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Regional Economic Outlook

Sub-Saharan Africa

Maintaining Growth in an Uncertain World

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Contents

Figures

Abbreviations

AMCON	Asset Management Company of Nigeria
AREAER	Annual Report on Exchange Arrangements and Exchange Restrictions
BEAC	Banque des Etats de L'Afrique Centrale
BIS	Bank for International Settlements
BRIC	Brazil, Russia, India, and China
CBN	Central Bank of Nigeria
CDS	credit default swaps
CEMAC	Economic and Monetary Community of Central Africa
CFA	Currency zone of CEMAC and WAEMU
CPI	consumer price index
EAC	East African Community
ECA	excess crude account
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
FSB	Financial Stability Board
GDP	gross domestic product
GIIPS	Greece, Ireland, Italy, Portugal, and Spain
GNI	gross national income
GVAR	global vector autoregression
HDI	Human Development Index
HIPC	Heavily Indebted Poor Countries
LIC	low-income country
MDG	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MENA	Middle East and North Africa
MIC	middle-income country
MOU	memorandum of understanding
NEPAD	New Partnership for Africa's Development
NGO	nongovernmental organization
NPL	nonperforming loans
OECD	Organisation for Economic Co-operation and Development
OLS	ordinary least square
PPP	purchasing power parity
QIE	Quality of Institutions Estimate
REER	real effective exchange rate
REO	Regional Economic Outlook
SACU	Southern African Customs Union
SBA	stand-by arrangement
SDR	special drawing rights
SEZ	special economic zone
SME	small and medium-sized enterprises
SSA	sub-Saharan Africa
SADC	Southern Africa Development Community
TFP	total factor productivity
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Program
USDA	United States Department of Agriculture
VIX	Chicago Board of Options Exchange Volatility Index
WAEMU	West African Economic & Monetary Union
WEO	World Economic Outlook

Acknowledgments

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The following conventions are used in this publication:

- In tables, a blank cell indicates "not applicable," ellipsis points (. . .) indicate "not available," and 0 or 0.0 indicates "zero" or "negligible." Minor discrepancies between sums of constituent figures and totals are due to rounding.
- An en-dash (–) between years or months (for example, 2009–10 or January–June) indicates the years or months covered, including the beginning and ending years or months; a slash or virgule (/) between years or months (for example, 2005/06) indicates a fiscal or financial year, as does the abbreviation FY (for example, FY2006).
- "Billion" means a thousand million; "trillion" means a thousand billion.
- "Basis points" refer to hundredths of 1 percentage point (for example, 25 basis points are equivalent to ¼ of 1 percentage point).

In Brief

CHAPTER 1: MAINTAINING GROWTH IN AN UNCERTAIN WORLD

- *Economic conditions in sub-Saharan Africa have remained generally robust against the backdrop of a sluggish global economy*. Most low-income countries continue to grow, although drought in many Sahel countries and political instability in Mali and Guinea-Bissau have undermined economic activity. The situation is less favorable for many of the middle-income countries, especially South Africa, that are more closely linked to European markets. Inflation has been slowing, as pressures on food and fuel prices eased following a surge during 2011. The easing of inflation has been particularly noticeable in eastern Africa, helped by monetary tightening.
- *The near-term outlook for sub-Saharan Africa remains broadly positive, and growth is projected at 5¼ percent a year in 2012–13*. Strong domestic demand, including from investment, is expected to support growth in many low-income countries, while a weak external environment will be a drag on growth in middle-income countries with significant trade links to Europe. With global commodity prices projected to remain soft and domestic climatic conditions improving, inflation is expected to decline to around 8 percent in 2012, and about 7 percent in 2013. The recent surge in international cereal prices is likely to exacerbate food insecurity in some places, and could be a threat to inflation if it intensifies.
- *Downside risks have intensified, mostly stemming from the uncertain global economic environment*. Deteriorating conditions in the world economy could quickly spill over into sub-Saharan Africa, potentially reducing the regional growth rate by about 1 percent a year, with the actual impact dependent on both the severity and the duration of the global downturn. The impact would be most severe in countries where exports are undiversified and policy buffers low.
- *Policy settings should reflect specific country conditions.* Policymakers should rebuild fiscal and external buffers where these remain low and where growth is as robust as envisaged under the baseline. If the global economy experiences a significant downturn, with knock-on effects on the region, then avoiding pro-cyclical fiscal contraction would be an imperative so long as the wider deficits can be financed. Many countries will be able to manage a downturn, via a mix of fiscal, monetary, and exchange rate measures—with the appropriate mix dependent on exchange rate arrangements, the ability to finance wider deficits, and the inflation situation.

CHAPTER 2: NIGERIA AND SOUTH AFRICA: SPILLOVERS TO THE REST OF SUB-SAHARAN AFRICA

- *South Africa's linkages with the rest of sub-Saharan Africa are steadily intensifying, but are significant mainly within southern Africa*. Countries in the Southern African Customs Union (SACU) and the Southern African Development Community, receive some spillovers through export demand effects, direct investment, and, in some cases, migration flows, although these spillovers are typically modest. Developments in South Africa appear to have minimal impact on the rest of sub-Saharan Africa.

- *Nigeria is an important export market only for a few neighboring countries, but financial linkages with countries further afield are growing with the regional expansion of Nigerian banks*. Porous borders produce complex trade flows at the sub-regional level that are heavily influenced by tax/subsidy policies in Nigeria. Inflation in neighboring countries is sensitive to inflation developments in Nigeria.

CHAPTER 3: STRUCTURAL TRANSFORMATION IN SUB-SAHARAN AFRICA

- *Some degree of structural transformation—understood as the shift of workers from low to high average productivity activities and sectors—has been observed in most sub-Saharan African countries since 1995*. There is significant heterogeneity within sub-Saharan Africa. Most oil exporters have seen sustained increases in average labor productivity through spillovers into the non-oil sector. In most middle-income countries, the pattern of structural transformation observed has included positive average labor productivity growth in the agricultural sector, as well as a declining share of agriculture in total GDP. In most non-fragile low-income countries agricultural productivity growth has been positive, although it is still low compared to middle-income countries and to other regions. In contrast, significant structural transformation is nearly absent in most fragile countries, which have generally experienced low and irregular growth.
- *The path to structural transformation seems to vary across sub-Saharan African countries*. Depending on resource endowments, labor skills, and other factors, some sub-Saharan African countries may follow the Asian structural transformation path through low-wage manufacturing. Others, instead, may transform through services, while still others through the transformation of their agricultural sector. Irrespective of the path followed, structural transformation in sub-Saharan Africa could be accelerated through higher agricultural productivity growth, which requires investing more in the sector, and by narrowing the skills gap, improving the investment climate, and removing infrastructure bottlenecks.

1. Maintaining Growth in an Uncertain World

INTRODUCTION AND SUMMARY

Growth in sub-Saharan Africa has remained generally robust against the backdrop of a sluggish global economy. Regional output is projected to expand by at least 5 percent in 2012–13, a similar pace to that recorded in 2010–11. That said, there is significant variation across the region, with solid expansion being recorded in most low-income countries, but growth slowing in middle-income countries that are tracking the global economy and in some countries affected by drought and political instability. The regional outlook is subject to downside risks, stemming from the uncertain global economic environment. Analysis of selected downside scenarios suggests that, absent a Lehman-style crash, a global slowdown would impair, but not derail, growth in the region.

The near-term outlook for the global economy has deteriorated over the past six months, with economic recovery in the advanced economies suffering from new setbacks and heightened uncertainties. The IMF's projections for global growth in 2012–13 have been adjusted downward since the April 2012 edition of this publication, with growth in 2013 now projected at 3.6 percent, down from 4.1 percent previously. Uncertainty regarding global economic prospects is elevated, with intensified stresses in the euro area and the risk of a sharp fiscal tightening in the United States being the most immediate risks.

Against this background, sub-Saharan Africa has been maintaining relatively strong growth, and is on track to post growth of about 5¼ percent a year in 2012–13, a similar pace to that recorded in 2010–11. Most low-income countries are participating in this expansion, although drought has slowed growth in many Sahel countries, and political instability has undermined growth prospects in Mali and Guinea-Bissau. The situation is less favorable for many middle-income countries, more closely linked to European markets; growth in South Africa is set to slow to about 2½ percent in 2012, with many others also seeing a noticeable slowing of economic growth.

Inflation in the region has been slowing during 2012, as food/fuel price inflation eases following a surge during 2011; the containment of inflation has been most marked in East Africa, where sharp monetary tightening was needed to reverse the 2011 price spikes. A recent surge in world prices of cereals could derail at least some of the projected easing of inflation, although there is a good chance that the impact of what is expected to be a transitory price surge will be contained across most of the region, not least because the price of rice, the most important staple food import for sub-Saharan Africa, has not moved significantly. That said, surging world prices are likely to intensify stresses in countries/subregions experiencing poor harvests.

Deteriorating conditions in the world economy could quickly spill over into slower growth in sub-Saharan Africa. Assessment of the potential impact of a global slowdown on the region points to a likely reduction in the regional growth rate of about 1 percent a year, depending on both the severity and the duration of the global downturn. The impact could be more severe on individual countries, especially those where exports are undiversified and policy buffers are low.

Although most sub-Saharan African countries have rebounded from the Great Recession, many of them have been slow in rebuilding fiscal positions that weakened during the downturn. If growth remains as robust as envisaged, policymakers in fast-growing economies should move to rebuild fiscal and external buffers, without unduly affecting key social and capital spending. One route to strengthening

This chapter was prepared by Montfort Mlachila, Seok Gil Park, and Juan Treviño. Research assistance was provided by Emily Forrest.

fiscal positions would be to initiate actions to reduce costly and poorly targeted energy subsidies.

Were the global economy to experience a significant downturn, with knock-on effects on sub-Saharan Africa, policymakers in many countries would be constrained by limited policy space to respond. Avoiding procyclical fiscal contraction is imperative if the slippage in deficit levels can be financed; official external financing, from both bilateral and multilateral sources, may be needed to help low-income countries facing tight financing constraints as budget and export revenues fall. But there are also many countries that will be able to manage a downturn, via a mix of fiscal, monetary, and exchange rate measures—the appropriate mix dependent on exchange rate arrangements, the ability to finance wider deficits, and the inflation situation.

INTRODUCING SOUTH SUDAN

This edition of the *Regional Economic Outlook* is the first to include South Sudan, bringing the number of countries covered to 45 (Box 1.1). South Sudan, which proclaimed its independence on July 9, 2011, became the 188th member of the IMF on April 18, 2012. In terms of economic weight, South Sudan contributes about 1 percent of total sub-Saharan African countries' GDP (in purchasing power parity (PPP) terms); data availability is limited, however, making analysis of developments correspondingly difficult.

RESILIENCE IN THE FACE OF AN UNCERTAIN ENVIRONMENT

Growth in sub-Saharan Africa in 2012 continues at a solid pace, with aggregate output expected to expand by about 5¼ percent in both 2012 and 2013. Growth projections have been revised downward only marginally from our April 2012 projections, but risks to the outlook have increased, given the backdrop of heightened global uncertainties. The inflation surge in East Africa has been largely reversed, and inflation prospects for the region are generally favorable, even if food prices may pick up in a number of countries.

RECENT DEVELOPMENTS

Economic activity has held up well in most of sub-Saharan Africa, albeit with growth slowing in several middle-income countries (Table 1.1). With exports slowing in many countries, domestic demand has provided solid support to growth, helped by public and private investment—in several cases, linked to natural resource production. Macroeconomic policies have remained generally accommodative—an exception being eastern Africa, where monetary tightening was deployed to rein in inflation. On the supply side, agricultural output in the Sahel and Kenya is recovering after drought; oil output is increasing in several countries (including Angola, Chad, and Nigeria); new resource projects are under way in Niger (oil) and Sierra Leone (iron ore); and some service sectors, such as telecommunications, continue to show impressive dynamism. A strong postconflict recovery is under way in Côte d'Ivoire, although civil strife is disrupting activity in Guinea-Bissau and Mali. However, middle-income countries linked closely to advanced country markets, including South Africa, are seeing growth slow, notwithstanding support from macroeconomic policies.

Table 1.1. Sub-Saharan Africa: Real GDP Growth
(Percent change)

	2004–08	2009	2010	2011	2012	2013
Sub-Saharan Africa (Total)[1]	6.5	2.8	5.3	5.2	5.3	5.3
Of which:						
Oil-exporting countries[1]	8.6	5.1	6.6	6.3	6.7	6.0
Middle-income countries[2]	5.0	-0.6	3.8	4.5	3.4	3.8
Of which: South Africa	4.9	-1.5	2.9	3.1	2.6	3.0
Low-income countries[2]	7.3	5.4	6.4	5.5	5.9	6.1
Fragile countries	2.5	3.1	4.2	2.3	6.6	6.5
Memo item:						
World	4.6	-0.6	5.1	3.8	3.3	3.6

Source: IMF, World Economic Outlook.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

Box 1.1. South Sudan: Newest IMF Member

South Sudan is a large, landlocked country with a diverse population. According to the 2008 census, its population is 8.3 million, one-third under the age of 10, comprising 65 different ethnic groups. Its total land area is about 645,000 square kilometers, equivalent to the size of France.

Economic development is limited and social indicators are very low. South Sudan's economy depends almost entirely on oil production (oil accounts for 98 percent of government revenues and 99 percent of exports), complemented by subsistence agriculture and livestock. Per capita GNI is close to US$1,000, which is broadly in line with the sub-Saharan African average. Social indicators are generally well below regional norms, and the country's infrastructure is almost non-existent (there are only 100 kilometers of paved roads, mainly in the capital Juba).

Table 1. Social Indicators

	South Sudan, 2006	Sub-Saharan Africa, 2006–09
Population (Millions, 2008)	8.3	750
National household survey poverty incidence	51	48
Literacy rate (Percent of adult population)	27	66
Mortality rate, under age 5 (Deaths per 1,000)	102	84
Prevalence of undernourishment (Percent of population)	47	26
Primary school enrollment ratio (Percent, gross)	48	68
Access to an improved water source (Percent of population)	55	60

Sources: World Bank, World Development Indicators; and IMF staff calculation.

