must share it with officials.

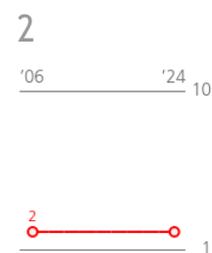
The World Bank stated in 2022 that the state should prioritize efforts to expand existing programs to the whole country, increase coverage for the poor in safety net programs, extend retirement and old-age savings systems to most formal sector workers, and allow informal workers to access the social protection system.

The majority of the population relies entirely on the informal sector, as well as on ethnic, clan and family structures to survive. However, the social crisis precipitated by the substantial decline in oil prices, the COVID-19 pandemic and instability following Idriss Déby's death has worsened things. As a result, the financial situations of the few people in paid positions have become more difficult. They struggle to survive and are unable to fulfill their social obligations to their impoverished extended family members. The limited aid and financial measures the government offers, such as food distribution programs or tax reductions for imported goods, have done little to alleviate the suffering of the population. Health infrastructure and services are poorly developed, especially in rural areas. Hospitals all over the country lack qualified medical staff. Where health facilities do exist, the comparatively high costs of services and drugs often hinder necessary treatment. On many occasions, aid organizations step in, but they cannot compensate for the lack of public health care.

The previous constitutions and the transitional constitution guarantee equality before the law and forbid discrimination on ethnic, religious or gender-based grounds. However, Chadian society is highly stratified and power structures and (supposed ethnic and religious) affiliation are highly linked. This increased with the power takeover of Déby's son Mahamat. Influential members of ethnic groups close to the ruling Déby clan, mainly from the president's ethnic group (Zaghawa, especially the Bideyat clan, from Chadian Arabs, Toubou and Goran) enjoy distinct advantages compared to southerners and foreigners. As ethnic and religious affiliations are in most cases linked, Christians belonging to southern groups feel increasingly marginalized.

Girls and women lack adequate access to educational institutions and public office. The woefully inadequate education sector is barely functioning and costs to parents for educating their children are high. The Chad Gender Inequality Index has declined from a low 0.688 (2020) to 0.652 in 2021. Gender inequality is visible at an early age. The literacy rate has declined drastically to 14.0% for women and 31.3% for men, with an overall average of 22.3% in 2016. The Gender Parity Index for the ratio of female to male enrollment in private and public schools is 0.8 at the primary level, 0.5 at the secondary and 0.3 at the tertiary level. Some 89.2% of girls are enrolled in primary school, 20.6% in secondary school, and just 3.3% at the tertiary level. More than two out of three girls are married as children to adult men, although this is forbidden by law.

Equal opportunity



Women make up 32.3% of members of parliament (2021). Women comprise less than half of the labor force, namely 40.5%. There are several female leaders in civil society. Lawyer and human rights activist Jaqueline Moudeina leads the Chadian Football Association.

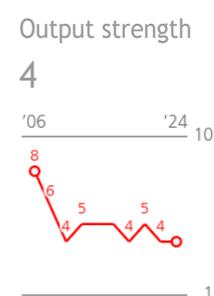
Violence, including sexual violence, against women is a common occurrence across the entire country and accepted in large parts of the society. Although forbidden by law, girls are married underage and often leave school early. Socially, homosexuality is completely unacceptable and is classified by law as a petty offense.

11 | Economic Performance

Despite engaging in oil production since 2003, Chad has remained one of the least developed countries in the world, rated as low-income economically and financially fragile. Structural deficiencies and a rentier state mentality, combined with a high level of corruption, contribute to it being one of the least developed and most vulnerable economies in the world. Official national and international sources mainly speak of the oil price shock as responsible for the drop in the Chadian economic performance since 2014. The COVID-19 pandemic, climate change and the Russian invasion of Ukraine contribute to poor economic performance.

However, corruption at all levels and a lack of preparation for price shocks also play an important role and should not be overlooked. During the period under review, the per capita GDP (on a purchasing power parity basis) equaled \$1,591 in 2021 compared to \$1,798 in 2011, while the GDP sank from \$13,940.8 million in 2014 to \$11,780.0 in 2021 (albeit increasing from \$10,000.4 in 2017). In 2021, GDP per capita growth was -4.1%.

