



Regional Report
Southern and Eastern Africa

Glimmers of Hope for the Region?

by Anja Osei and Siegmar Schmidt

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh - Germany
Phone +49 5241 81-0
www.bertelsmann-stiftung.de

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Regional Report BTI 2026

Southern and Eastern Africa

Glimmers of Hope for the Region?

by Anja Osei and Siegmard Schmidt*

Overview of the transformation processes in Benin, Burkina Faso, Cameroon, the Central African Republic (hereafter: CAR), Chad, Côte d'Ivoire, Democratic Republic of the Congo (hereafter: DRC), Equatorial Guinea, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Republic of Congo (hereafter: ROC), Senegal, Sierra Leone and Togo



This regional report analyzes the results of the Bertelsmann Stiftung's Transformation Index BTI 2026 in the re-view period from February 1, 2023, to January 31, 2025. Further information can be found at www.bti-project.org.

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* Prof. Dr. Anja Osei is Professor of Comparative Politics with a focus on Africa at the Otto Suhr Institute of the Free University of Berlin. Siegmard Schmidt is Professor at RPTU University Kaiserslautern-Landau. Together, they are BTI Regional Coordinators for Southern and Eastern Africa

Introduction

During the reporting period, there were no major breakthroughs in political transformation in the region. As before, the region comprises eight democracies and 14 autocracies. Its average score for political transformation stands at 4.76, remaining below the BTI overall average of 5.15 and declining only marginally by 0.05 points compared with the BTI 2024. In many countries, power continues to be concentrated in the hands of the head of state, while dominant parties shape political systems. This concentration of power frequently undermines the separation of powers. Elections nonetheless played an important role. Several countries – including South Africa, Botswana, Rwanda, Mozambique and Mauritius – held elections, while in others, governments elected on reform promises in the previous period were tested in office, notably in Lesotho, Kenya and Zambia. Overall, developments suggest that elections can still serve as a driver of change and that political turnover can bring improvements to governance and the economic climate. Botswana and Lesotho recorded the most notable gains in democratic transformation, alongside improvements in economic transformation and governance. In Lesotho, this reflects a process of stabilization set in motion by the successful 2022 elections. In Botswana, the long-ruling Botswana Democratic Party (BDP), in power since independence, was voted out in peaceful elections by a surprisingly wide margin. Whether this momentum will last remains uncertain. As seen in Zambia and Kenya, early optimism can quickly give way to disillusionment. In many autocracies, however, elections serve little more than a legitimizing function. In countries such as Djibouti, Rwanda, Mozambique and Madagascar, opposition forces are either co-opted into the system or – as in Mozambique – actively suppressed. Extremely high election results, such as the more than 99% support reported for Rwanda’s President Kagame, underscore the extent of political dominance in repressive systems without genuine alternatives. In Ethiopia, the period following the war in Tigray has seen a return – beneath a federal façade – to centralized authoritarian rule. Elections remain exclusionary, while ongoing violence in Amhara and Oromia continues to erode the legitimacy of state institutions.

In Somalia, South Sudan and Eritrea, democratic institutions are effectively absent, and meaningful political participation is not possible. Eritrea holds no elections at any level, and the ruling party, the People’s Front for Democracy and Justice (PFDJ), dominates the country and society with the backing of the military. The system increasingly resembles a totalitarian regime. South Sudan and Somalia remain affected by civil war, even if the intensity of fighting has declined. In Somalia, the government still lacks the capacity to ensure public order or to contain violence by competing militias.

A similar picture emerges in the economic sphere. The regional average for economic transformation improved only marginally, by +0.05 points compared with the BTI 2024. While monetary stability improved in some countries – including Tanzania, Ethiopia, Lesotho and Mozambique – this largely reflects a return to pre-COVID levels rather than meaningful transformation. There is no evidence of structural economic progress at the regional level.

Mauritius remains the only country classified as having an advanced level of economic transformation. In eight countries, economic development is rated as limited, and in nine others as very limited. At the bottom of the ranking are Zimbabwe, Somalia, Eritrea and South Sudan, where economic development remains rudimentary and social conditions are severe.

Governance trends tell a similar story. The regional average declined slightly by -0.03 points, but this masks considerable variation: six countries improved, while 15 deteriorated. Eritrea was the only country with no change – a result that must be seen in context, as it already scores at or near the lowest possible levels across almost all indicators and, with a value of just 1.08, ranks last overall. While further deterioration is hardly possible, there is also no sign of reversal. Governance remains particularly weak in South Sudan, Eritrea and Eswatini. Overall, the regional average of 4.74 remains below the global average of 5.18. The most notable improvements were recorded in Lesotho (+0.85), followed by Botswana (+0.21) and Kenya (+0.2). Declines were observed in Burundi and Ethiopia, as well as – albeit from a comparatively high level – in Mauritius (-0.2).