Although South Sudan has sizeable economic potential, major challenges will need to be overcome if this potential is to be realized. These challenges include institutional weaknesses, limited physical infrastructure, and a weak human capital base. A pre-condition for addressing these challenges is the achievement of a lasting settlement of bilateral issues and tensions with Sudan. Revenue from oil provides an opportunity to invest in infrastructure and social development, although capacity constraints limit the pace at which this can be implemented. Sizeable livestock, fishery, and agricultural and forestry resources could also become a driver for growth. Key economic institutions are being built, including the ministry of finance, revenue collection agencies, the National Bureau of Statistics, and the central bank. To support institution building, the IMF has launched a three-year dedicated trust fund for South Sudan, which will enable the provision of large-scale technical assistance and training in macroeconomic policy areas and statistics. South Sudan is eligible for concessional financing from the IMF.

This box was prepared by Sweta Saxena.

Inflation is generally slowing from the elevated levels recorded in much of the region in 2011 (Table 1.2 and Figure 1.1). As discussed in the April 2012 *Regional Economic Outlook*, the inflation surge that commenced early in 2011 was driven in good part by global food and fuel price increases—but domestic factors, including drought and overly accommodative monetary policies, also played a role in many countries, most notably in East Africa. In 2012, easing pressures in global commodity markets during the first half of the year, coupled with the impact of monetary tightening in several countries (including Kenya and Uganda) and improved weather in the Sahel and the Horn of Africa, have produced a significant slowing of inflation. That said, not all countries are seeing inflation ease in 2012: Inflation in Nigeria picked up somewhat following a significant adjustment in retail fuel prices in January, whereas the ending of an unsustainable exchange rate regime in Malawi contributed to a sharp jump in inflation that is expected to carry over in part into 2013.

Private sector credit growth trends have reflected monetary policy and inflation developments (Figure 1.2). Although nominal private credit grew strongly during the first few months of 2012, there are signs of moderation in the pace of growth in low-income countries, a combined result of declining inflation and tighter monetary policies. Credit growth to the private sector is picking up among middle-income countries, including in South Africa, helped in part by supportive monetary policies. The unusual behavior of credit growth in oil-exporting countries reflects in large part developments in Nigeria, where banking conditions have been normalizing following the 2009 crisis.

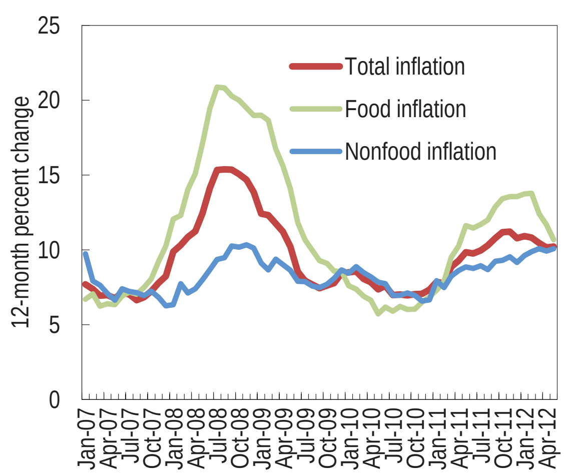
Table 1.2. Sub-Saharan Africa: Other Macroeconomic Indicators

	2004–08	2009	2010	2011	2012	2013
	(Percent change)					
Inflation, end-of-period	8.8	8.6	7.2	10.1	8.0	6.9
	(Percent of GDP)					
Fiscal balance	1.9	-5.4	-3.7	-1.6	-2.2	-1.4
Of which: Excluding oil exporters	-0.7	-4.6	-4.3	-4.1	-4.5	-3.6
Current account balance	0.7	-3.2	-1.3	-2.0	-3.1	-3.5
Of which: Excluding oil exporters	-5.0	-5.3	-4.5	-4.9	-7.3	-7.0
	(Months of imports)					
Reserves coverage	4.8	5.1	4.2	4.4	4.7	4.9

Source: IMF, *World Economic Outlook*.

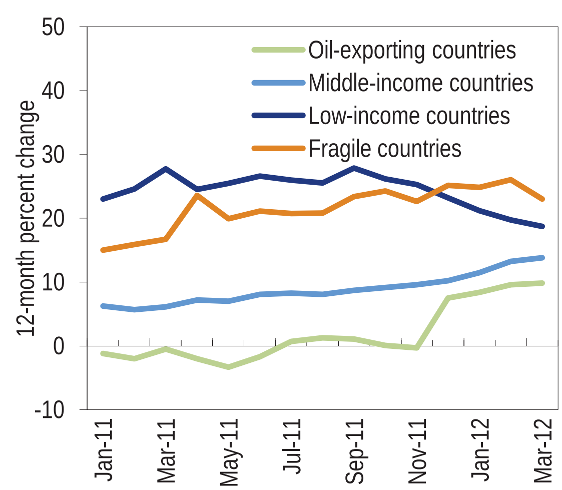
Note: Excludes South Sudan.

Figure 1.1. Sub-Saharan Africa: Food and Nonfood Inflation



Source: IMF, International Financial Statistics; and IMF, African Department database.

Figure 1.2. Sub-Saharan Africa: Nominal Credit to the Private Sector



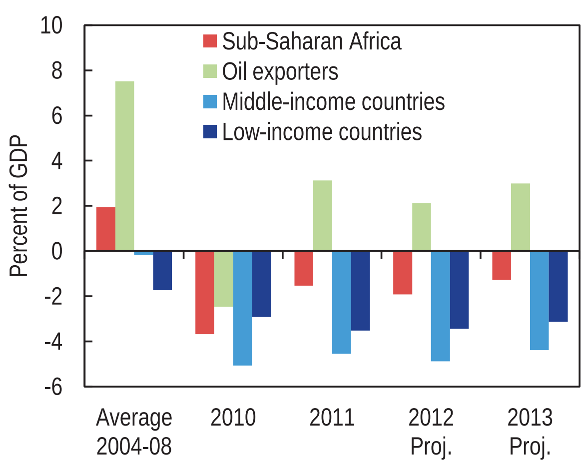
Source: IMF, International Financial Statistics.

Fiscal deficits remain elevated in most non-oil exporters (Figure 1.3). Several countries have moved to strengthen fiscal positions that had weakened significantly during the depths of the global downturn, but deficits are expected to narrow only marginally in 2012, remaining much higher than during the pre-crisis period. Some oil exporters (including Angola and the Republic of Congo), helped by favorable world prices, are set to run solid, albeit reduced, surpluses in 2012, but others (including Chad and Nigeria) are likely to record near-balanced fiscal positions. Cameroon's fiscal position continues to weaken, reflecting expenditure overruns and poor non-oil revenue collection. For middle-income countries—the hardest hit by the global slowdown—fiscal deficits are set to remain broadly unchanged in most cases, although a recovery in revenue from the Southern Africa Customs Union (SACU), coupled with expenditure restraint in some cases, is producing significant improvements in fiscal positions in the four smaller SACU member countries. Sluggish growth continues to constrain the scope for fiscal consolidation in South Africa. In low-income and fragile countries, deficits are widening significantly in several countries (including Guinea, Liberia, and Mozambique), but narrowing in others (including Côte d'Ivoire and Sierra Leone), with little net change in the aggregate. Countries where deficits are rising appear to be taking advantage of enhanced external borrowing opportunities[1]—or, in the case of Guinea, running down a mineral revenue windfall from 2011.

Given elevated fiscal deficits, government debt-to-GDP ratios are rising in several countries—mainly middle-income countries (such as Namibia and South Africa) but also including Cameroon and Nigeria (among the oil exporters) and Tanzania and The Gambia (among low-income countries). However, the aggregate picture regarding debt burdens in the region shows little general change, as debt ratios are easing in a significant number of economies (Figure 1.4). On current projections, debt dynamics in most countries are favorable (Box 1.2).

Sluggish external demand for exports is contributing to some widening of current account deficits across much of the region. Exports have weakened significantly for middle-income exporters over the past year; oil exporters have seen receipts ease for much of 2012 as a result of softer fuel prices;

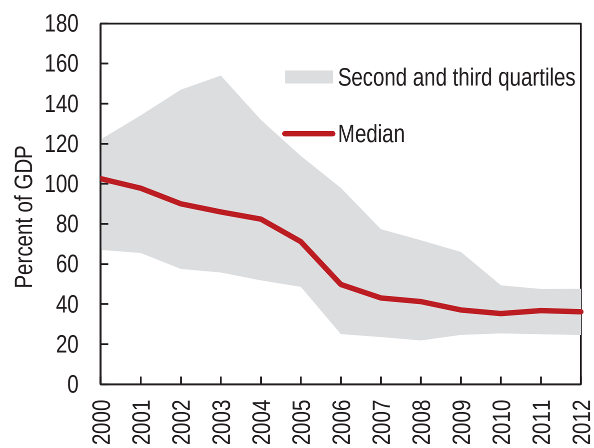
Figure 1.3. Sub-Saharan Africa: Overall Fiscal Balance, 2004–13



Source: IMF, World Economic Outlook database.

Note: Excludes South Sudan.

Figure 1.4. Sub-Saharan Africa: Government Debt Ratios, 2000–12



Source: IMF, World Economic Outlook database.

[1] Deficit levels can also be affected by shifts in external support from grants to concessional loans as a country's economic condition improves (for example, Liberia).

Box 1.2. Debt Dynamics in the Baseline over the Medium-term

This box compares the primary fiscal balance over the medium term, as a percent of GDP (p) with the primary balance that stabilizes the debt-to-GDP ratio (p*). The difference between p* and p, (p*-p), referred to as the "primary balance gap," signals the direction in which indebtedness is evolving, with a positive gap indicating a tendency of the debt-to-GDP ratio to increase over time unless fiscal policies are tightened. The formula for the debt-stabilizing primary balance is

$$p_t^* = \lambda d_{t-1}$$

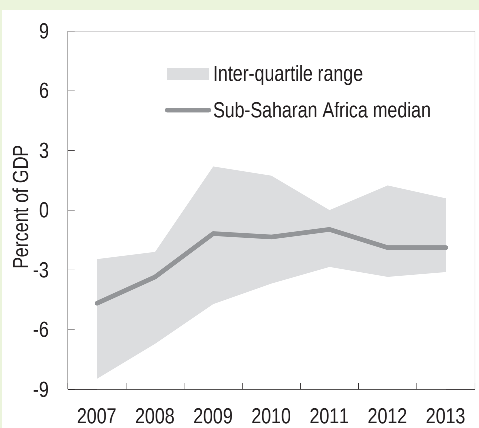
$$\lambda = \frac{r - g}{1 + g}$$

where r is the real interest rate and g is the real GDP growth rate. The values for these parameters in the calculations are derived from realized macroeconomic outcomes and the IMF projected outlook for the period 2007–17. In general, the parameter λ tends to be negative given currently projected growth rates (see statistical appendix, Table SA1).

The 2009 crisis interrupted a generalized process of reduction of debt-to-GDP ratios in sub-Saharan Africa, causing a significant proportion of the countries to increase their debt ratios. Since then, the primary balance gap has decreased gradually (Figure 1), with more than half the countries in the region showing negative gaps in 2012. Figure 2 examines the distribution of the primary balance gap in 2012 by country groups, with the "box and whiskers" plot displaying the minimum, median, maximum, and inter-quartile range of the distribution of primary gaps within each country group. For each one of the REO's analytical country groups, more than half the countries, but not all countries, show primary balances consistent with reducing debt-to-GDP ratios under the baseline macroeconomic projection.

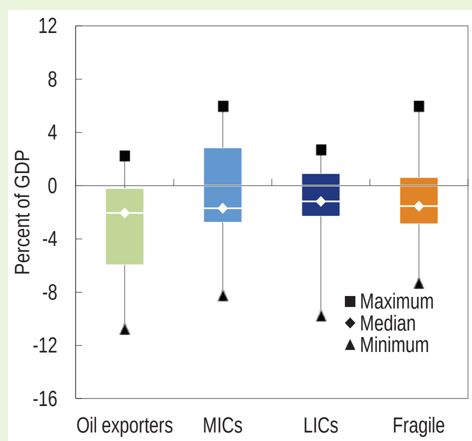
Care should be exercised when interpreting these charts. In particular, a negative primary balance gap in the baseline case should not be meant to indicate that, in an adverse scenario, fiscal policy space would necessarily be available.

Figure 1. Sub-Saharan Africa: Primary Balance Gap, 2007–13



Sources: IMF, World Economic Outlook Database; and IMF staff estimates.

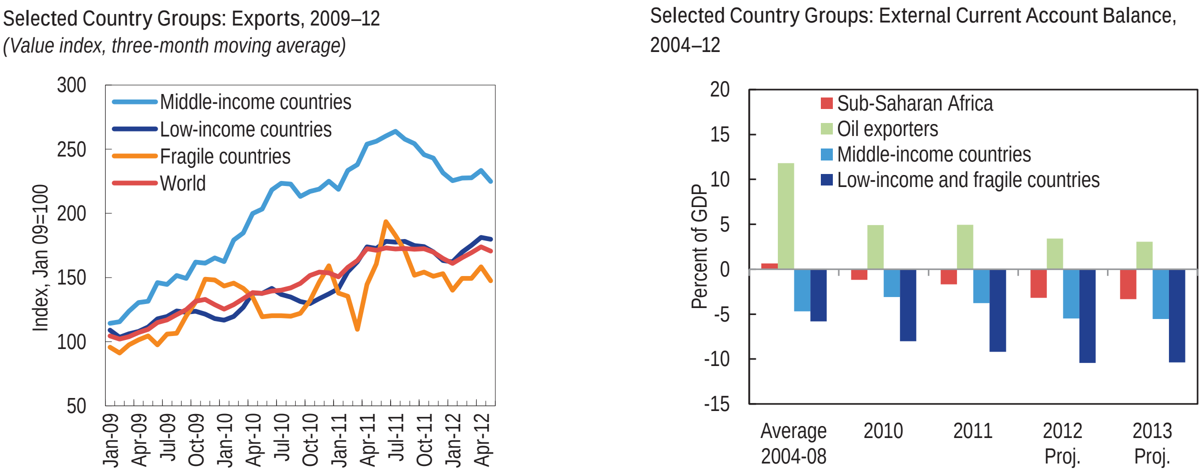
Figure 2. Sub-Saharan Africa: Primary Balance Gap, 2012



Sources: IMF, World Economic Outlook Database; and IMF staff estimates.

This box was prepared by Seok Gil Park.