Foreign direct investment has fluctuated: it amounted to 5.2% of GDP in 2020 compared to -4.8% in 2014, 5.1% in 2015 and 2.4% in 2016, while public debt was equal to 56.0% of GDP in 2021 compared to 30.6% of GDP in 2011. Gross capital formation has steadily reduced to 19.0% of GDP in 2021 compared to 28.5% in 2011 after a high of 33.8% in 2014. Unemployment grew to 1.9% in 2021. However, with a large informal sector and high rates of subsistence farming, few people outside of the formal economy are included in this figure. Inflation was -0.8% in 2021. The Economist Intelligence Unit projects it will reach up to 4.3% due to COVID-19-interrupted supply chains and drought in 2021/22.



12 | Sustainability

Chad is severely affected by climate change, particularly in the Lake Chad region and the northern parts of the country belonging to the Sahel. It is highly vulnerable to droughts and also flooding. The country ranked 165th out of 180 countries in the 2022 Environmental Performance Index. In specific categories, it ranked among the bottom 10, such as climate policy (172nd) and waste management (172nd). For air quality it is ranked 137th; pollution is a health risk in bigger cities like the capital. Chad joined the Climate and Clean Air Coalition in 2015.

An environmental protection law was adopted in 1998, but no serious implementation of laws followed. This is most visible in the degradation of land in the oil-producing regions, where despite some ecologically sensible policies, the government has never ensured adequate oversight over oil companies' environmental impacts. It can be assumed that environmental standards will not be complied with in the exploitation of raw materials in the future.

Although the government expresses concern over environmental issues, as in its national development plan, Vision 2030, it seems only to be paying lip service to an international agenda in order to receive international funding.

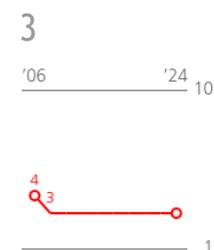
In May 2022, the Chad and the African Development Fund signed a contract concerning the construction of a photovoltaic solar power plant in Djermaya, near N'Djamena.

Some activists from nomadic ethnic groups that are among the victims of climate change promote awareness of the environment and nature.

A major environmental challenge of national and international concern continues to be the falling water level of Lake Chad. Over the course of the last 50 years, the lake's surface area has shrunk from 20,000 square kilometers to just 2,000 square kilometers. The Lake Chad Basin Commission (established in 1964), composed of representatives of the five riparian states and headquartered in N'Djamena, is exploring how to avoid further erosion and improve circulation. Déby became its president on November 29, 2022.

Chad joined the Convention on the Protection and Use of Transboundary Watercourses and International Lakes (Water Convention) in 2018 and was the first African state to commit to the sustainable management of transboundary waters through the principles and rules of international law.

Environmental
policy



The Chadian education system follows the French model with three levels (primary, secondary and higher education). Official languages are French and Arabic. Primary education (six years) is free and compulsory. However, parents have to buy textbooks and school uniforms. In public schools, tuition fees have to be paid. Parent associations, especially in the rural regions, finance more than half of the teachers and schools. Secondary education is for seven years. There are a number of private secondary institutions present in N'Djamena and in the other towns. There seems to be little state regulation of the sector.

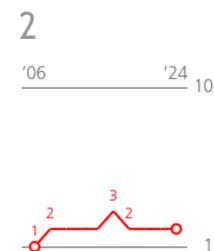
The University of N'Djamena was the first university in the country. The university has a total of four campuses and has approximately 16,000 students. In most towns in Chad, smaller universities and colleges exist with a limited number of subjects. Doctoral studies only began in September 2019, at the University of N'Djamena which now hosts a doctoral school in technical sciences and environment and one in humanities and social sciences. Parents who can afford it send their children to study abroad.

The Chadian education system is one of the least funded in the world. International efforts have not helped to improve it; the different education systems and languages that donors represent and want to disseminate may be partly responsible for this. But the education sector is also susceptible to the high level of corruption in the country.

Some numbers reflect the poor state of the education system. For example, the U.N. Education Index of 2021 ranked Chad third to last, with a value of 0.309. In 2020, public expenditure on education represented 2.9% of GDP. R&D expenditure was 0.3% in 2016. No more recent figures are available. In 2016, the overall literacy rate was 22.3%, highlighting a slow downward trend (it was 28.4% in 2004).