Taken together, the region remains largely characterized by stagnation. Yet in light of the wave of military coups in West and Central Africa, this should not be interpreted as entirely negative. In an increasingly conflict-prone global environment, South and East Africa have at least been spared the emergence of major new fault lines.

Political transformation

At first glance, scores appear largely unchanged from the BTI 2024 edition. A closer look, however, reveals shifts in several indicators, particularly among the countries in the region classified as defective democracies. These changes were driven primarily by competitive parliamentary elections – in Botswana, Mauritius, South Africa and Namibia – which, with the exception of Namibia, resulted in changes of government.

Top-ranked Botswana delivered a surprise in its 2024 elections, as the opposition coalition Umbrella for Democratic Change (UDC) secured a clear victory over the long-ruling Botswana Democratic Party (BDP). While opinion polls had long pointed to growing public dissatisfaction, the opposition had previously failed to convert this into a transfer of power. Former President Masisi accepted defeat, reinforcing the country's democratic consolidation – a shift reflected in a 0.35-point increase in its democracy status score. A similarly positive trajectory is evident in Lesotho following the 2022 elections. The country's democracy status rose by 0.7 points – the largest improvement in the region. Political participation, civil liberties and the separation of powers remain largely intact, raising justified hopes that the period of instability has come to an end and that the country is moving toward consolidation. At the same time, expectations remain high, and democratic standards are not yet consistently met. Persistent challenges include corruption in the public sector and, in some cases, the inconsistent prosecution of high-level corruption. The party system also remains fragmented and contributes little to effective aggregation of interests.

In Zambia, by contrast, the initial optimism following the election of Hakainde Hichilema – which had driven improvements across several indicators in the previous reporting period – has begun to fade. Despite some progress, such as the adoption of a new freedom of information law, promised reforms have advanced only slowly. Tensions between President Hichilema and his predecessor Edgar Lungu, who was voted out of office in 2022, continue to shape the political

landscape. During the reporting period, there were signs of renewed repression against the opposition. Zambia also recorded a slight decline of 0.1 points in its democracy status. Whether the government can still meet the high expectations placed upon it remains uncertain, or whether a renewed downward trend will take hold.

Tab. 1: State of political transformation

consolidating democracies Score 10 to 8	defective democracies Score < 8 to 6	highly defective democracies Score < 6	moderate autocracies Score ≥ 4	hard-line autocracies Score < 4
Botswana	Mauritius	Kenya	Tanzania	Mozambique ▼
	South Africa		Uganda	Zimbabwe
	Namibia		Angola	Rwanda
	Malawi		Madagascar	Djibouti
	Lesotho ▲			Burundi
	Zambia			Eswatini
				Ethiopia
				South Sudan ●
				Eritrea
				Somalia ●

The table follows the BTI 2026 index scores. Countries are ranked according to their system categorization and respective score in political transformation status. Arrows mark a change of category compared with the BTI 2024, dots mark failing states.

With no country moving from autocracy to democracy, the overall picture remains one of stagnation. In some cases, autocratic consolidation is already firmly entrenched; in others, a genuine transition toward democracy has yet to begin. In Burundi, the electoral commission announced in mid-June 2025 that the ruling party CNDD-FDD had won all parliamentary seats and 96.5% of the vote. The regime continues to intimidate opposition figures and resorts to violence and arrests. In Djibouti, too, the government remains firmly in control. The ruling coalition Union pour la Majorité Présidentielle (UMP) further strengthened its position following the 2023 parliamentary elections. Voters were offered little real choice: while parts of the opposition were co-opted into the system as a pluralist façade, the majority boycotted the vote. In Madagascar, President Andry Rajoelina further consolidated his rule through victories in parliamentary and local elections. The electoral process was marked by irregularities, and the opposition refused to recognize the results. Rwanda remains one of the most repressive systems in the region, with virtually no space for a legal opposition. Freedom of expression and of the press are severely restricted. President Kagame secured 99.18% of the vote in the 2024 presidential election. Despite high turnout, the elections cannot be considered free and fair: there were no genuine alternatives, and the opposition operates under constant surveillance and intimidation.

Expectations of reform under President Samia Suluhu Hassan in Tanzania have likewise gone unmet. Although an initial opening following the autocratization under Magufuli appeared possible, reforms have largely remained symbolic. Facing growing opposition support, the ruling party CCM (Chama Cha Mapinduzi) has sought to consolidate its grip on power. Opposition figures and critics have been subjected to enforced disappearances, arbitrary detention and intimidation. The close intertwining of state and party undermines the independence of key institutions, including the electoral commission, the judiciary and parliament. Extensive presidential

appointment powers further weaken the formal separation of powers. The 2024 local elections were marred by irregularities in voter and candidate registration, as well as restrictions on social media. As a result, Tanzania's democracy status score declined from 4.9 to 4.75 points.