Figure 1.5. Sub-Saharan Africa: Exports and the Current Account by Regional Groups



Sources: IMF, *World Economic Outlook*; African Department database; and Direction of Trade Statistics.
Note: Excludes South Sudan.

and low-income countries have seen export levels rise only modestly on 2011 levels (Figure 1.5, left panel). In several smaller countries, balance of payments developments are being heavily affected by import needs and financing inflows for large investment projects—with exports benefiting significantly as new resource projects begin production (for example, Liberia, Niger, and Sierra Leone). Indications are that service exports and remittances remain quite strong across the region. For the year as a whole, IMF staff anticipates a weakening of external current account positions, in almost all cases financed through expanded capital flows of some form rather than reserve erosion (Figure 1.5, right panel).

THE HEALTH OF FINANCIAL SYSTEMS

As discussed in the April 2012 edition of this publication, financial systems in sub-Saharan Africa did not experience significant direct shocks from the crisis that afflicted advanced country financial markets in 2008–09, but the financial health of many banks was adversely hit by a weakening in the quality of their loan portfolios as borrowers experienced financial distress in the ensuing global economic downturn (Figure 1.6 and Table 1.3).[2] Review of the available financial stability indicators across the region suggests a number of themes.

First, banks' capital adequacy ratios, having improved somewhat through 2009, deteriorated in 2010, with rising non-performing loans (NPLs) taking a toll on profitability. There was some recovery in capital adequacy ratios in 2011, along with a reported drop in the NPL ratio—but the latter may in part reflect the impact of loan write-offs and expansion of the loan portfolio itself. Second, there appears to have been a trend decline in banks' profitability levels over the past several years, as reflected in declining rates of return on assets and bank equity—likely attributable to a range of factors, including losses on loan portfolios and increased competition in some markets.[3] Policies to enhance financial sector resilience in developing financial systems in sub-Saharan Africa are discussed in the April 2012 edition of this publication (Chapter 2).

[2] Given data quality concerns and cross-country variations in the definitions used, caution is needed in interpreting trends.

[3] Data on Nigeria need to be interpreted with caution, given the impact of central bank interventions to stabilize, reform, and recapitalize the banking system in the wake of the 2009 banking system crisis.

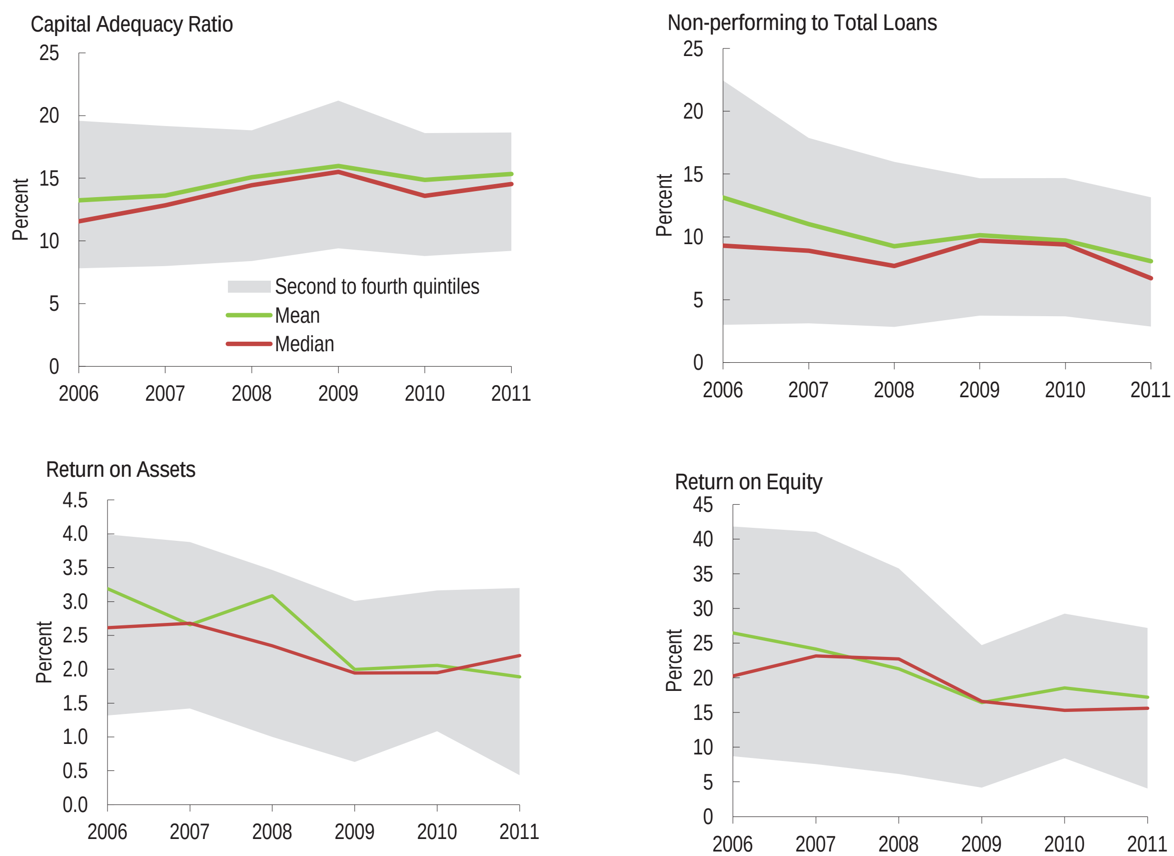
Table 1.3. Sub-Saharan Africa: Financial Soundness Indicators in 2011, Selected Countries*
(Percent)

	Capital to Assets	Non-Performing Loans to Total Loans	Provisions to Non-Performing Loans	Return on Assets	Return on Equity
Oil-exporting countries					
Angola	14.8	2.4	n.a.	2.7	27.2
Cameroon	15.8	12.3	96.7	0.2	2.2
Congo, Republic of	9.9	1.2	75.3	1.4	22.0
Gabon	11.0	5.5	58.1	0.8	8.6
Nigeria	3.9	11.6	n.a.	0.2	4.5
Middle-income countries					
Ghana	13.7	14.1	76.2	3.9	27.2
Lesotho	9.5	2.4	110.3	2.8	28.9
Mauritius	7.2	2.8	41.4	1.3	17.9
Namibia	7.8	1.5	n.a.	3.7	47.1
Senegal	n.a.	16.2	54.0	2.2	22.6
Seychelles	9.0	8.1	33.8	3.7	41.0
South Africa	7.3	4.7	34.9	1.5	21.0
Swaziland	17.4	7.5	44.6	2.4	13.8
Low-income countries					
Ethiopia	7.8	2.1	n.a.	3.0	31.5
Kenya	13.2	4.4	n.a.	3.3	32.2
Mali	17.4	18.5	69.3	1.4	15.2
Mozambique	9.0	2.6	55.1	2.5	26.5
Rwanda	14.5	8.0	50.8	2.2	10.6
Sierra Leone	14.0	15.1	49.4	3.8	15.6
Tanzania	17.8	6.7	n.a.	2.7	15.1
Uganda	14.6	2.2	59.7	4.0	27.4
Fragile countries					
Burundi	n.a.	7.7	n.a.	3.2	23.0
Congo, Democratic Republic of	15.0	5.0	n.a.	n.a.	3.0
São Tomé and Príncipe	n.a.	14.8	46.1	0.1	0.2
Togo	13.4	10.8	84.1	2.0	24.7
Mean	12.0	7.5	61.2	2.3	20.4
Median	13.3	6.7	55.1	2.4	22.0

Sources: Country authorities; and IMF African Department database.

* Green (Red) indicates improvement (worsening) relative to 2009; n.a. denotes not available.

Figure 1.6. Sub-Saharan Africa: Financial Soundness Indicators
(Selected countries)*



Sources: IMF, African department database; and country authorities.

*The official definition of financial soundness indicators varies by country. The sample includes up to 33 of the 45 countries in sub-Saharan Africa.

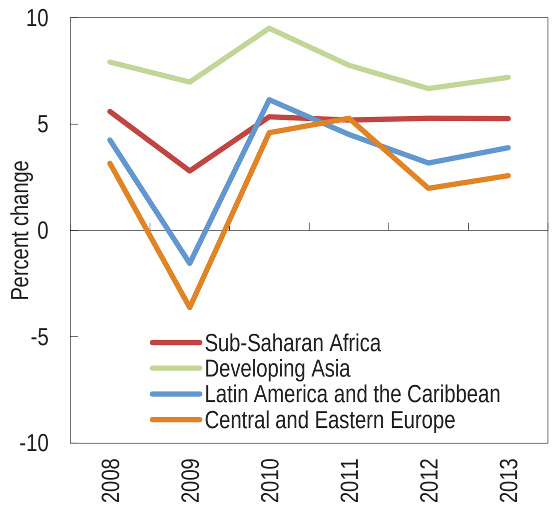
LOOKING AHEAD: BASELINE SCENARIO

The near-term outlook for growth remains broadly positive, with aggregate output growth in sub-Saharan Africa projected to reach about 5¼ percent in 2012 and 2013, a robust pace relative to other major developing country blocs (Figure 1.7). The weak global environment is reflected in projections of sluggish growth for several middle-income countries, including South Africa, where trade links to European countries are important and business confidence tracks global trends closely.[4] The direct impact of sluggish growth in South Africa on growth in the region as a whole should be modest, given that South Africa is not a significant export destination for most (but not all) sub-Saharan African countries (see Chapter 2 for a fuller discussion of spillovers from South Africa and Nigeria to the rest of sub-Saharan Africa).

The strength of projected growth in sub-Saharan Africa, relative to other developing regions, is helped in part by the supply-side factors cited earlier—including expanding natural resource sectors and some presumed improvement in climatic conditions. But there are also more fundamental factors at work. As argued in previous editions of this publication, low-income countries in sub-Saharan Africa have shown solid growth over a sustained period, helped by, among other things stronger policy frameworks, improving institutional

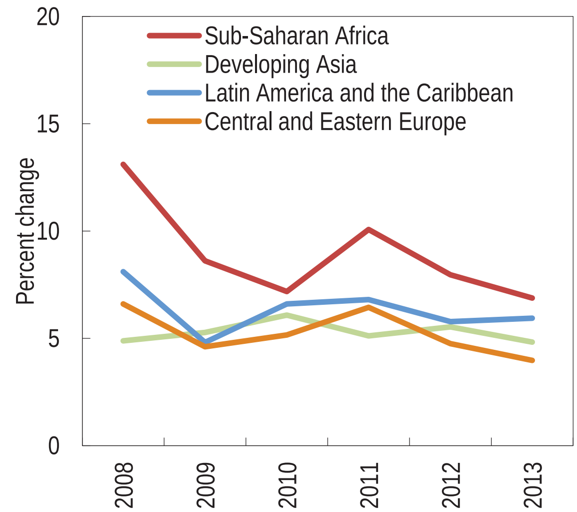
[4] A new factor weighing on the near-term forecasts for South Africa is the recent stoppage of work in platinum and gold mines.

Figure 1.7. Selected Regions: Real GDP Growth, 2008–13



Source: IMF, *World Economic Outlook.*
Note: Excludes South Sudan.

Figure 1.8. Selected Regions: Inflation 2008–13
(End of period)



Source: IMF, *World Economic Outlook.*
Note: Excludes South Sudan.

capacity, favorable commodity price trends, and sharply reduced external debt burdens. (The role of structural transformation as part of this broader growth process is discussed in Chapter 3.)

The outlook for inflation has improved over the last year. As discussed above, inflation has been declining across most of the region during 2012; by end-2012, it is expected that the 12-month inflation rate for the region will have fallen to about 8 percent, down from about 10 percent at end-2011 (Figure 1.8). Progress achieved to date has already led some countries, including Kenya and Uganda, to ease their previously tight monetary stance. A further decline in inflation is envisaged for 2013, but achievement of this result will require appropriately tight macroeconomic policies in countries still experiencing elevated (double-digit) inflation. These projections incorporate the first-round effects of recent global food price increases arising from drought conditions in the United States and other supply-side shocks; in addition to posing potential challenges for monetary policy in some countries, the price shock could also complicate the management of food security issues in some parts of the region (Box 1.3).

Some widening of current account deficits in the region is expected in 2012–13 (see Figure 1.5), with trade balances weakening somewhat as a result of a small deterioration in the terms of trade and ongoing weakness in import demand among traditional partners. Rising investment levels are the counterpart to this increased reliance on external savings.

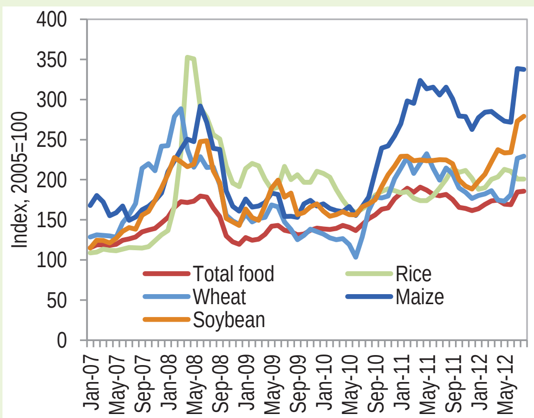
The financing of the region's balance of payments includes an increasingly diverse array of instruments. One recent development of note has been the debut on international sovereign bond markets of Angola in August 2012 (a US$1 billion 7-year bond with a 7 percent coupon, now trading at a significantly lower yield) and of Zambia in September 2012 (a US$750 million 10-year bond, with a coupon of 5.375 percent). Resilience in the region's economies, coupled with the search for yield against a backdrop of low world interest rates, is producing growing interest in the region among investors. Yields have also declined significantly on pre-existing bond issues from sub-Saharan African economies, and are now at levels comparable with yields for several emerging European economies.

Box 1.3. Global Food Prices and Food Security in Sub-Saharan Africa

Weather-related supply disruptions worldwide have recently prompted large increases in some food prices in international markets. Extreme drought in the United States and Russia, adverse weather conditions in China and other countries, and below-average monsoon rains in India more recently, have worsened the short-term outlook for maize, soybean, wheat, and (to a lesser extent) rice production at the global level.