School and university teacher strikes regularly resulted in significant interruptions in education.

Education policy /
R&D



Governance

I. Level of Difficulty

Chad's geographic location would be a burden on any government. It is a landlocked country situated in the Sahel region, meaning the transport of goods from the coasts is costly. Chad is surrounded by neighbors experiencing conflict. Natural constraints are high in the region and include environmental degradation, erratic rainfall, droughts and flooding. The rainy season of 2022 was extremely heavy, which it had not been for decades. This led to flooding in the fertile regions of the country. Many people were displaced and left homeless.

Chad is among the poorest countries in the world. However, many constraints are self-inflicted, such as bad governance and high levels of corruption. Another example is poor infrastructure. Even newly constructed roads degrade after a short period due to corruption within the ruling elite during the commissioning process. Energy supply is another area that poses serious constraints. The advent of oil production in 2003 had the potential to ease the economic situation of the country, help to diversify the economy and improve the poor educational and health systems. However, oil production is already beginning to decline, as was well known from the outset, and all indices are worse than before production began. The government has shown no political will to fight poverty.

Diseases such as HIV/AIDS, COVID-19, regular waves of other infectious diseases like measles, and Malaria cause a heavy death toll.

Civil society in Chad is weak and fragmented. Although there are no deep-rooted civil society traditions, human rights organizations and NGOs that focus on peaceful cohabitation (especially in conflicts between farmers and pastoral groups) and women's and youth rights do important work. They are often the only voices raising concerns and (if only to a limited extent) able to generate international publicity for human rights violations; at the same time, they are dependent on international subsidies. Outspoken activists are vulnerable to government harassment, intimidation, arrest, ill-treatment and even death. Their safety depends on their international visibility. The government has successfully created a parallel civil society, which is in fact loyal to the government and competes for international recognition. Trust is low within civil society and limited to close family circles.

Structural
constraints



1

Civil society
traditions



1

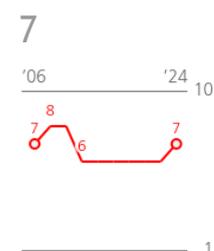
Succession and incorporation of new leaders into civil society organizations proves difficult. Long-standing leaders remain in office or do not recognize their removal. The most recent example of this is that the long-standing president of the association for Victims of Hissène Habre, Abaïfouta Clément, did not accept that the association elected a new chairman in December 2022.

Chad is a highly conflictive society and cleavages exist along several lines. Some conflict lines have historical origins, but political power relations tend to intensify them. The ruling elite under Idriss and Mahamat Déby target the political opposition and civil society through tactics such as arrest, prohibition of demonstrations and open violence against demonstrators as on October 20, 2022. Radical Islamist terrorist groups such as Boko Haram and the Islamic State (IS) in the Lake Chad region regularly enter Chad, leading to heavy death tolls, mainly in the Lake Chad region. “Political-military” groups, which used to operate primarily from southern Libya or Sudan to gain power have ceased engaging in attacks since Déby’s death and the Doha peace agreement. However, the most powerful groups have not signed the agreement and are still in arms. Civilians are threatened by violence from all groups in these conflicts. Various experiences of conflict shape the everyday life of the population – from violence and attacks by the government and security forces, to the ruling elite forcibly maintaining power or committing arbitrary violence against individuals, to intercommunal conflicts between farmers and pastoral ethnic groups, which cost the lives of more than 500 people in 2022.

Access to land fuels conflict, especially between farmer communities and neo-pastoralists (herd owners are mainly members of the power elite). Another stress factor for already poor communities are the consequences of climate change and the influx of refugees and internally displaced persons. Pressure on natural resources, including water, is increasing and aid organizations react with conflictual prevention projects.

In the southwest of the country, kidnappings (often of children) with ransom demands are particularly common and widespread. In Tibesti (Miski area), conflicts between local self-defense groups and state security forces occur in the context of gold mining operations (a peace treaty concluded at the end of 2019 between the government and local dignitaries is apparently not being observed).

Conflict intensity



II. Governance Performance

14 | Steering Capability

The period under review is marked by the transition since the death of Idriss Déby. In the first 18 months, the Transitional Military Council under the leadership of Mahamat Déby made only ad hoc decisions that did not include any long-term planning or vision. Déby appoints the members of the government.