Repression is also intensifying in Uganda. President Museveni is expected to run again in 2026 as the candidate of the National Resistance Movement (NRM). Given his age, questions surrounding political succession remain highly sensitive and could become a source of instability. Although Uganda's score declined only slightly, by 0.05 points, the rule of law continues to weaken and repression of the opposition is increasing.

Kenya, which the BTI 2024 had identified as one of the few positive cases in East Africa, presents a more ambivalent picture. The 2023 presidential elections were largely free, fair and peaceful, but the initial optimism has since faded. Following William Ruto's victory, expectations focused on economic recovery – expectations that have so far largely gone unmet. A proposed tax increase in June 2024 triggered widespread protests, particularly among young people and students. Security forces responded with disproportionate force, and the army was deployed to restore order. The protests led to the withdrawal of the tax legislation and the dismissal of the cabinet but also resulted in a deterioration of civil and political rights. Further unrest in July 2025 has been directed against continued police violence and the erosion of democratic standards. The BTI 2026 therefore characterizes Kenya's political development as largely stagnant and marked by growing ambivalence – still a democracy, but one with significant deficiencies. Over the longer term, a shift toward increasingly authoritarian governance cannot be ruled out.

Political development in South Africa has largely stagnated in terms of democratic transformation (+0.10). The May 2024 elections – which marked the first electoral defeat of the African National Congress (ANC) after 30 years of uninterrupted rule – initially generated considerable enthusiasm among both the public and the business community, raising hopes for reform. So far, however, the coalition government (Government of National Unity – GNU), comprising 10 parties, has struggled to deliver meaningful progress. With little experience of coalition governance, South African parties have found it difficult to manage both personal and political divisions – for example over a proposed increase in value-added tax. Internal frictions have been compounded by entrenched interests among supporters of former President Jacob Zuma, which continue to obstruct more far-reaching reforms. At the same time, populist parties – which secured around a quarter of parliamentary seats – are able to exert pressure on an already fragile government. Even so, the negative democratic trajectory associated with the ANC's prolonged dominance has, for now, been halted. The post-election period thus presents an opportunity to advance both political and economic reform.

Namibia, by contrast, recorded a marked decline of 0.55 points in its democracy status, the most significant drop among the two subregions. This development is closely linked to the 2024 elections and reflects a combination of factors, including organizational shortcomings in the electoral process (particularly the electoral commission), weak institutional performance – notably by the ombudsman – and political pressure on the media. Following the unexpected death of President Hage Geingob, the long-dominant liberation movement SWAPO (South West Africa People's Organisation), which has governed continuously since the founding elections of 1992, remained in power. Netumbo Nandi-Ndaitwah, also from SWAPO, was elected president, making it clear early on that far-reaching reforms were unlikely. Administrative inefficiencies and patronage are therefore likely to persist. While the new president has pledged to intensify the fight

against corruption, she has also signaled a shift in social policy. A practicing Protestant, she has criticized the LGBTI+ community and indicated a move away from the country's previously liberal stance – a notable departure in the sub-Saharan African context – including plans to tighten legal restrictions on homosexuality and abortion.

Mozambique, once considered a promising case of rule-of-law-based democracy in East Africa two decades ago, has experienced a pronounced decline in democratic quality. The ruling party FRELIMO, which emerged victorious in the founding elections after a brutal civil war, has governed for nearly five decades. Repression of opposition actors and widespread electoral manipulation have remained defining features, including in the local, regional and national elections of October 2024. Venâncio Mondlane, the candidate of the newly formed party PODEMOS, stood little chance against the former liberation movement. Although PODEMOS officially received around 24% of the vote, this figure is widely regarded as unreliable due to evident irregularities. Despite these concerns, the results were endorsed by the electoral commission. The aftermath saw protests – particularly among younger Mozambicans – directed against both the government and the newly elected president, Daniel Chapo, who succeeded a fellow party member. Security forces responded with lethal force, leaving at least 300 people dead. In response to the unrest, the government further curtailed civil liberties, including freedom of assembly and expression. Mozambique is now classified as a hard-line autocracy, alongside Rwanda, Eswatini, Ethiopia and Zimbabwe – states in which fundamental freedoms are not protected and political change through free and fair elections is effectively impossible.