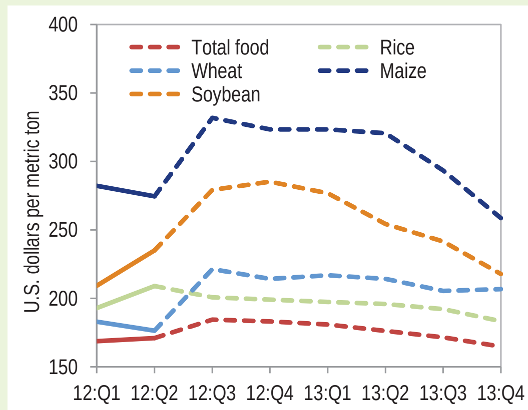
This situation has induced a rapid increase in the international prices of these crops since mid-June (Figure 1 and Table 1).

Figure 1. International Commodity Prices



Source: IMF, Commodity Price System.

Figure 2. International Commodity Price Projections



Source: IMF, Commodity Price System.

Various factors suggest that the potential impact of these increases is likely to be less severe than during the 2007–08 episode. So far, the shock has not affected all key crops and the rise in overall food prices on an annual basis remains moderate, as the most recent price increases come on the heels of previous declines. Also, in contrast with 2007–08, the shock has not been exacerbated by high energy prices, and new export restrictions are not generalizing. As a result, with the exception of wheat, futures markets anticipate prices to moderate in the near-term and revert back to their pre-shock levels by end-2013 (Figure 2).

Table 1. Commodity Price Changes in July 2012
(Selected crops, percent)

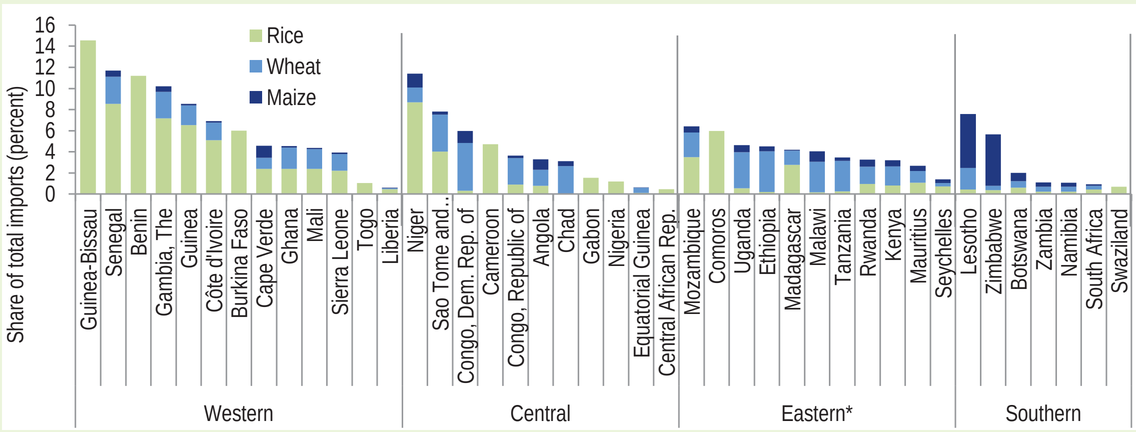
	Annual	Monthly
Total food	2.5	9.3
Maize	10.7	24.6
Rice	5.9	-4.6
Wheat	13.8	25.2
Soybean	21.4	16.7

Source: IMF, Commodity Price System.

Within sub-Saharan Africa, the impact of the food price shock will likely be felt in places showing some underlying vulnerability. On the positive side, the most import-intensive staple in sub-Saharan Africa, rice, is also the cereal displaying the most stable international price. Between 2005 and 2008, average annual imports of rice (in proportion of total imports) have been far larger than those of wheat or maize.

Box 1.3. *(concluded)*

Figure 3. Sub-Saharan Africa: Food Imports by Region, Annual Average 2005–08



Source: IMF staff calculations with data from Comtrade.

*Excludes Eritrea.

Rice imports are especially large in most of western and central Africa (Figure 3). Nevertheless, increases in prices of wheat and maize could create localized stresses. Although not a major staple in sub-Saharan Africa, wheat imports are relatively important in western parts of Africa, and elsewhere in Chad, Democratic Republic of the Congo, Ethiopia, São Tomé and Príncipe, and Tanzania. In fact, increases in the price of flour have already caused public discontent in Côte d'Ivoire, where there are calls for government to raise the bread subsidy, and wheat price rises could complicate the disinflation process in East Africa. Typically, most of the maize consumed in sub-Saharan Africa is produced in the region, with some cross-border trade at prices that reflect a mix of regional and global conditions. Owing to recent drought in pockets of Southern Africa, however, in a significant number of countries crops will have to be supplemented with reserves and imports, possibly sourced in part outside the region.

In July 2012, a Southern African Development Community (SADC) Summit projected a regional grains deficit in 2012, including the first maize deficit since 2006/07, owing largely to poor rainfall. Only four SADC countries show significant overall surpluses in maize (Malawi, South Africa, Tanzania, Zambia). Zambia is projecting the largest maize surplus, but it would not suffice to cover the deficits elsewhere in the SADC region; moreover, since that assessment was made, Zambia has been revising up its targets for building up its own reserves. On balance, and including zones with chronic food security problems, the summit estimated that about 5.5 million people would be at risk of food insecurity in the SADC region, mainly in parts of Angola, the Democratic Republic of the Congo, Lesotho, Malawi, and Zimbabwe. (In fact, the government of Lesotho is already speaking of a food crisis). Simulations indicate that in the Democratic Republic of the Congo, Lesotho, and Zimbabwe, which are regular wheat or maize importers, an additional 10 percent rise in food prices could deteriorate their trade balances by up to 1 percentage point of GDP.

Governments in vulnerable countries are working to put together a response with the support of the UN World Food Program, the World Bank, and other development partners.

This box was prepared by Emily Forrest, Jean-Claude Nachega, and Juan Treviño.

RISK SCENARIO ANALYSIS

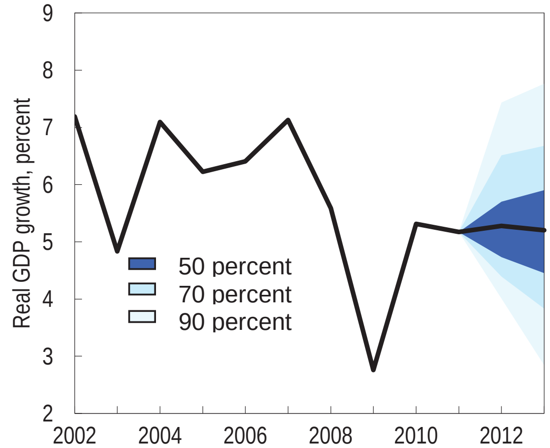
There are large downside risks to the projections presented above, stemming mainly from uncertainties regarding the likely evolution of the global economy. We consider here two adverse scenarios for global growth, taken from the IMF's October 2012 World Economic Outlook*, and explore the implications for sub-Saharan Africa in each case. One conclusion is that adverse shocks to global growth, with their ensuing impact on commodity prices, are felt quite quickly in sub-Saharan Africa, although the impact of the global shock on aggregate growth in the region is slightly muted. But it would be dangerous to assume that what holds true at the aggregate level is true for individual economies: countries with undiversified exports and limited foreign reserves, for example, would likely come under much greater stress than the regional picture suggests.*

The global outlook described in the IMF's October 2012 *World Economic Outlook* is subject to significant downside risks. Key near-term risks identified include a further deepening of the euro area crisis, a political failure to prevent the scheduled sharp tightening of the U.S. fiscal stance before year-end, and a renewed spike in oil prices. Given heightened risks to the global economic outlook, the uncertainties around our projection of the economic outlook for sub-Saharan Africa have, unsurprisingly, increased (Figure 1.9).

We consider two scenarios drawn from the October 2012 *World Economic Outlook*, with a view to identifying how sub-Saharan Africa would be affected.

The first case we consider is a scenario in which policies deployed in the euro area fail to calm markets, and instead allow an intensification of euro area sovereign and banking stresses. In this scenario—in effect a worsening of the dynamics that have already been seen in the euro area—output in the euro area core would fall by 1½ percent relative to the baseline in 2013, with much more severe effects in the euro area periphery; with spillover effects to the rest of the world, there would be significant output losses further afield,

Figure 1.9. Sub-Saharan Africa: Growth Prospects, 2002–13



Sources: IMF, World Economic Outlook database; and IMF staff calculations.

Note: Excludes South Sudan.

most markedly in the United States and among oil producers. It is estimated that the decline in global output (relative to the baseline) would be close to 2 percentage points, with declines in world oil and non-oil commodity prices of about 17 percent and 8 percent, respectively.

What would this mean for sub-Saharan Africa? The scenario described here is similar in its main features to that explored in the April 2012 edition of this publication;[5] so we draw on our previous analysis for insights. That analysis concluded that i) the full output loss for sub-Saharan Africa would be about 1 percent of GDP to 1.2 percent of GDP in 2013; ii) losses would be somewhat larger (perhaps 1.4 percentage points) in South Africa, given its closer links to European markets; iii) output losses would be more modest in the major oil producers, where the main hit would come in the form of erosion of foreign reserves;[6] and iv) the impact on low-income countries would vary significantly, depending on the extent of their trade links to Europe (an area

[5] See April 2012 *Regional Economic Outlook*: *Sub-Saharan Africa*, pages 16–17; the implications of an oil price surge on sub-Saharan Africa are discussed in pages 17–20.

[6] It is conceivable that in the case of some oil producers, the scale of the loss in oil revenues might push reserves below the critical level needed to maintain confidence, precipitating sharper adjustment, including of the exchange rate.

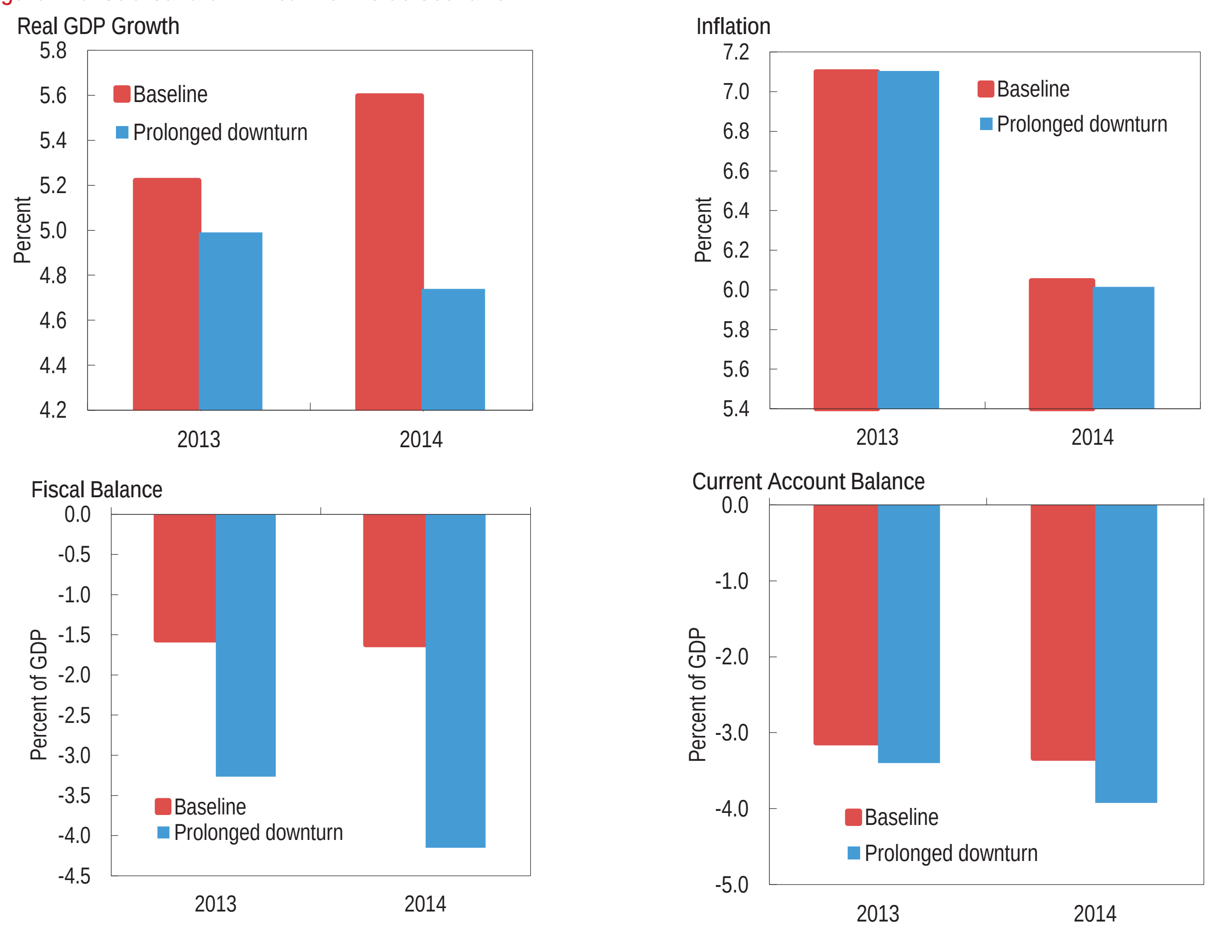
of vulnerability for Kenya) and the evolution of aid flows and remittances (key for Ethiopia, which would benefit from lower oil prices).

The second scenario that we take from the *World Economic Outlook* is one in which future potential output growth in advanced and emerging market economies is lower than envisaged (by 0.5 percentage point and 1 percentage point a year, respectively) for 2013–16. In this exercise, the world's major economies grow more slowly for an extended period; advanced economies are pressed into additional fiscal adjustment to maintain debt sustainability; and there are significant growth effects on both emerging and developing countries, and ensuing effects on world commodity prices. In numerical terms, global output falls below the baseline by about 2¼ percentage points by 2014 and by 5½ percentage points by 2016; commodity prices are down by about 15 percent by 2014 and by 20–30 percent by 2016.

To establish the impact of these developments on sub-Saharan Africa, a "bottom-up" assessment was developed for the 11 largest sub-Saharan African economies, which collectively account for about 80 percent of regional GDP (Figure 1.10). The analysis focused mainly on the first two years of the global slowdown (2013–14).[7] The main effects of the slowdown both globally and in the region are felt in 2014. Key results of the exercise are:

- The negative impact on GDP growth in sub-Saharan Africa would be about ¼ percentage point and 1 percentage point in 2013 and 2014, respectively. Fiscal balances would worsen by about 2½ percentage points by

Figure 1.10. Sub-Saharan Africa: Downside Scenario



Source: IMF, *World Economic Outlook*.