Since the end of the National Dialogue and the second phase of the transition, not only political allies (or former opponents who allowed themselves to be co-opted to the side of the political elite), but also some younger academics who previously lived abroad have been appointed to administrative posts. Whether this will have an impact on the quality of the administration and its ability to set priorities remains to be seen.

After all, the administrative government apparatus was not inclined toward political or economic reform during more than 30 years under Déby's rule. Its focus was maintaining presidential power.

Mahamat Déby has set up various committees, including one to follow up on the proposals of the National Dialogue, led by Prime Minister Kebzabo. Only at the end of the transition period will it be possible to see whether there is a will to reform or whether this is also merely a means of retaining power.

Chad's implementation of its own and donors' policies in political and economic terms used to be weak and inefficient under Idriss Déby's rule. Since 2010, the World Bank has repeatedly demanded improvements to government quality, the strengthening of the management of public finances, improvements to access to key social services, and improvements to regional integration. Chad's National Development Plan (2017 – 2021) focused on economic diversification. Chad's Vision 2030 and National Development Plan (2022 – 2026) focus on improving access to health care and education, increasing productive capacity, boosting job creation and strengthening good governance and the rule of law. The new political leadership continues to refer to the document.

So far, Chad has continuously fallen short of achieving the objectives of these policy plans. A World Bank Background Documentation of 2019 recommends that the Chadian authorities improve the process of budget preparation and public debt management, strengthen the reporting and monitoring of spending, limit the use of emergency spending, increase transparency and accountability in the oil sector, and increase efforts to strengthen the anti-corruption framework to reduce corruption. Similar recommendations have been made repeatedly by the World Bank and IMF

Question
Score

Prioritization



Implementation



with little impact. Nevertheless, Chad received debt relief from the IMF in November 2022 – the first country to receive it.

It remains to be seen whether implementation will change under Déby's son.

For more than 30 years, the political leadership of Chad demonstrated little will to learn with regard to the development of a constitutional democracy and – to a somewhat lesser extent – a market economy. However, in terms of interregional security, it demonstrated a great ability to be indispensable to international partners. It remains to be seen if Déby's son will continue this policy. His decision to run the transitional government for another 24 months (although this was supposedly a recommendation resulting from the National Dialogue) inspires little confidence in the political leadership's willingness to advance in policy learning.

The appointment of a large number of committees in the aftermath of the National Dialogue appears to be more window-dressing than actual follow-up, as the same individuals who participated in the dialogue and made decisions during the process are now on these oversight committees.

Déby's handling of corruption also seems to be along the same lines as his father. A prominent example is the rehabilitation of his personal secretary, Youssouf Boy, after a corruption scandal in 2022.

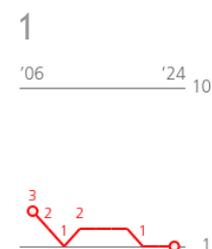
As in the past, learning and flexibility seem to be mimicked in the goal of preserving power and not applied to further social progress.

15 | Resource Efficiency

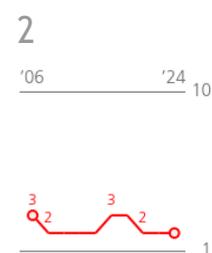
There is scant reliable information on government finances, meaning it is difficult to analyze the government's resource efficiency. The Open Budget Survey 2021 confirms this assumption as Chad ranks 113th out of 120 countries regarding public transparency over how the government raises and spends public resources. The Open Budget Survey classifies the current situation as insufficient. Chad's performance in transparency degraded slightly from 14 in 2019 to 6 (out of 100) in 2021. This decline is attributed to a lack of information regarding the executive's budget proposal for internal use. Most key budget documents, like year-end or audit reports, are not produced. Chad scored 4 out of 100 for public participation in the budget process, which marks a slight improvement from 2019, but still classifies as insufficient. An independent fiscal institution does not exist in the country.

The Open Budget Survey strongly recommends restoration of the normal checks and balances in the budget process, following the dissolution of parliament in April 2021. However, it is unlikely that members of parliament nominated by the president are less critical than elected ones.