The island state of Mauritius remains one of Africa's most successful cases of transformation. With a score of 7.85, it ranks second only to Botswana and well ahead of South Africa (7.10) and Namibia (6.80). The parliamentary elections of November 2024 were particularly striking: the opposition secured 62.6% of the vote and, under the majoritarian electoral system, won all 60 seats in parliament. While certain shortcomings persist – including extensive electronic surveillance – and a mild autocratic drift has been observed in recent years, Mauritius continues to be classified as a defective democracy, missing the threshold for full democratic status by just 0.15 points. Within sub-Saharan Africa, it ranks second behind Botswana and narrowly ahead of Ghana in West Africa.

Economic transformation

Overall, gains are concentrated primarily in socioeconomic development (+0.18). More modest improvements are evident in the social order (+0.12), as well as in sustainability and monetary and fiscal stability (each +0.07). By contrast, developments in the area of private property are negative (-0.12). Tanzania records the most pronounced decline, as efforts to privatize state-owned enterprises and strengthen property rights – particularly in rural areas – have not been pursued consistently under President Samia Hassan. Other criteria largely show stagnation, including organization of the market and competition (-0.03) and overall economic performance (+0.04). Lesotho records the most positive overall trend, improving its economic status from 5.11 to 5.64 points. By contrast, declines are observed in the very different cases of Eswatini and Mauritius. In Mauritius, institutional weaknesses – including a weakening of central bank independence and the limited authority of the competition commission – contributed to lower scores. Despite this setback, Mauritius remains the only country in the subregions to have achieved sustained progress in economic transformation over several years.

Economic transformation across the region remains constrained by deep structural weaknesses. Despite a modest post-pandemic recovery and falling inflation rates, progress continues to be stymied by widespread corruption, elite capture of economic resources, weak institutions and fragmented social safety nets. In authoritarian systems in particular, private sector activity is often shaped by political interests. Rwanda posts relatively strong economic indicators but remains, in essence, an authoritarian developmental state. Djibouti benefits from its strategic location through port-based trade revenues. In other hard-line autocracies – such as Eritrea, Eswatini and Zimbabwe – economic development is further constrained by political repression, corruption and international isolation. Somalia and South Sudan, as failed states, have only rudimentary market-based economic structures.

Tab. 2: State of economic transformation

highly advanced	advanced	limited	very limited	rudimentary
Score 10 to 8	Score < 8 to 7	Score < 7 to 5	Score < 5 to 3	Score < 3
	Mauritius	Botswana	Angola	Zimbabwe
		Kenya	Mozambique	Somalia
		South Africa	Djibouti	South Sudan
		Lesotho	Zambia	Eritrea
		Rwanda	Madagascar	
		Tanzania	Malawi	
		Namibia	Ethiopia	
		Uganda	Eswatini	
			Burundi	

The table follows the BTI 2026 index scores. Countries are ranked according to their respective score in economic transformation status. Arrows mark a change of category compared with the BTI 2024.

Despite relatively small private sectors, Botswana – and especially Mauritius, with a score of 7.25 (2024: 7.45) – maintain largely functioning economic systems. Both governments actively seek to attract foreign direct investment and have introduced measures such as simplified online business registration and tax incentives. Prices are largely market-determined, foreign trade is

liberalized, private property is constitutionally protected and the banking system remains stable, helping to keep inflation and exchange rates relatively steady since 2023. Botswana's economy, however, remains heavily dependent on the diamond sector. In Mauritius, the new government is seeking to recalibrate earlier structural reforms, including by strengthening central bank independence.

Burundi, whose economy is largely based on agriculture, recorded growth of 2.7% in 2023, with 3.5% projected for 2024. Given ongoing population growth, however, this remains insufficient to sustainably reduce poverty. Despite some reform efforts – including streamlined business registration, selected energy projects and plans for special economic zones – the institutional framework remains weak and highly politicized. This is particularly evident in property rights and persistent land conflicts. The banking system is formally stable but constrained by foreign currency shortages and political interference.

In Djibouti, the private sector remains dominated by state-owned or politically connected enterprises, while high barriers to market entry and corruption further complicate the business environment. Initiatives such as the partial privatization of telecommunications indicate a willingness to open the economy but have progressed slowly. At the same time, efforts to develop the port into a global economic hub and special economic zone could offer greater long-term potential.

Lesotho has also recorded notable improvements. Following a slight deficit in 2023, projections point to budget surpluses in 2024 and 2025. This positive trend is driven by increased revenues from the Southern African Customs Union (SACU) and a moderate rise in domestic tax income. Public debt has declined accordingly. While the market is formally open, the country continues to face high levels of poverty and inequality. Nevertheless, progress has been made in expanding equal opportunities – particularly through greater representation of women in political office. New social welfare programs have also been introduced, including a fund for people with disabilities and expanded support for older citizens.