[7] The severity of the impact intensifies in 2015 and 2016.

2014, with the biggest impact falling on the oil exporters. The region's current account balance would deteriorate by about 0.5 percent in 2014, with oil importers' balances rising and those of oil exporters declining.

- The impact of the slowdown on the different economies and regions of Africa has some similarities to that outlined in the first scenario, with the key differences being i) the timing and magnitude of the effects (slower but cumulatively larger shocks), and ii) that the second scenario sees relatively more of the global output losses being borne by emerging Asian economies, including China, hence entailing a more significant drop in commodity prices.
- Thus, South Africa takes a significant hit, with GDP about 2 percentage points below the baseline in 2014; oil exporters rely on their reserve buffers, which, absent a policy response, could in some cases approach minimum critical levels, beyond which exchange market pressures would sharply intensify;[8] and the impact on low-income countries depends, among others, on i) their position as a net exporter or importer of commodities (the former losing, the latter gaining); ii) the main country/regional sources of current account receipts; and iii) the (country-specific) sensitivity of resource investment and output to commodity price declines.
- Looking beyond 2014, the growth rate for sub-Saharan Africa would be reduced by about 1 percentage point in both 2015 and 2016.

The discussion above makes it clear that adverse shocks to global growth yield significant output losses in sub-Saharan Africa; the illustrative quantification suggests that a 1 percent drop in global growth knocks about 0.6 points off the growth rate in Africa.

Although the effect of these shocks on aggregate output in the region is not especially large, it is important to note that the economic impact on individual economies—especially economies heavily dependent on one or two export commodities—could be much more marked and potentially destabilizing. As an illustration, a sizable shock to the price of the main export commodity—hitting export receipts, budget revenue, and foreign investment in that sector—could create severe pressures in both foreign exchange and domestic financial markets; absent a strong buffer in the form of foreign reserves, this situation could quickly evolve into a full-blown economic crisis (as occurred in Angola in 2009).[9] For countries with modest reserve coverage and a concentrated pattern of exports, there is no room for complacency.

IS THERE STILL ROOM FOR POLICY ACTION IF NEEDED?

The risks to the outlook highlighted above point to the possible need for macroeconomic policy adjustments in the face of a downturn—but the kind of response that is feasible will depend on whether authorities have "policy space" to make adjustments without creating destabilizing effects. Although a number of sub-Saharan African countries have rebuilt policy space since the onset of the global crisis, there is less room to maneuver in most countries than was the case in 2008; and there is little room to maneuver in most fragile states. One area in which governments could move to strengthen fiscal positions and enhance policy room would be to begin scaling back energy subsidies.

POLICY SPACE

Policy space is understood here as follows: the ability to finance larger fiscal deficits without creating undue pressure in domestic financial markets and unfavorable debt dynamics; the ability to ease monetary policy without triggering significant inflation and/or exchange rate pressures;

[8] Whether this occurs by end-2014 requires detailed consideration of country-specific conditions.

[9] Botswana also faced an extreme shock to export receipts in 2009, but had accumulated sufficiently large foreign assets to enable it to cushion the blow on GDP, inflation, and the exchange rate.

and the room in the form of adequate reserves to help finance a weakening in the balance of payments or support exchange rates, if warranted. We consider each of these aspects of policy space in turn.

Who has fiscal space?

We saw previously (Figure 1.3) that fiscal deficits widened significantly in most countries in the wake of the global economic slowdown—an appropriate policy response to the temporary collapse in external demand that occurred in 2009–10—but have not been scaled back since then in most cases. Who now has the room to allow fiscal deficits to widen further in the event of a slowdown in the global economy? And would this space still exist in a crisis situation, where revenue levied on the export sectors might be falling (most markedly in the case of the oil producers) and access to external financing drying up?

A moderate and stable debt level is an important precondition for having fiscal space—and many countries in sub-Saharan Africa, helped by debt relief and prudent borrowing policies, have now achieved debt levels assessed to be sustainable by IMF staff (Table 1.4).[10] But, in countries with thin domestic financial markets, the ability of governments to quickly raise domestic borrowing levels by a significant margin is not assured—even if external debt ratios are low. Foreign financial markets cannot yet be easily accessed by most sub-Saharan African economies, but countries currently able to do so would likely face much more restricted access in the event of a significant global downturn.

The key criterion for having adequate space to run larger budget deficits is the combination of moderate domestic debt levels and domestic financial markets that are sufficiently deep to absorb a jump in borrowing levels. An alternative source of space, for the minority of countries that have been able to run fiscal surpluses, is the ability to draw down on a stock of government financial assets, held either at the central bank or abroad. To determine whether these conditions are met requires a country-by-country assessment; we make the following general points:

- As noted, countries with thin domestic financial markets are likely to be restrained in their ability to run larger fiscal deficits unless governments have built reserves of some form that can be drawn down in a crisis.[11] Most fragile states fall into this category; Côte d'Ivoire, with established access to a regional bond market, is an exception.
- Countries that have experienced a significant accumulation of public debt in recent years may encounter sustainability concerns, reflected in higher interest rates, if they seek to raise borrowing levels. The buildup of public debt levels in South Africa since the global crisis is now a constraint on the government's fiscal space, as significant additional debt accumulation would likely raise funding costs.
- Oil producers, benefiting from a solid rebound in world prices in 2011–12, have, in several, but not all, cases, run budget surpluses and, as a corollary, rebuilt their foreign reserve positions—leaving them better placed to handle an adverse shock.[12] But oil price volatility is such that reserve levels, in some cases, may not yet be sufficiently large to handle a large decline in world oil prices.

Looking across the region, our general conclusions are that i) fiscal space is limited for most low-income and fragile states; ii) many middle-income countries have some flexibility, albeit with debt levels a concern in some cases; and iii) most but

[10] By "sustainable debt levels," we mean that the country's debt profile is such that the country has been classified as having low or moderate risk of debt distress by the IMF. For countries eligible for concessional financing, this assessment is made jointly by IMF and World Bank staff; for middle-income countries, the assessment used is that of IMF African Department desks.

[11] Sierra Leone is a good case in point: although the public debt-to-GDP ratio is below 50 percent, efforts by the government to increase borrowing in domestic financial markets have yielded a jump in interest rates.

[12] One exception is Nigeria, which has not recorded significant fiscal surpluses in recent years and whose reserve levels (while now being rebuilt) are still below pre-crisis levels.

Table 1.4. Sub-Saharan Africa: Indicators for Fiscal Policy Room
(Percent of GDP)

	Debt risk index[1]				Public debt level (2012)	Changes in debt[2]	External debt level (2012)	Changes in external debt[2]	Interest payment to revenue ratio (2007)	Interest payment to revenue ratio (2012)
	L	M	H	D						
Sub-Saharan Africa (Total)	17	18	6	3	32.4	1.8	9.8	-2.3	6.6	6.7
Of which:										
Oil-exporting countries	4	3	0	0	17.6	-0.2	5.2	-1.3	3.4	4.3
Middle-income countries	5	5	1	0	40.3	12.0	5.9	1.9	8.8	9.6
Low-income countries	7	6	1	0	36.9	1.9	23.1	3.7	6.0	5.8
Fragile countries (HIPC)[3]	1	4	3	0	48.8	-61.2	21.4	-73.4	13.1	6.4
Fragile countries (Non-HIPC)	0	0	1	3	56.3	-16.4	64.2	-19.0	13.7	4.9

Sources: IMF, World Economic Outlook Database; and IMF staff estimates.

[1] Number of countries with low, moderate, high, and in debt distress categories from Debt Sustainability Analysis. The index for nine middle-income and oil-exporting countries is based on recent Article IV consultations.
[2] Changes from end-2007 to end-2012.
[3] Countries that received HIPC and MDRI debt relief from end-2007 to end-2012.

not all oil producers have strengthened their fiscal positions but could see that gain erode quickly in the face of a sharp drop in oil revenue.

Who has monetary policy space?

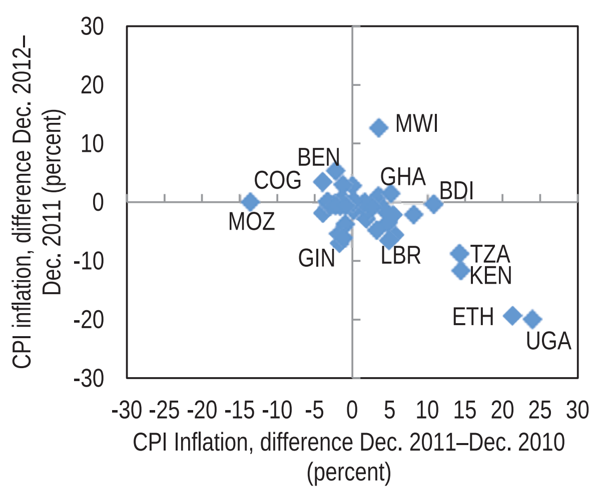
For countries with monetary autonomy, the general progress made in containing inflation (see Figure 1.11), most notably in East Africa, is an encouraging development that may give central banks some room to ease monetary policy if needed.[13] But caution is needed in making such a judgment, as inflation expectations need to be well anchored and strong central bank credibility established if monetary easing is not to reignite inflation. In addition, monetary easing may encourage capital flight, putting unwanted pressure on foreign exchange markets and potentially eroding reserves. And in many sub-Saharan African economies, inflation control is vulnerable to food price shocks, given the importance of food in consumption baskets; as discussed above, there has been a selective surge in world food prices in recent months, with varying impact across the region.

[13] The option to adjust monetary policy to respond to domestic developments is available only to those countries not participating in a common currency zone (countries using the CFA franc or having long-standing one-to-one pegs to the rand).

Who has adequate foreign reserves?

External policy buffers, as measured by the foreign reserve coverage of imports, are at less-than-satisfactory levels in many countries. The average reserve coverage ratio for low-income and fragile states is barely three months of imports (excluding CFA member countries, whose regional central banks collectively have ample reserves), while reserve coverage levels for most oil exporters and middle-income countries have not yet returned to pre-crisis levels. For about 40 percent of

Figure 1.11. Sub-Saharan Africa: Changes in CPI Inflation from 12-months Earlier, End-2012 vs. End-2011



Source: IMF, International Financial Statistics.

sub-Saharan African countries, the reserve coverage ratio is less than the often-cited benchmark of three months of imports (Figure 1.12).

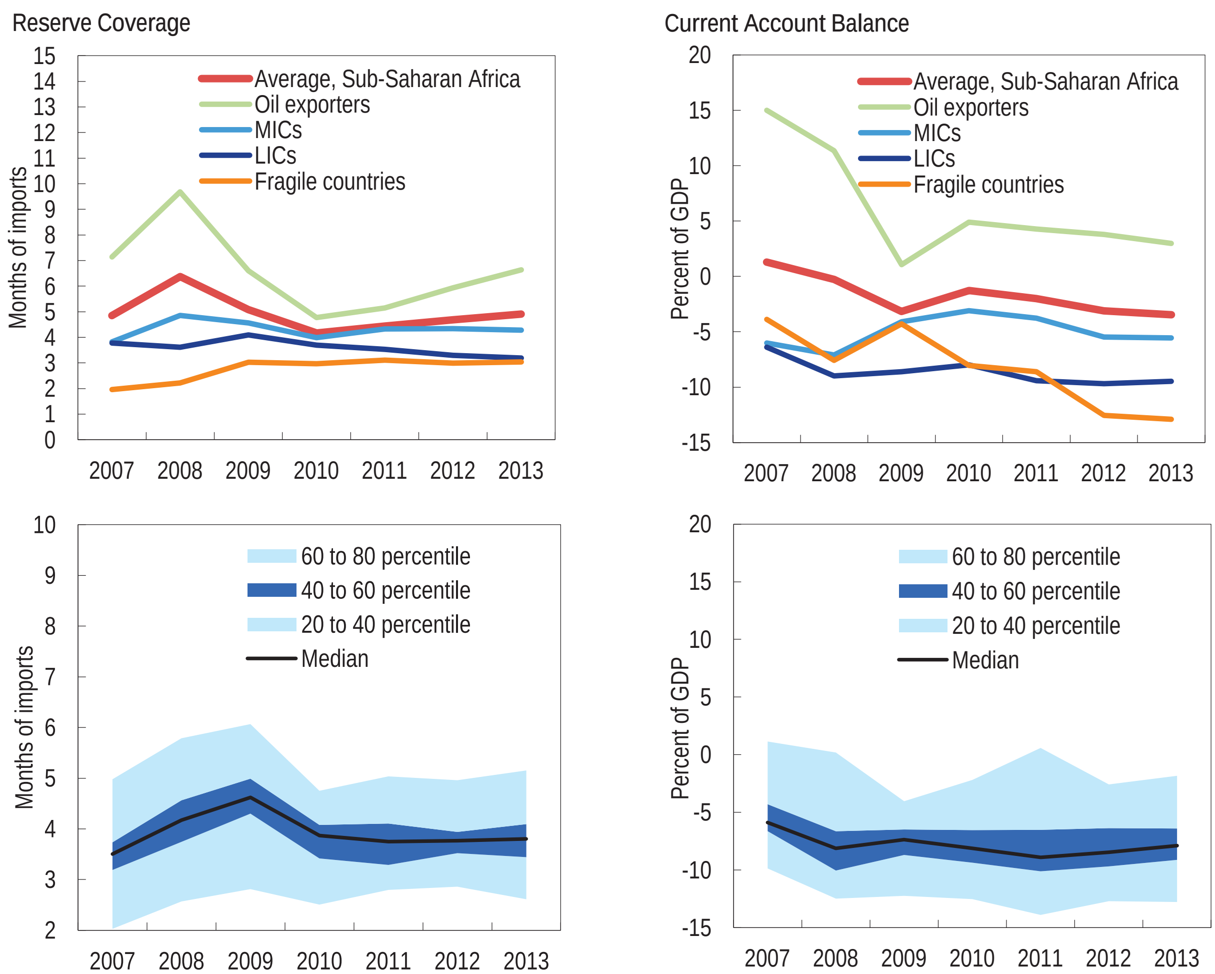
CREATING FISCAL SPACE: REDUCING ENERGY SUBSIDIES

Available fiscal space can be increased where there are clear policy distortions and savings to be made. Despite some reforms over the past two decades, energy subsidies—for fuels and electricity—remain costly, and are regressive and inefficient (Box 1.4). The reduction of energy subsidies is a potential avenue for strengthening fiscal positions over the medium term. Reducing subsidies would also allow governments to undertake more socially-desirable spending, notably in health, education, and infrastructure.