Policy learning



Efficient use of assets



Mahamat Déby appears to follow the logic of this father and co-opt individuals with appointments into well-paid positions; The new cabinet consists of 44 ministers and secretaries of state. The increase in the number of members of parliament from 93 to 197 in November 2022 following the National Dialogue does not speak favorably for government resource efficiency. Nor does the high number of other appointments and the compensation to the former politico-military leaders who signed the Doha peace agreement.

Since Idriss Déby's death and his son's takeover of power, only one coherent policy can be discerned – keeping Mahamat Déby in power. The forum that primarily served this purpose was the National Dialogue. It was (seemingly) delayed for a long time. But during this period, the necessary documents were drafted to ensure that the goal of prolonging the transition was achieved. Important instruments included appointing participants in the dialogue through a nontransparent selection process and voting by acclamation rather than by secret ballot.

The fact that the initial transition agreement was violated to allow for those in the transition institutions to run in elections (condemned by the Chairperson of the African Union Commission) also reveals that the primary policy orientation is retaining power.

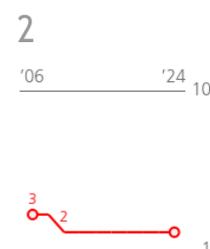
Yet, to the international world, Chad provided the image of a country where a national inclusive dialogue occurred and in which current policy now exclusively follows the decisions of the dialogue.

Chad became the 186th state to ratify the United Nations Convention on Corruption in 2018, with the aim of facilitating the development of more effective action to fight corruption. In January 2019, a road map for the implementation of the convention, as well as a distribution of institutional responsibilities for the review mechanism were adopted.

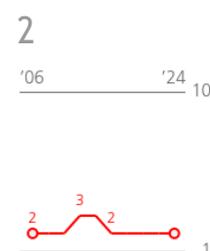
Diversion of funds is one of the most substantial problems facing Chad. State resources are distributed via patronage networks and corruption was a fundamental characteristic of the political system under Idriss Déby. According to international observers such as the Economist Intelligence Unit, the World Economic Forum (WEF) and the IMF, corruption is rampant at all levels. The government has repeatedly introduced mechanisms to curb these practices, such as a special Ethics Ministry, the oil management regime or Operation Cobra in 2012. These mechanisms can only be described as window-dressing.

Corruption was and continues to be the basis of an elaborate patronage system used to demand and guarantee loyalty. The power elite in particular is implicated in the patronage system and corruption. However, attempts at corruption and co-optation likewise exist among members of the opposition and civil society critical of the government.

Policy coordination



Anti-corruption policy



Under Idriss Déby, corruption investigations were politically motivated to discredit or distance political opponents. It is likely that his son will continue this policy, as a corruption scandal uncovered in July 2022 showed. The exposure of corruption at the national oil company, Société des hydrocarbures du Tchad, which also involved the secret service, led to several dismissals. As a result, Mahamat Déby was able to place his confidants in charge and thus strengthen his grip on the national oil company and its revenues.

A law on party financing exists but had not been applied for several years before Déby's death.

In 2021, the Transitional Military Council launched a free call-in service for citizens to use in order to denounce any abuse of power, including corruption, by the authorities.

16 | Consensus-Building

In early 2023, it was difficult to make reliable statements concerning the political elite's willingness to engage in transformation. Under Idriss Déby, it was clear that the political leadership did not strive for democratic change, but rather sought to maintain its own grip on power. Economic transformations were approached halfheartedly under donor pressure.

Implementing the National Dialogue shortly before the end of the scheduled 18-month transition and the decisions resulting from it, which were allegedly made by consensus, is supposed to make Chad appear democratic and consensus-oriented. Mahamat Déby is conciliatory in his speeches. After the bloody demonstration on October 20, 2022, since labeled Black Thursday, Prime Minister Kebzabo and other ministers spoke of a violent uprising. The demonstrators protested against the dynasticization of power in the hands of the Déby family.

The inclusion of former political and military opponents makes it difficult to distinguish between the political opposition and supporters of the power elite. The only parties who have consistently remained outside all negotiations are Les Transformateurs, led by Succès Masra and the coalition of civil society, parties and unions, Wakit Tamma.