Malawi's economy, heavily dependent on agriculture, is characterized by subsistence small-holder farming alongside export-oriented tea and tobacco production. It remains vulnerable to extreme weather events, foreign currency shortages and high inflation. Although private enterprises are seen as key drivers of growth, they are constrained by high taxation, infrastructure deficits and shortages of energy and fuel. Despite a formally liberalized market, political connections continue to shape business conditions, at times distorting competition. Madagascar likewise ranks among the poorest countries in the region, with more than 80% of the population living in poverty. A shortage of skilled labor, widespread corruption, weak infrastructure and institutional instability continue to deter investment. The state still plays a dominant role in the economy and shows little willingness to privatize remaining state-owned enterprises. At the same time, around 95% of the population is employed in the informal sector, further limiting prospects for structural transformation.

Official economic data from authoritarian Rwanda should be treated with caution. Although Kigali promotes a strong private sector and open trade, around 40% of the population still lives in poverty. Significant disparities persist between urban and rural areas, and human development has shown little progress, as reflected in a largely stagnant Human Development Index (HDI)

since 2005. While business registration is relatively straightforward and trade is broadly liberalized, key sectors remain dominated by firms with close ties to the political elite. Property rights are constitutionally guaranteed but remain politicized, as expropriations “in the public interest” are possible. High inflation and rising public debt – at around 73% of GDP – weighed on overall economic performance during the reporting period.

South Africa has the potential to act as a growth engine for southern Africa. However, governance deficits – particularly during the Zuma administration – have significantly undermined the country’s economic transformation. Both domestic and foreign investment have been held back by weak governance and policy uncertainty. Despite its considerable economic weight – with a gross domestic product far exceeding that of other countries in the region and more than double that of Kenya – South Africa records a lower score (5.71) than Kenya (5.86). Political constraints continue to weigh on economic performance, and businesses remain cautious, awaiting greater clarity on the stability of the government following upcoming electoral cycles.

Kenya, with Nairobi as a regional economic hub, also holds significant economic potential. A relatively diversified private sector forms the backbone of its economy, though several key industries remain under state control. The country is well integrated into global supply chains and regional economic systems such as the East African Community. Its banking sector meets high standards, and Kenya is a regional leader in environmental and green technologies. Unlike most countries in the subregion, it has enforceable environmental regulations and a functioning social safety net. Macroeconomic indicators such as steady growth (over 3%) and relatively low unemployment reflect its strength.

Mauritius remains one of the strongest economies in the region, with a score of 7.25 placing it firmly in the “advanced” category. The gap between Mauritius and other relatively strong economies is considerable: Botswana reaches a score of 6.93, while South Africa (5.71) and Kenya (5.86) lag by more than a full point. In the BTI 2026, however, Mauritius shows signs of weakening after years of steady progress. This is largely due to rising expenditures on social programs, including increases in the minimum wage, which have contributed to a widening budget deficit. Even so, Mauritius remains one of the most robust economies globally, ranking 21st out of 137 countries in the BTI 2026 (excluding the European countries).

Governance

As in the BTI 2024, most countries continue to face a high level of structural difficulty. Persistent challenges include poverty and inequality, weak statehood, limited economic diversification and heavy dependence on natural resources, as well as endemic corruption. Weak civil societies, pronounced urban – rural divides and worsening climatic conditions add further strain. In the BTI 2026, the overall governance trend remains slightly negative (-0.04 compared with the BTI 2024). At the same time, several countries already score at very low levels, leaving little room for further decline. Governance performance remains particularly weak in authoritarian states such as Eritrea, Eswatini and Zimbabwe, as well as in failed states such as South Sudan and Somalia. While some authoritarian regimes – including Zimbabwe and Mozambique – perform better on individual indicators, this obscures the fact that overall governance standards remain very low. Most countries either stagnate (for example Angola) or continue to deteriorate.

By contrast, Lesotho has recorded notable improvements, gaining one point in prioritization and two points each in learning capacity and implementation. The country now scores six out of 10 points across all three indicators. The government has launched a number of new programs, including an expansion of the 2019 youth training initiative, which allows companies and organizations to receive public funding to hire trainees for up to two years. Another example is SEBA-BATSO, a platform designed to connect young entrepreneurs with potential investors. Although implementation delays persist, the government demonstrates greater learning capacity than its predecessors and has made some progress in digitalization. At the same time, the systematic use of empirical evidence in policy evaluation remains limited. Botswana has also recorded modest gains, which may be further consolidated following the recent change in government.