Reducing energy subsidies significantly will take time, but initial steps are warranted. Several preliminary lessons emerge from countries that have reduced energy subsidies.

- *It takes time to build consensus for reducing energy subsidies among all stakeholders.* In Kenya, electricity sector reform efforts started in the mid-1990s and culminated with the adoption of tariffs reflecting long-term marginal costs and automatic pass-through of fuel costs in 2005.

Figure 1.12. Sub-Saharan Africa: Reserve Coverage and Current Account Balance



Source: IMF, World Economic Outlook database.

- *Withdrawal of costly blanket subsidies typically requires providing disadvantaged households and communities with special help*. The best approach would be to have targeted (cash) subsidies, but most countries find this difficult to implement. Thus, for example, in Kenya and Namibia, there are cross-subsidies in transport and distribution costs to equalize, respectively, electricity and fuel prices over the territory of the country. In Niger, authorities introduced a subsidy for public transport to keep it affordable for the poor in spite of the increase in oil prices.
- *The credibility of a government's commitment to compensate vulnerable groups and use the savings from subsidy reductions for well-targeted development interventions is essential for the success of energy subsidy reform*. In Kenya, the key to securing private sector acceptance of higher electricity tariffs was a commitment to use the funds to expand the provision of power and its reliability. A careful communication strategy including public and media campaigns to explain the rationale for reform to those affected was critical.

POLICY RECOMMENDATIONS

Given the narrowing of policy space in most sub-Saharan Africa countries, governments are constrained in their capacity to respond to adverse shocks. There is a need to rebuild this policy space, in particular through fiscal consolidation: the judgment call revolves around the appropriate pace of this consolidation. Although specific prescriptions should be tailored to country-specific circumstances, the following general principles can be articulated:

- *For countries experiencing strong growth and favorable export prices, a solid case exists for undertaking fiscal consolidation over the coming year by controlling spending and continuing to strenghten fiscal buffers*.[14] It is noteworthy that the strengthening of fiscal positions in some key oil economies is occurring at a significantly slower pace than previously projected—including in Angola and Nigeria.
- *Although there is a case for an accommodative fiscal policy in middle-income countries where growth continues to be sluggish, the margin to maneuver is narrowing as debt levels rise*. South Africa's public debt will have risen by about 13 percentage points of GDP during 2008–12, leading the government to pursue gradual fiscal consolidation, in part to contain market concerns about debt accumulation.
- *Most low-income countries and fragile states need to strengthen domestic revenue bases*, both to finance increased public investment and to build a cushion against a potential erosion of foreign aid from fiscally pressed advanced country donors.

Monetary policy appears to be appropriately calibrated in most sub-Saharan African countries that have monetary autonomy. But some caveats are in order:

- *Most low-income countries and fragile states have limited monetary policy room*. Indeed, some countries may need to tighten monetary conditions to safeguard foreign exchange rate pegs (for example, São Tomé and Príncipe), or to strengthen weak foreign exchange positions (for example, Guinea, Liberia, Malawi, and Sierra Leone). In the case of Malawi, tight fiscal and monetary policies became necessary to curtail inflation from spiraling upward, following the sharp devaluation in May 2012.
- *For eastern African countries that experienced an inflation spike in 2011, there is scope to further reduce policy rates as low single-digit inflation becomes entrenched*. Kenya and Uganda are cases in point. The situation is less benign in some other East African Community (EAC) countries

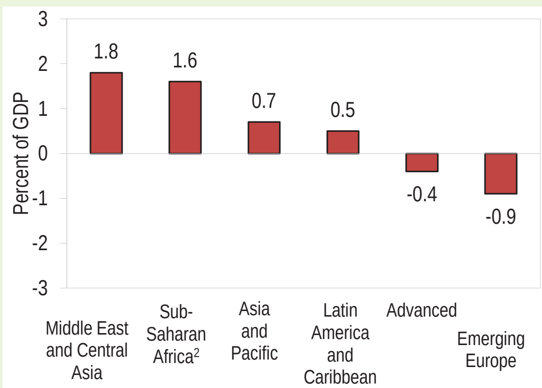
[14] The pace and focus of consolidation should take into account the need to give continuity to key multiyear capital projects.

Box 1.4. Energy Subsidies in Sub-Saharan Africa: Costly, Untargeted, and Inefficient

In spite of reform efforts, energy (fuel and electricity) subsidies still absorb a large share of scarce public resources in sub-Saharan Africa. According to IMF staff estimates, fuel subsidies, which include fuel tax revenue lost owing to less than full pass through of international prices into domestic prices (Figure 1) and direct price subsidies allocated in the budget, reached close to 2.0 percent of GDP on average in sub-Saharan Africa in 2011. In addition, contingent liabilities linked to debt, arrears, or operating losses of state-owned enterprises involved in refining, importing and distributing fuel amounted to 0.5 percent of GDP on average. Quasi-fiscal deficits of state-owned electricity companies in sub-Saharan Africa, defined as the difference between the actual revenue collected and the revenue required to fully recover the operating costs of production and capital depreciation, amounted to about 1½ percent of GDP during 2009–10 on average and a multiple of that in some countries (Figure 2).

These energy subsidies benefit mostly the better off, but their removal would hurt the poor as well. Energy subsidies benefit mostly higher income groups because they consume the most (Figure 3). Electricity subsidies are even more regressive than fuel subsidies because connection to the electricity grid is highly skewed towards higher income groups. However, the impact of eliminating subsidies would be significant for both the poor and the better off because the share of energy in total household consumption is fairly even across the entire population (Table 1).

Figure 1. Median Fiscal Cost[1] Flowing from Fuel Subsidies, 2008–11

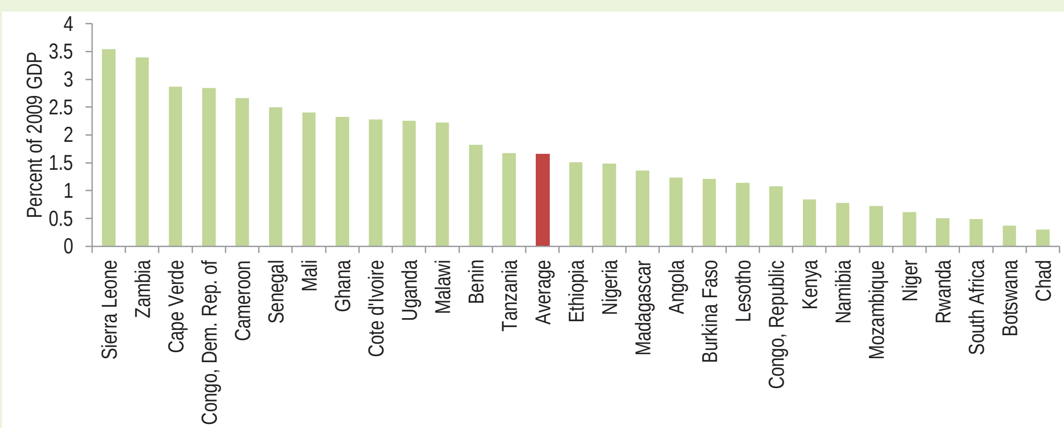


Source: IMF staff estimates.

[1]Fiscal cost is the shortfall in annualized tax revenues using end-2011 tax rates relative to annualized tax revenues using end-2008 tax rates.

[2]Comoros, Eritrea, Seychelles, and Zimbabwe are omitted.

Figure 2. Sub-Saharan Africa: Quasi-Fiscal Deficits of Power Utilities in 2009–10

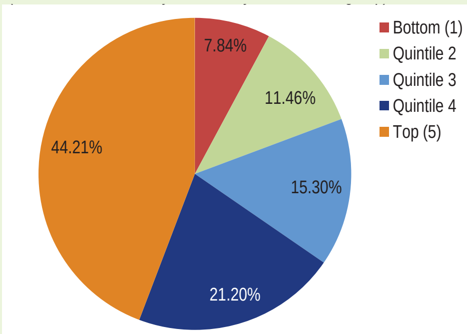


Source: IMF staff calculations based on data from the World Bank, International Energy Agency, and IMF.

Note: Zimbabwe, which had a quasi-fiscal deficit of 11 percent of GDP in 2009, is excluded from the calculation of the average.

Box 1.4. *(concluded)*

Figure 3. Sub-Saharan Africa: Distribution of Benefits from Fuel Subsidies
(Percent of total subsidy received by each income group)



Source: Javier Arze del Granado, David Coady, Robert Gillingham, *The Unequal Benefits of Fuel Subsidies: A Review of Evidence for Developing Countries*, 2010.

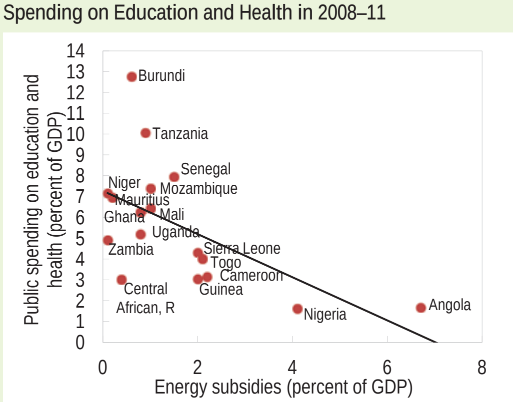
Energy subsidies have a negative impact on economic efficiency, in particular on the allocation of resources and on competitiveness and growth. Energy subsidies can lead to resource misallocation through overconsumption. They may crowd out more productive government spending, as indicated by a strong negative relationship between fuel subsidies and public spending on health and education (Figure 4). Underpricing and subsidies have negative effects on the energy supply through various channels: if energy companies are forced to consistently sell below cost (including necessary returns on investment), this leads to underinvestment and poor maintenance which, in turn, results in deteriorating infrastructure across the energy production and supply chain, persistent shortages, and reduced access and quality. Evidence suggests that it takes longer to get an electricity connection (a form of rationing) in sub-Saharan African countries in which electricity firms cannot recover their costs (Figure 5).

Table 1. Sub-Saharan Africa: Impact of Increase in Oil Prices of $0.25 per liter
(Percent of total household consumption)

	Consumption Quintiles					
	Bottom	2	3	4	Top	All
Total	5.8	5.6	5.5	5.6	6.0	5.7
Direct Impact	2.2	1.9	1.8	1.7	2.1	1.9
Gasoline	0.1	0.1	0.1	0.2	0.6	0.2
Kerosene	1.9	1.4	1.2	0.9	0.6	1.2
LPG	0.1	0.1	0.1	0.2	0.2	0.2
Electricity	0.2	0.3	0.3	0.4	0.6	0.4
Indirect	3.5	3.7	3.7	3.9	4.0	3.8

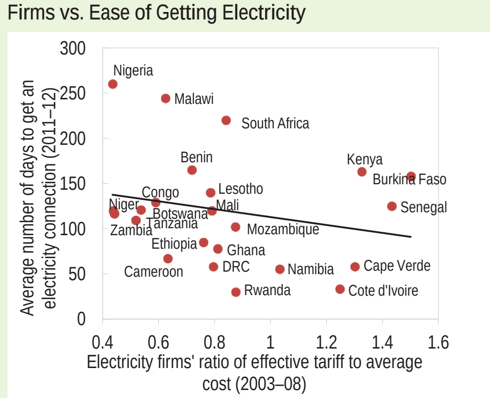
Source: Javier Arze del Granado, David Coady, Robert Gillingham, *The Unequal Benefits of Fuel Subsidies: A Review of Evidence for Developing Countries*, 2010.

Figure 4. Sub-Saharan Africa: Fuel Subsidies vs. Public Spending on Education and Health in 2008–11



Sources: IMF, Fiscal Affairs Department and African Department.

Figure 5. Sub-Saharan Africa: Cost Recovery by Electricity Firms vs. Ease of Getting Electricity



Source: World Bank databases.

This box was prepared by Christian Josz and Sukhwinder Singh. Report of the Task Force on Energy Pricing in Sub-Saharan Africa.

(Burundi and Tanzania), where elevated inflation rates persist and monetary policy will consequently need to remain tight.

As discussed above, financial stability indicators point to some erosion of bank profitability across the region, but there has not been a marked deterioration in indicators of financial health since the onset of the global economic crisis. That said, there is no room for complacency, especially in countries with weak regulatory capacity, and country authorities will need to move ahead to strengthen supervisory capacity, including in regard to the oversight of pan-African banks.

Policies for a global downturn

The policy assessment above is predicated on the realization of what we have referred to as the baseline scenario, in which global activity weakens only modestly in 2012 and sub-Saharan Africa records growth in excess of 5 percent. How should macroeconomic policies be modified if one or more of the downside risks confronting the global economy materializes, leading to a much more significant global slowdown?

As discussed above, many countries in sub-Saharan Africa have limited policy space to respond to a significant growth slowdown and could well be pushed into procyclical fiscal adjustment by financing constraints. Countries in currency unions have one less adjustment tool (but also, typically, have better-grounded inflation); countries with jittery domestic investors that fear a currency collapse are also constrained because orderly exchange rate adjustment will be difficult to manage, absent an adequate stock of foreign reserves.

Policy prescriptions will again depend on country circumstances, but some general points can be made.

- Countries with market-determined exchange rates should allow the exchange rate to move, deploying monetary policy adjustments where needed to contain inflation. The willingness of the South African Reserve Bank to let the exchange rate move in 2009, for example, was an important factor in helping South Africa to weather the global financial crisis.
- Countries with the space to allow deficits to widen should avoid procyclical fiscal tightening, and instead allow automatic stabilizers to operate (for example, Botswana and Mauritius). Whether proactive fiscal expansion should be deployed will depend on the availability of stimulus measures that do not quickly leak into imports.
- Oil exporters with ample reserve coverage can allow oil revenue erosion to be handled via a drop in reserve levels (or the pace of reserve accumulation). But countries with reserve levels viewed as insufficient to meet medium-term stabilization objectives may need to contain (or halt) reserve erosion by some combination of exchange rate adjustment (typically a last resort in many African oil exporters) and fiscal restraint.
- Countries with monetary autonomy and strong track records of containing inflation are well placed to respond to a slowdown via monetary easing. With fiscal space somewhat constrained in South Africa, monetary policy may be the most appropriate tool to handle a demand shock. Monetary easing may also be appropriate in Mauritius, should export demand fall.
- Countries lacking policy space that are hit hard by cyclical external demand shocks will likely need to seek official external financing—from donors or international financial institutions.