In terms of economic reforms, there is broad consensus that dramatic changes must take place, but there are serious doubts over the government's willingness to prioritize development over narrow political ambitions. Chad is highly dependent on international donors. It will take political will and time before economic reforms will address the population's misery.

Consensus on goals



The death of the long-term president and the power takeover by his son, Mahamat Déby, revealed the anti-democratic attitude of the Transitional Military Council and its president. According to the constitution, the president of parliament should have assumed the interim and called new elections within 90 days. Instead, the Transitional Military Council seized power, appointed Mahamat Déby as president and suspended the constitution. According to the interim constitution, the transition was to last 18 months (with the possibility of a one-time extension) and end in free elections and a return to civilian rule.

With the National Dialogue announcements, it became apparent that Mahamat Déby had no intention of giving up the presidency; a new 24-month-long transition, so to speak, began with his enthronement as interim president of Chad on October 8, 2022 (officially he was previously president of the Transitional Military Council). Crucially, he can run in the next elections. This runs counter to the agreements regarding the transition period which stated that those involved in the transition would be ineligible to run in future elections. This was one of the conditions under which the African Union had made an exception of not condemning the “transition” as a military coup.

Protesters took to the streets against these decisions on October 20, 2022, the official end of the 18-month transition, and were brutally crushed by security forces. That day has thus come to be called Black Thursday. As under the senior Déby, the political elite, which now includes many former opposition figures and former politico-military leaders, has proven itself an anti-democratic actor.

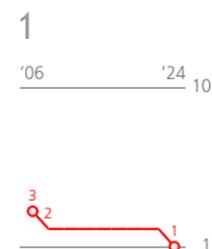
The small political and civil opposition (Wakit Tama, les Transformateurs and other small parties) has no room to take political action. The Catholic Church is cautiously trying to fill this gap. In their pastoral letter for Christmas 2022, the bishops criticized the lack of inclusion in the National Dialogue and the events of October 20.

Appointments to the body created to organize the constitutional referendum also point to a lack of inclusion and the desire of the transition government to control the outcome of “democratic” processes. Political parties already expect the referendum to be fraudulent.

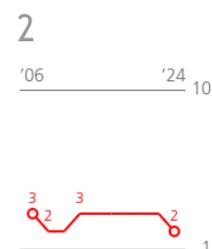
Chad is highly stratified along ethnic, religious, political and economic lines. Because regional or ethnic affiliation is so closely intertwined with political and economic power, conflicts can become explosive. The power elite is dominated by groups from the north, usually Muslims.

Under Idriss Déby’s rule, these conflicts existed as well, but Déby tried to avoid escalation. Thus, at least publicly, he sought to maintain a balance between Chad’s religious groups. Extremist Islamic groups were not permitted. Under his son, as has been obvious since October 20, 2022 if not earlier, tensions between the south and the north have been growing. In the cities of the south, demonstrators took to the

Anti-democratic actors



Cleavage / conflict management



streets against the dynasticization of power; the most important leaders, both of civil society and of political parties, are from the south. Yaya Dillo as Zaghawa is the exception here.

Mahamat Déby is said to have close kinship ties to the Goran ethnic group. He seems to favor this group over the Zaghawa when appointing people to top positions in the army and administration.

More and more voices from the south are calling for a partition of the country. In January 2023, a new rebel group was founded – the Revolution Movement for Southern Chad.

So far, the political leadership has not shown any constructive approaches to conflict management. This also applies to the conflicts between farmers and herders, which result in several hundred deaths annually, mostly among the sedentary population.

Idriss Déby succeeded in dividing civil society. Some organizations or their leadership were co-opted by the government, while others were able to maintain their critical and distanced position. These latter are often organizations with a certain financial independence due to funding from abroad. This should not be underestimated in one of the poorest countries in the world.

The division continues under his son. From the beginning of his rule, Mahamat Déby sought dialogue with various civil society organizations. Some leaders subsequently found themselves in positions close to the government, such as Mahamat Nour Ibedou, as head of the pro-government human rights organization, Commission nationale des droits de l'Homme.

The National Dialogue (Dialogue national inclusif et souverain) was announced as one in which all groups of Chadian society would be represented, including civil society. Indeed, representatives of pro-government civil society participated, while the others boycotted the event. As the majority of those who presided over and attended dialogue were close in one way or another to the regime of former President Déby, it cannot be called truly inclusive and representative of the Chadian people.