Ethiopia presents a mixed picture. The end of the northern conflict in 2022 and a relative easing of tensions in the Amhara and Oromia regions in 2024 have brought a degree of calm to the country. Still, Prime Minister Abiy Ahmed's administration remains unable to address the country's core political challenges. As political survival takes precedence, many social reforms have lost momentum. At the same time, some structural measures to strengthen the private sector and boost investment have been implemented. In principle, mechanisms for political learning are in place. Ministries regularly participate in training and evaluation processes, and the Ministry of Planning and Development convenes biannual meetings to align ongoing activities with national development goals. Yet the space for political debate has narrowed to such an extent that sensitive issues are often excluded from consideration. This applies in particular to calls for independent investigations into human rights violations and to matters of national security, which cannot currently be openly debated.

Table 3: Quality of governance

very good	good	moderate	weak	failed
Score 10 to 7	Score < 7 to 5.6	Score < 5.6 to 4.3	Score < 4.3 to 3	Score < 3
	Botswana	Lesotho	Mozambique	Zimbabwe
	Mauritius	Djibouti	Uganda	Eswatini
	South Africa ▲	Tanzania	Ethiopia	Somalia
		Kenya	Burundi	South Sudan
		Malawi		Eritrea
		Rwanda		
		Zambia		
		Namibia		
		Madagascar		
		Angola		

The table follows the BTI 2026 index scores. Countries are ranked according to their respective score in the Governance Index. Arrows mark a change of category compared with the BTI 2024.

In Tanzania, President Hassan has emphasized reform in rhetoric, but implementation has fallen well short of expectations. Limited follow-through has resulted in stagnation in governance performance. Maintaining party dominance remains the overriding objective, taking precedence over all other political priorities. A similar pattern is evident in Uganda, where ambitious

initiatives – such as programs to strengthen primary and secondary education or the Parish Development Model aimed at reducing rural poverty – are frequently undermined by weak implementation and politically driven priorities.

Djibouti has launched its first comprehensive strategy for economic transformation, Vision 2035, which centers on infrastructure development, economic diversification and private-sector reform. At the same time, intensifying regional competition – particularly from Ethiopia and Somalia – poses growing challenges. Djibouti must therefore strengthen the attractiveness of its port and logistics infrastructure and consolidate its role as a key trade gateway in the Horn of Africa.

Rwanda, under the Rwandan Patriotic Front, is among the more efficiently governed countries in the region. Through its Vision 2050 strategy, the government aims to transform the country into a middle-income state by 2035. These strategies incorporate the use of innovative practices that are, in part, rooted in traditional social values. At the same time, Rwanda's strong steering capacity reflects a highly authoritarian governance model that primarily serves the interests of the political elite. While many reforms appear successful from the outside, they are enforced through tight control, leaving little room for dissent or for grievances to be expressed through legitimate channels.

Kenya, whose governance performance improved markedly in 2024, has since plateaued. Recent developments – including violent protests and the use of excessive police force – highlight governance shortcomings under the government formed in 2023 under President Ruto.

In South Africa, the new coalition government appears, at least for now, to be reversing the negative governance trend that had taken hold since 2014. Improvements are evident, particularly in policy prioritization and coordination.

In Namibia, governance performance has declined in the areas of consensus-building and conflict management compared with the BTI 2024. This erosion of consensus reflects growing political polarization, internal power struggles within SWAPO and the policy direction of the new president. In particular, a shift away from previously liberal societal positions – especially on issues of religion and values – has weakened the country's political culture.

Since including indicators on the use of international support, credibility and regional cooperation (17.1 – 17.3), the BTI has broadened its assessment of international engagement. With the exception of Botswana and Mauritius, the 22 countries in these subregions remain heavily dependent on bilateral and multilateral development cooperation, primarily in the form of project funding, as well as loans and investment. This dependence is especially salient in Malawi, Mozambique, Lesotho, Eswatini and Somalia. Eritrea and Burundi, meanwhile, continue to face sanctions from Western states, including the United States, due to persistent human rights violations. Most governments have sought to remain neutral in current geopolitical conflicts, including Russia's war against Ukraine and the Gaza–Israel conflict. For EU member states, it has been disappointing that many African countries did not support Ukraine-related resolutions in the UN General Assembly. Despite remaining the largest provider of trade, investment and development cooperation – even in the face of growing Chinese engagement – the EU received little backing from African partners. This lack of support, particularly on key votes such as The Path to Peace (A/ES-11/L.14, 2025), was widely interpreted as a sign of shifting alignments and, in

some cases, as a broader rebuke of Western positions. At the same time, the EU itself faces increasing financial constraints, not least due to the reduction of U.S. development assistance, raising concerns about its ability to sustain funding for development cooperation and flagship initiatives such as the Global Gateway.

The radical decision by the Trump administration to terminate USAID-funded programs and effectively dismantle development cooperation is already reshaping the regional landscape in Eastern and Southern Africa. The consequences are severe, particularly for public health programs. In countries such as Eswatini, Zimbabwe and South Africa, the impact on HIV/AIDS initiatives has been described as catastrophic.