CONCLUDING REMARKS

The region's growth momentum looks set to be maintained in 2012–13, but the outlook is subject to heightened risks stemming from the uncertain global economic outlook. How different is the situation from six months ago, when IMF staff last produced a detailed set of forecasts for sub-Saharan Africa? In broad terms, the answer is that not much has changed, because the baseline projections for the global economic outlook have been adjusted by relatively modest amounts, and there have been few Africa-specific surprises of sufficient magnitude to affect the region-wide picture. What has evolved is the assessment of risks, now seen to be more heavily weighted to the downside, and the level of uncertainty regarding likely developments, now more elevated. We have examined here some downside scenarios that, if they correctly capture the path of the global economy, suggest that growth in sub-Saharan Africa could drop by 1 percentage point or thereabouts—an unwelcome development but a much better outcome than recorded in 2009. That said, individual countries could experience much more severe outcomes, depending on specific country circumstances.

In a context where output growth remains robust across much of the region, there is a case for fiscal consolidation in fast-growing economies that have yet to rebuild the policy space they had prior to the onset of the global crisis. But flexibility in implementing such consolidation will be needed, given the uncertainties surrounding the global outlook. Were the world economy to slow sharply, growth would also slow in sub-Saharan Africa, with some countries being pushed into financial stress, either on the exchange rate or budget financing sides. Countries across the region have different policy tools that can be deployed to respond to these developments—but it seems likely that, for many low-income countries and fragile states, official external financial support from bilateral and multilateral institutions will be needed to help contain the damage and maintain macroeconomic stability.

2. Nigeria and South Africa: Spillovers to the Rest of Sub-Saharan Africa

INTRODUCTION AND SUMMARY

This chapter examines the economic linkages between sub-Saharan Africa's two largest economies, Nigeria and South Africa, and the rest of the region, and explores how developments in these countries can affect other countries in the region. Nigeria is an important export market only for a few neighboring countries, but financial linkages with countries further afield are growing with the regional expansion of Nigerian banks. Porous borders mean that trade with its neighbors is heavily influenced by tax and subsidy policies in Nigeria; and closely linked food markets ensure that inflation in neighboring countries is significantly affected by inflation developments in Nigeria. South Africa's linkages to the rest of sub-Saharan Africa are much larger and steadily intensifying, but are currently of macroeconomic significance mainly within the Southern African Development Community (SADC).

In the past few years, the IMF has conducted extensive research on how economic shocks and policy changes in each of the world's major economies affect other countries in the international economy.[1] This 'spillover analysis' has shed significant light on the importance of interconnections among the different economies of the world and the mechanisms through which shocks in one country are propagated to other countries, often at high speed.

This chapter seeks to extend the analysis to sub-Saharan Africa, examining the linkages between the region's two largest economies and the rest of the region, and exploring the significance of spillovers from these regional giants to their neighbors. This analysis is a prerequisite for addressing such issues as: (i) how does a slowdown in South Africa, originating domestically or abroad, affect the rest of the region, who is affected, and why? (ii) how close are the economic links between Nigeria and its neighbors, and, given these links, how do developments in Nigeria affect the rest of West Africa? and (iii) how important are counter-cyclical policies in South Africa in insulating other parts of the continent from adverse shocks? Between them, the economies of Nigeria and South Africa account for one-half of sub-Saharan Africa's GDP, and are potentially major drivers of growth for the region as a whole.

Historically, the economic structures of the colonial era yielded relatively few intra-African economic linkages, with the key economic connections being those between the colony and the colonial power. Since the 1960s, many efforts have been made to promote economic integration within Africa, including through a proliferation of free trade agreements and, more recently, moves toward promoting monetary integration beyond the existing common currency zones. Although sub-Saharan Africa's trade links with Europe, the United States, and, increasingly, developing Asia still far outweigh those inside the region, intra-African trade and financial linkages have been expanding more rapidly in recent years and should grow even faster in the years ahead. It is a good time to explore how these developments are affecting the macroeconomic interconnections within the region.

SPILLOVER CHANNELS

Developments in one economy can spillover to other countries through several channels, depending on the depth of the underlying economic linkages. Key channels include: (i) trade in goods and services, both formal and informal; (ii) financial sector interconnections; (iii) flows of capital, whether in the form of foreign direct investment, portfolio flows, or loans; and (iv) labor movements and (in the reverse direction) remittance flows.

This chapter was prepared by Trevor Alleyne, Jorge Iván Canales-Kriljenko, Cheikh Gueye, Calvin McDonald, Gonzalo Salinas, and Jon Shields.

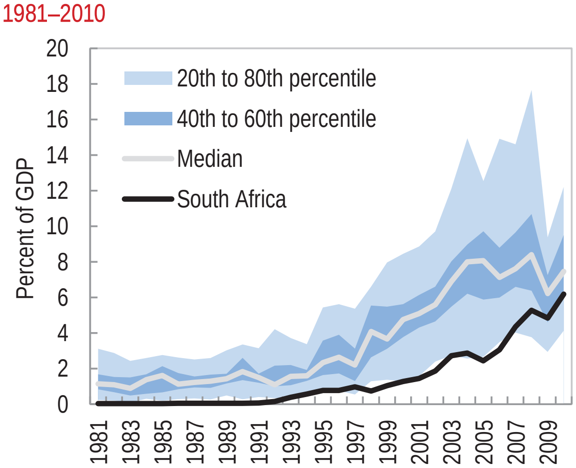
[1] IMF, 2012d, 2012e, and 2012f.

Institutional factors can also play an important role: examples include the revenue-sharing arrangements in the Southern African Customs Union (SACU); the regional bond market that has been established in the West African Economic and Monetary Union (WAEMU); and the exchange rate arrangements of the Common Monetary Area in southern Africa, where the three smaller member countries have long-standing exchange rate pegs to the rand.

Quantifying the significance of these channels in sub-Saharan Africa is challenging given data limitations: trade statistics fail to capture what are often large volumes of unrecorded informal trade; data on capital flows and stocks are often of very poor quality; and information on labor flows and remittances typically understate the scale of activity involved by sizable margins. That said, some facts can be noted:

- South Africa plays a significant role in the structure of intra-sub-Saharan African trade. Recorded exports to South Africa exceed ++1 percent of domestic GDP for at least a dozen countries, with links most noticeable for countries in the SADC sub-region (Box 2.1).
- Some clustering of trade flows can also be seen between Nigeria and its closest neighbors and within eastern Africa. The large amount of informal (unmeasured) cross-border trade in these sub-regions, particularly in agricultural goods, suggests closer ties and linkages than indicated by official trade statistics.
- Although trade within the region remains modest as a share of countries' total trade, the ratio of intra-regional trade to national GDP has generally risen significantly in the past decade (Figure 2.1). Going forward, improved regional infrastructure and vigorous implementation of existing free trade agreements—including the use of less restrictive rules of origin and reductions in non-tariff barriers—would likely produce a further sharp increase in the scale and importance of such trade.
- The expansion of investment within the region by South African companies and institutions—both financial and nonfinancial—has brought with it a deepening of trade and other linkages within sub-Saharan Africa, while also helping to diversify the market orientation of South African exports.
- Banking groups headquartered in South Africa and Nigeria have rapidly expanded their operations across the region in recent years—although the business models used (focusing on local funding and lending) may act to contain the scope for financial contagion within the region.[2]
- Although available data on remittances suggest quite modest financial contributions from migrant workers to their home countries, estimates of migration across African borders point to large, mostly informal flows. Adverse shocks to host countries, such as South Africa and Nigeria, would likely lead to a fall-off in transfers in cash and in kind to the migrants' home countries and at least some return of migrants.
- Domestic policies such as highly distortive tax and subsidy regimes, and institutional arrangements such as customs revenue-sharing arrangements, can play important roles in transmitting shocks between countries.

Figure 2.1. Sub-Saharan Africa: Intra-Regional Exports, 1981–2010



Source: IMF Direction of Trade Statistics.

[2] For a thorough discussion, see IMF, 2012a.

Box 2.1. The Role of Nigeria and South Africa in the Network of Sub-Saharan African Merchandise Trade

Tools for network analysis can shed some light on the complex underlying patterns of bilateral trading relationships across sub-Saharan Africa and the relative importance of sub-Saharan African countries.[1] One such tool—used in the two figures here—is the specialized software for network analysis called NodeXL, which facilitates the computation of network statistics and helps visualize underlying structures.

In Figure 1, all intraregional exports larger than 1 percent of the exporter's GDP are identified by lines connecting the exporter to the relevant importer (indicated by an arrow). Trade linkages of this magnitude point to the potential for a non-negligible macroeconomic impact on the exporter if economic conditions in the importing country deteriorate. The size of each country's bubble indicates the number of countries for which it is a significant export destination, while the thickness of each line indicates the size of its bilateral exports relative to GDP. The figure confirms the key importance of South Africa as an intraregional export destination, with Nigeria a fairly distant second. Exports to South Africa exceed 1 percent of GDP for 13 sub-Saharan African countries—most of which are members of the Southern Africa Development Community. South Africa's partners in the Southern Africa Customs Union figure prominently; Swaziland shows the largest intraregional exposure, with exports to South Africa at close to 30 percent of GDP.

Figure 2 includes global as well as intraregional trade linkages, with South Africa's main connections shown in blue (global exports) and red (intra-sub-Saharan African imports). Countries within the euro area are the most important export destination for 34 sub-Saharan African countries, making the euro area the center of sub-Saharan Africa's external networks; China and the United States are key markets for 19 sub-Saharan African countries, while India plays a significant role for 15 economies.

Figure 1. Intraregional Trade Linkages

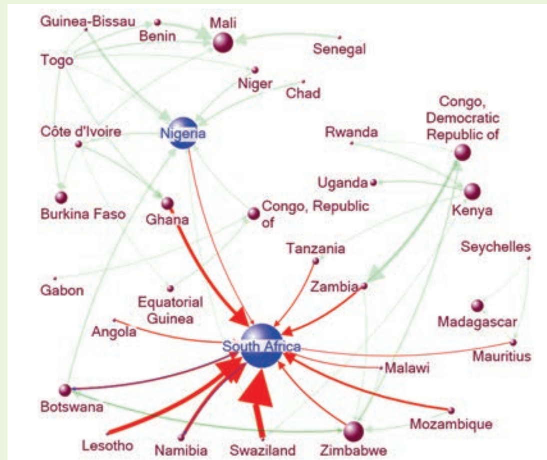
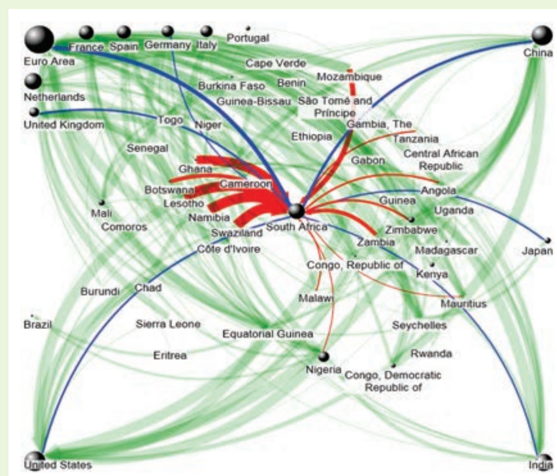


Figure 2. Global and Intraregional Trade Linkages



Sources: IMF Direction of Trade Statistics; United Nations Comtrade database; country authorities; and IMF staff estimates.

For each country, bubble size is proportional to the number of countries for which it is an important export destination.
The arrows point to the receiving country.
Line thickness indicates export values relative to the exporter's GDP.
Red (blue) lines indicate exports to (from) South Africa.
Green lines represent other bilateral trade above 1 percent of exporter's GDP.

This box was prepared by Jorge Iván Canales-Kriljenko and Estelle Liu.

[1] Network analysis is a series of techniques to characterize and visualize the ways in which elements of a system are interconnected (Errico and Massara, 2011).

KEY FINDINGS

Examination of the linkages between South Africa and the rest of the region point to large spillover effects from South Africa to its immediate neighbors in the SACU—but the rich tapestry of linkages among SACU member countries ensures that the net impact of faster growth in South Africa on other SACU members is not straightforward. For a set of countries close to the SACU area, export demand, direct investment, and, in some cases migration flows ensure some spillover effects from South Africa, although the impact of these spillovers is typically modest. Further afield, developments in South Africa appear to have limited impact on the rest of sub-Saharan Africa.

Nigeria's development model has resulted in little demand for products from other sub-Saharan African countries, aside from immediate neighbors—where porous borders produce complex trade flows that are heavily influenced by tax and subsidy policies in Nigeria. Inflation in these neighbors is sensitive to inflation developments in Nigeria.

SOUTH AFRICA'S IMPACT ON SUB-SAHARAN AFRICA

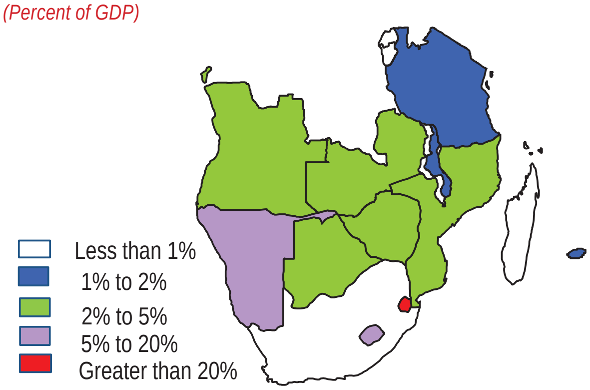
South Africa is the largest economy in sub-Saharan Africa, accounting for nearly 30 percent of its GDP. This section looks at the main economic linkages between South Africa and the rest of sub-Saharan Africa and seeks to assess the significance of spillovers from developments in South Africa to the rest of the region.