The (temporary) ban on the association of political parties and civil society organizations in November 2022 shows how much those in power fear critical civil society. The crackdown on demonstrators on October 20, 2022 is probably an indication of shrinking space for civil society activism.

Public consultation



Idriss Déby assumed power from former President Hissène Habré by force in 1990. Déby was the commander-in-chief of the armed forces under Habré. Officially, silence was maintained concerning the crimes of the Habré regime. An American and a Chadian lawyer, Jacqueline Moudeina, fought hard to ensure that Habré could be accused of perpetrating crimes against humanity during his rule. After 23 years in exile in Senegal, he was finally arrested in 2013 and sentenced to life imprisonment in 2016. The Extraordinary African Chambers in Dakar rejected his appeal in 2017. Habré's life sentence for crimes against humanity, war crimes and torture was upheld. The chamber ordered him to pay substantial amounts in reparations to 7,396 of his victims. To date, they have not received any payment. Many of them have already died. The government has put no real emphasis on coming to terms with the crimes, traumas and memories associated with the years of dictatorship and civil war prior to Déby's regime or to Idriss Déby's role as a close collaborator of Habré. Since Mahamat Déby took power, there has been an increasing number of voices calling for Habré's remains to be transferred to Chad. The victims' associations reject this.

The circumstances of Idriss Déby's death are still not clear. The current leadership does not seem to have much interest in clarifying them.

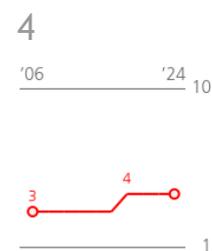
As part of the Doha peace treaty of August 2022, the government and the political-military movements signed a nonaggression pact. The military leaders received large compensation payments, with which the government simultaneously secured loyalty to the National Dialogue. In this context, it is important to note that the strongest military movements did not sign the treaty and many signatories did not pose a real threat.

17 | International Cooperation

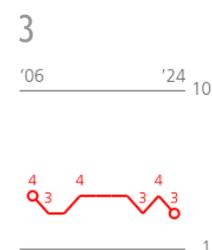
Chad under Mahamat Déby – as in the past, under his father – is heavily dependent on bilateral and multilateral donors and cooperation with the international community, especially the former colonial power, France. These funds not only keep the state budget running, but they also enable the power elite to engage in a high degree of corruption and rent-seeking.

The costs of transition cannot be met by the national budget. At a meeting of the United Nations Peacebuilding Commission on December 2, 2021, then-Prime Minister Albert Pahimi Padacké estimated the cost of the transition process in Chad at \$1.71 billion, of which only \$27 million had been pledged. These funds were to finance security and defense, the organization of dialogue, and the improvement of good governance. It is striking that Chadian politicians always emphasize the security situation in their requests for financial support and refer to Chad's role in stabilizing the situation in the region.

Reconciliation



Effective use of support



The current political leadership has not yet issued any policy papers other than the transition documents but relies on Vision 2030 as a long-term target in its pronouncements.

According to previous country reports by development banks and donor organizations, corruption, low capacity in the administration and lack of ownership in the ministries, as well as insufficient diversification of the economy, are long-standing issues in Chad. This is not expected to change in the near future.

The transitional government has incorporated all of the international agreements and conventions of the previous government(s). It is too early to judge whether it has complied with all those agreements.

However, the National Dialogue's decision to allow Mahamat Déby to run in the next elections is clearly contrary to Article 25 of the AU Democracy Charter. Black Thursday and the shooting of demonstrators are certainly not in line with human rights standards. Opposition activist Masra is therefore preparing an appeal to the International Court of Justice.

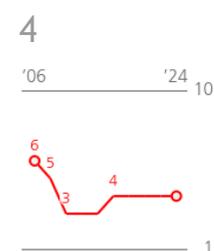
It is to be feared that the transitional authorities, like Déby's rule, will not be willing to implement international standards within its territory if those standards interfere with their objective of maintaining power. During his inaugural speech on October 8, 2022, Mahamat Déby gave a clear indication of this by explicitly emphasizing Chad's sovereignty. Like his father, he stresses Chad's importance to security in the Sahel in every speech he addresses to the international community.