South Africa, the most resource-rich and internationally prominent country in the region, has also come under growing pressure from the United States. During a meeting between President Ramaphosa and President Trump in Washington, tensions escalated when Trump alleged that the South African government was tolerating – or failing to prevent – racially motivated violence against white South Africans. A small group subsequently emigrated to the United States as “refugees” and was publicly welcomed by the U.S. government, further straining bilateral relations.

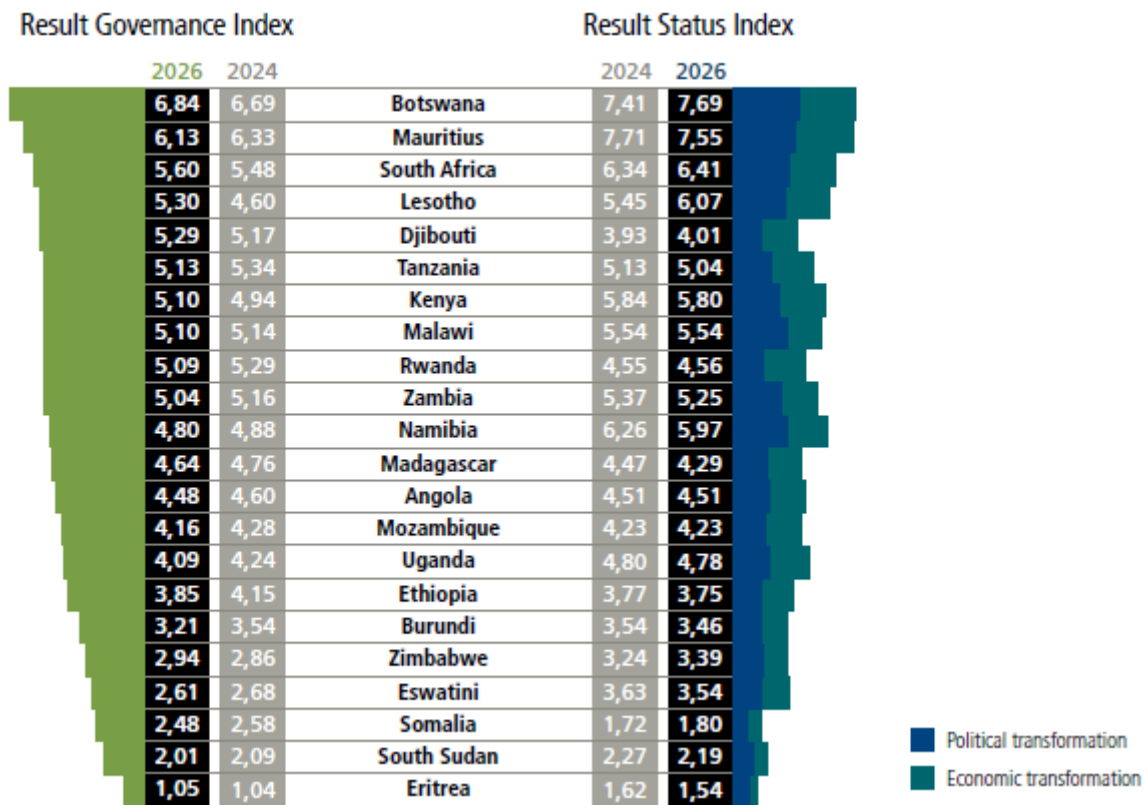
More broadly, mutual trust and credibility between African states and traditional Western donors, particularly the EU, have become increasingly strained. Disputes involving countries such as Kenya, Zambia and Eswatini with the International Criminal Court (ICC) have contributed to these tensions. As a key supporter of the ICC, the EU has criticized governments that have expressed solidarity with regimes accused of human rights violations, further complicating diplomatic relations.

The changing economic and security environment presents largely adverse conditions for countries in the region. At the same time, alternative partnerships are gaining importance – most notably with China and, in some contexts, the Russian Federation, as seen in parts of the Sahel. It remains uncertain to what extent African intergovernmental organizations – including the Southern African Development Community (SADC), the African Union (AU) and the BRICS framework – will be able to deepen cooperation and assume a more active role. One potentially significant development emerged in 2023, when SADC deployed an Election Observation Mission (SEOM) to Zimbabwe. The mission’s unusually critical assessment of the elections as unfair, and its willingness to openly challenge the Zimbabwean government, may signal the beginning of a more assertive regional approach. This could indicate a shift toward greater regional responsibility in upholding democratic standards and human rights.

Outlook

During the reporting period, major breakthroughs failed to materialize, but neither were there any severe setbacks. Progress in political transformation has been largely confined to countries that had already reached a certain level of democratic development. Following successful transfers of power, Botswana and Mauritius can now be regarded as the most consolidated democracies in the region.

The cases of Kenya and Zambia illustrate that newly elected governments do not automatically meet the expectations placed upon them. Transformation is a long-term process that requires structural change and sustained consolidation. Exogenous shocks – such as shifts in U.S. trade and development policy under President Trump – can easily destabilize still fragile and often hybrid systems.



At the other end of the spectrum, autocracies continue to consolidate. In some hard autocracies – including Eritrea, Zimbabwe and the monarchy of Eswatini – there are virtually no signs of political opening. The case of President Samia Suluhu Hassan in Tanzania underscores how reform-oriented rhetoric does not necessarily translate into substantive change. Instead, reforms have remained largely cosmetic, while increased repression was already evident during local elections. This raises concerns ahead of the elections scheduled for 2025 in Malawi and Tanzania. In Uganda, the trajectory of the regime remains closely tied to President Museveni, who is expected to run again in 2026.

Strong presidencies, personalistic rule and disputes over extended terms in office – patterns also observed in West and Central Africa – continue to pose significant risks of further autocratization. Succession conflicts may be more manageable in systems with more institutionalized party structures, such as Tanzania, than in personalized regimes like Uganda. Uganda, in particular, therefore faces a potentially decisive phase in its political development. Power struggles between government and opposition are already emerging, and internal divisions within the ruling party may intensify. At the same time, fragmented opposition landscapes remain a defining feature of many autocracies. Strengthening political competition is therefore critical: opposition forces must become more effective in articulating credible alternatives, identifying policy failures and proposing viable solutions. Despite ongoing repression, opposition actors in many countries remain vulnerable to co-optation and do not always fully exploit their strategic opportunities.

Rwanda presents a special case. The country combines comparatively strong economic performance and effective governance with a highly authoritarian political model. However, official data should be interpreted with caution, and much of Rwanda's success has come at the expense of democratic participation. As such, its development path offers limited potential as a broader model. In the medium to long term, the question of succession will become increasingly salient, as President Paul Kagame continues to dominate the political system.

Elections remain a central mechanism of democratic transformation, but they are not sufficient on their own to ensure durable change. In many states across the region, it remains uncertain whether positive developments following elections will be sustained. While electoral turnover can trigger improvements in economic policy and governance, the experiences of Kenya and Zambia highlight the risks of premature optimism. Lesotho has recorded gains across multiple indicators in the BTI 2026, yet even here future developments must be viewed with cautious optimism.

Whether the recent drop in inflation can provide momentum for broader structural transformation will be a key test in the coming years. Among the region's top priorities are the de-politicization of land and property rights – especially in conflict-prone settings – as well as the formalization of highly informal economies, regulatory simplification for investors, and the development of targeted, efficient social security systems. In education, many countries will need to intensify efforts to meet the growing demand for skilled labor and to further increase women's participation in the workforce. Against the backdrop of rapid population growth and a rising share of young people, tackling youth unemployment is not only an economic imperative but also a critical factor in maintaining social stability and preventing violent conflict.

Overall, the region continues to face significant challenges but remains broadly stable. In a global context marked by rising geopolitical tensions and declining democratic standards, this relative stability should not be underestimated. South Africa – and, to a lesser extent, Mauritius – in particular retain the potential to drive both economic and democratic transformation in the years ahead.

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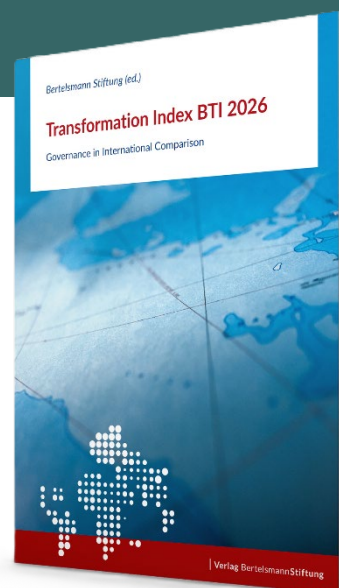
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Address | Contact

Bertelsmann Stiftung
Carl-Bertelsmann-Straße 256
33311 Gütersloh
Phone +49 5241 81-0

Sabine Donner
Senior Expert
Phone +49 5241 81-81501
sabine.donner@bertelsmann-stiftung.de

Hauke Hartmann
Senior Expert
Phone +49 5241 81-81389
hauke.hartmann@bertelsmann-stiftung.de

Sebastian Plate
Project Manager
Telefon +49 5241 8181263
sebastian.plate@bertelsmann-stiftung.de

www.bti-project.org

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