Chad is a member of different regional and subregional communities. The country has signed a number of international conventions. Chad has usually complied with the rules set by regional and international organizations. It is a member of the AU (since 2017 the Chadian Moussa Faki has been the chairperson of the AU Commission), the Lake Chad Basin Commission (LCBC), the Community of Sahel-Saharan States (CEN-SAD), the Economic Community of Central African States (ECCAS), and the Central African Economic and Monetary Community (CEMAC). Chad is part of the African Continental Free Trade Agreement (AfCFTA), which came into force on January 1, 2021.

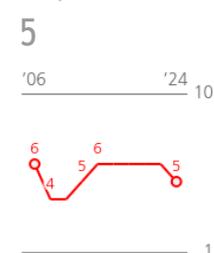
Chad also participates in the G5 Sahel (since 2014), and together with Mauretania, Mali (now suspended), Niger, and Burkina Faso created the G5 joint force (since 2017). Chad provides the majority of the 8,000 soldiers of the joint Multinational Joint Task Force (MNJTF) of the countries bordering Lake Chad, Cameroon, Chad, Niger and Nigeria and conducts most of the cross-border missions to fight Boko Haram.

Immediately after his father's death, Mahamat Déby sought the support of presidents from the region and beyond. He wore the same insignia as his father on his missions to the capitals, especially the marshal's baton. It was obvious that he wanted to be

Credibility



Regional cooperation



accepted as an equal. He succeeded in this. At all African summits, he stands as the president of Chad among his peers. He succeeded immediately his father as rotating chair of the G5 Sahel and president of the Lake Chad Conference.

Unlike after the military coups in Mali or Guinea, neither the AU nor the regional organization ECCAS has suspended Chad's membership. However, tensions between Moussa Faki, considered a confidant of Idriss Déby, and Mahamat Déby are increasing. Moussa Faki failed in mid-November 2022 in a motion to sanction Chad before the AU Peace and Security Council. The majority of member states voted against the resolution.

Strategic Outlook

Through the end of 2024, Chad will be in transition. According to the National Dialogue, elections are now scheduled to take place at the end of 2024. However, it is worth noting that Mahamat Déby and the generals involved in seizing power may also be eligible to run for office, despite agreements to the contrary with the AU. As part of the transition, a new constitution will be drafted and electoral laws and bodies will be reformed before the elections. During this transitional period, all power rests in the hands of interim President Déby, who appoints all position-holders by decree. The significant number of appointments to the government and National Transitional Council from among individuals with previous political ties to Déby's father or those who returned to Chad after the Doha agreement indicates that both old and new collaborators will be rewarded with positions and influence. This process further expands Déby's power base and reinforces the system of co-optation that existed under his father's rule. The small opposition of a few political parties and courageous civil society members will likely face further marginalization.

The brutal repression of protestors by security forces on October 20, 2022 and the subsequent imposition of a state of emergency make it increasingly difficult for the opposition to express itself publicly. Over the two-year transition period, the old power elite, now led by Mahamat Déby, may consolidate their power base and set the stage for an electoral victory in 2024.

Given the strategic importance international and regional partners, particularly France, place on Chad's military strength for security in the Sahel, there is limited room for national and international actors to advocate for democratic change in Chad. The AU Peace and Security Council vote in November 2022 highlighted this in particular.

Reforms are necessary in various sectors, such as education, health and infrastructure. However, considering Idriss Déby's three-decade-long rule and the persistence of administrative and ruling structures, it is likely that a significant portion of the funds intended for improvement will be lost to corruption.

Therefore, it is crucial to support the few democratic forces, civil society members, trade unions, journalists, internet bloggers and individuals who bravely voice their concerns. International mechanisms are needed to protect these individuals, particularly those facilitating the granting of travel visas.

The educational system should be adjusted to meet the basic needs of the population and support talented young people in studying abroad. Chad lags behind in development, even compared to regional peers, and risks being left behind in the long run. Adequate provision of health care services is also essential.

International financial institutions such as the IMF and World Bank, along with other donors, should ensure that their funding reaches the intended target groups and is not susceptible to embezzlement within the patronage system. Economic diversification, improvement of the education and health care systems, food security and good governance measures should remain key priorities.