TRADE LINKAGES

South Africa is an important export destination for a sizable number of countries in sub-Saharan Africa: recorded merchandise exports to South Africa in 2010 amounted to more than one percent of GDP for 13 countries.[3] South Africa's partners in the SACU—neighbors in a single customs union—are the most reliant on South African markets as an export destination, but the South African market is also important for several countries further afield, mainly in the broader SADC region (Figure 2.2). For products sold in integrated global markets (e.g., many commodities, including oil), the product's sale to South Africa does not imply significant dependence on South African demand, because demand contraction there would merely result in diversion of sales to other countries.[4] By contrast, for goods that are differentiated (many manufactured products) or sold in markets segmented by transport costs or trade barriers, reliance on South African markets does create exposure to fluctuations in South African demand—and, by extension, to adverse spillovers from a downturn in the South African economy.

The absence of large trade flows with South Africa does not imply the absence of spillover effects to countries that produce commodities for which South Africa constitutes an important source of global supply. In such cases (for example, platinum, gold), supply developments in South Africa will

Figure 2.2. Sub-Saharan Africa: Exports to South Africa from Neighboring Countries
(Percent of GDP)



Source: IMF, Direction of Trade and Statistics; IMF, Worl Economic Outlook; United Nations Comtrade database; and countries authorities.

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[3] This analysis only includes actual Liberian exports, not all cargo carried by Liberian-registered ships.

[4] Thus, shifts in South African demand for oil would not have a noticeable effect on Angola or Nigeria, notwithstanding the significant amounts of oil they export to South Africa.

influence export prices for other producers of these goods in sub-Saharan Africa—with potentially significant macroeconomic effects on these economies.

South Africa features more strongly as a supplier of imports than as a destination for exports for almost all sub-Saharan African countries.[5] In aggregate, South African exports to sub-Saharan African countries amount to 6.4 percent of South Africa's GDP, about double its imports from the region. Looking at this trade in more detail:

- In nearly half of the region's economies (21 countries), imports from South Africa amount to more than 1 percent of the importer's GDP. Imports from South Africa account for the bulk of imports in other SACU members (BLNS: Botswana, Lesotho, Namibia, Swaziland) and amount to at least 10 percent of domestic GDP in Malawi, Zambia, and Zimbabwe.
- Exports to the rest of sub-Saharan Africa account for roughly 25 percent of South Africa's merchandise exports, consisting in large part of manufactures. That said, exports to the region are quite diversified across countries, implying that adverse shocks to individual sub-Saharan African economies (as distinct from, say, the sub-Saharan Africa or SADC regions as a whole) would have only a very modest effect on South Africa.[6]

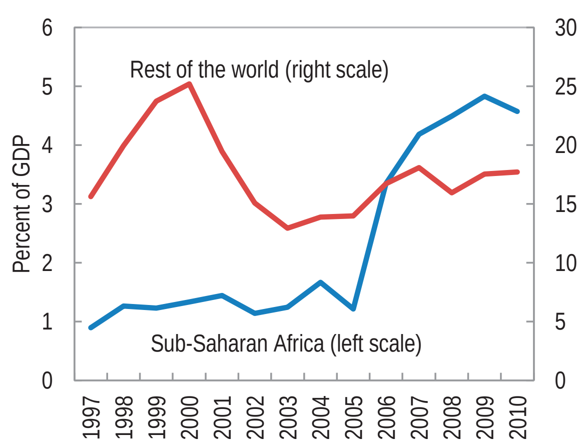
DIRECT INVESTMENT LINKAGES

South Africa is an important source of foreign direct investment (FDI) in sub-Saharan Africa, having increased sharply over the past decade. By 2011, the value of South Africa's direct investment in the region had reached 6 percent of South African GDP—almost one-fourth of total recorded foreign investment by South Africa (Figure 2.3). Investments in Mauritius (in large part as a gateway to third countries) and Nigeria have been particularly important in increasing South Africa's exposure in sub-Saharan Africa.

South African FDI stocks are large (at least 10 percent of host country GDP) in Mauritius, Mozambique, Swaziland, and Zimbabwe (United Nations, 2005); significantly more modest in such countries as the Democratic Republic of the Congo, Ghana, Malawi, Nigeria, Tanzania, Uganda, and Zambia. The range of South African companies with a presence in the region is diverse, and includes banks and other financial institutions, large-scale retailers, mining groups, and selected manufacturing companies (Tables 2.1 and 2.2).

South African-based banks have opened subsidiaries in 16 countries in sub-Saharan Africa, in part following their clients; in 11 of those countries, South African subsidiaries are among the five largest banks. Most of these banks fund their operations with local deposits; cross-border loans are typically modest, with a few exceptions. The scale of both cross-border lending to and deposit-taking from other sub-Saharan African countries by South Africa-based banks is small in relation both to South African GDP (about 0.5 percent) and to the assets and liabilities of the South African banking system.

Figure 2.3. South Africa: Outward Direct Investment



Source: South African Reserve Bank.

[5] The main exceptions are Angola and Nigeria, which have positive trade balances with South Africa because of sizable oil exports.

[6] Only in the cases of Botswana and Namibia do South African exports to an individual sub-Saharan African country exceed 1 percent of South Africa's GDP.

Table 2.1. Sub-Saharan Africa: Key Nonfinancial South African Firms Operating in the Region

	Mining				Agro	Manufacturing			Trade							Nonfinancial Services				
	Anglogold Ashanti	Impala Platinum	Anglo American Platinum	Gold Fields	Illovo (sugar)	Sasol	Nampak	South African Breweries	Massmart	Tiger Brands	Astral Foods	Pioner Foods	Mr. Price	Shoprite	Pick n Pay	Telkom	Telkom Partnerships	MTN Telecom	Dimension Data	South African Airways
SADC																				
SACU																				
South Africa	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Botswana							x	x	x			x	x	x	x		x	x	x	x
Lesotho								x	x				x	x			x			x
Namibia	x						x		x			x	x	x	x	x	x		x	x
Swaziland					x		x	x	x		x			x				x		x
Angola							x	x						x			x		x	x
Congo, Democratic Republic of	x																x			x
Malawi					x		x	x	x				x	x			x		x	x
Mauritius								x	x		x		x	x	x				x	x
Mozambique					x		x	x	x		x		x	x	x		x			x
Seychelles																				
Zambia					x		x	x	x		x	x	x	x	x		x	x		x
Zimbabwe		x	x				x	x		x				x	x	x	x		x	x
Tanzania	x				x		x	x	x				x	x		x	x		x	x
EAC																				
Burundi																	x			x
Kenya							x	x		x			x			x	x		x	x
Rwanda													x				x	x		x
Uganda								x	x			x		x		x	x	x	x	x
CEMAC																				
Cameroon										x							x	x		x
Central African Republic																	x			
Chad																	x			
Congo, Republic of																		x	x	x
Equatorial Guinea																	x			
Gabon																	x		x	x
ECOWAS																				
WAEMU																				
Benin																	x	x		x
Burkina Faso																				
Côte d'Ivoire																	x	x		x
Guinea-Bissau																	x	x		
Mali	x																x			
Niger																	x			
Senegal																	x			x
Togo																				
Cape Verde																				
Gambia, The																	x			
Ghana	x			x				x	x					x		x		x	x	x
Guinea	x																x	x		
Nigeria						x		x	x					x		x		x	x	x
Sierra Leone																	x			
Other																				
Comoros																				
Eritrea																				
Ethiopia							x										x			x
Madagascar														x			x			x
São Tomé and Príncipe																				

Source: South Africa financial firms' annual reports.

Table 2.2. Sub-Saharan Africa: Key South Africa-based Financial Groups Operating in the Region

(Share of deposits 2010, where available)

	Banking				Insurance			Investment Management			
	Standard Bank Group/Stanbic	ABSA [1]	Nedbank [2]	First Rand	Sanlam	Standard Bank Group/Stanbic	First Rand	Sanlam	Standard Bank Group/Stanbic	First Rand	Nedbank [2]
SADC											
SACU											
South Africa	27	18	21	13	x						
Botswana	16			x	x			x		x	
Lesotho	x		30	x							
Namibia	x	7	x	x	x	x	x	x	x	x	x
Swaziland	43		23	21				x			
Angola	x										
Congo, Democratic Republic of	5										
Malawi	20		x		x						
Mauritius	7									x	
Mozambique	20	7		3							
Seychelles											
Zambia	15			x	x				x		
Zimbabwe	14								x		
Tanzania	5	11	x	x	x				x		
EAC											
Burundi											
Kenya	12				x			x	x		
Rwanda											
Uganda	16				x						
CEMAC											
Cameroon											
Central African Republic											
Chad											
Congo, Republic of											
Equatorial Guinea											
Gabon											
ECOWAS											
WAEMU											
Benin											
Burkina Faso											
Côte d'Ivoire											
Guinea-Bissau											
Mali											
Niger											
Senegal											
Togo											
Cape Verde											
Gambia, The											
Ghana	6				x						
Guinea											
Nigeria	x				x			x	x		
Sierra Leone											
Other											
Comoros											
Eritrea											
Ethiopia											
Madagascar											
São Tomé and Príncipe											

Sources: South Africa financial firms' annual reports, BankScope; and Bankers Almanac.

[1] ABSA is a South Africa-based institution that is majority-owned by the Barclays group (UK).

[2] Nedbank is a South Africa-based institution that is majority-owned by the Old Mutual group (UK).

Nonbank financial services, including insurance and wealth management, are also provided across the region by South African firms, while the spread of large South African *retail companies* has provided a significant conduit for goods and services from South Africa, mainly in the SADC region.

South African-based mining companies have also expanded operations into several countries in the region, in part reflecting declining mineral stocks in South Africa itself. Ownership in these firms, typically listed on several exchanges, including elsewhere in sub-Saharan Africa, is highly diversified.

PORTFOLIO INVESTMENT

According to the IMF's portfolio investment survey, the stock of cross-border portfolio investments between South Africa and the rest of sub-Saharan Africa exceeds 1 percent of the partner's GDP only in Mauritius and Namibia. The correlation between stock prices in the Johannesburg Stock Exchange (JSE) and other price indices in the region is positive. All price indices tend to respond in a similar fashion to changes in global risk aversion, although the impact is larger in South Africa than elsewhere. However, despite dual listing of some key stocks on the JSE and other stock exchanges in the region, the only stock exchange that (statistically) reacts to shocks originating in South Africa is that of Namibia (Box 2.2).

REMITTANCES FROM SOUTH AFRICA

South Africa houses many immigrants and temporary workers from sub-Saharan Africa.[7] However, as elsewhere in the world, up-to-date information on their numbers, and the remittances they send back to their families, is incomplete. Available estimates only identify macroeconomically significant remittances to Lesotho (20 percent of its GDP in 2010) and Swaziland (3 percent).[8]

In Lesotho, the remittances stem from the compensation of Basotho employees working in the mining sector. Although large, these income receipts have fallen substantially relative to GDP in the last five years, reflecting policies to reduce the structurally high unemployment in South Africa that favor local employment, and also the trend decline in gold production. Although hard data are not available, remittances from South Africa to Zimbabwe are likely to be sizable, given the number of Zimbabweans estimated to be living and working in South Africa.

THE SHARING OF SACU CUSTOMS REVENUE

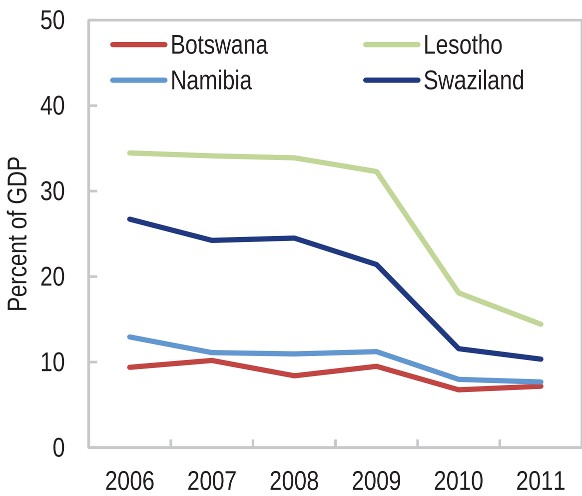
The mechanism for sharing pooled customs revenue among the five members of the SACU results in strong linkages between South African import levels (accounting for about 95 percent of total SACU imports) and budget revenue in the other SACU member countries (BLNS). The mechanism in place provides large revenue flows to these countries (about half of total SACU tariff revenue) that are closely linked to South African import levels, typically with a lag of 1 to 2 years.

Because imports are usually more volatile than overall economic activity, the revenue sharing formula contributes to significant volatility in budgetary revenue in the BLNS—most marked in the cases of Lesotho and Swaziland, where the SACU revenues play a central role in the revenue base (Figure 2.4). Failure to manage this revenue volatility appropriately—the behavior of which is akin to budget receipts from the mineral sector in resource-rich countries—can create severe fiscal stresses. Measures to handle this volatility can include fiscal buffers during good times,

[7] Including a reported 860,000 migrants from Zimbabwe and perhaps 1 million from elsewhere in the SADC region in 2010 (using the methodology of Ratha and Shaw, 2007).

[8] World Bank estimates that factor in census information, using the methodology described in Ratha and Shaw (2007) suggest that the number of migrants working in South Africa in 2010 from Lesotho amounted to about 30 percent of its labor force.

Figure 2.4. BLNS: Customs Revenue Payments[1]



Sources: Country authorities.

[1] Payments received based on forecast customs receipts and shares of interegional trade.

the establishment of stabilization funds, or the use of revenues to prefund contingent obligations (see Cuevas, A., L. Engstrom, V. Kramarenko, and G. Verdier, forthcoming.).[9]

THE COMMON MONETARY AREA

With the exception of Botswana, BLNS countries have long-standing one-to-one currency pegs to the rand. With effectively free capital movements and wide circulation of the rand, the BLNS countries effectively import monetary and exchange rate policy from South Africa[10]—benefiting from the credibility of South Africa's monetary policy regime and associated interest rate levels, but also experiencing significant currency volatility vis-a-vis the rest of the world. South African policy actions, through the impact on both interest rates and the value of the rand, have an immediate impact on economic conditions in the smaller CMA members—as indeed do developments in global financial markets, which have significant effects on the rand.[11]

SPILLOVER EFFECTS: ARE THEY SIGNIFICANT?

The discussion above has identified various economic linkages between South Africa and the rest of sub-Saharan Africa—linkages that are closest within the southern Africa sub-region, but extend somewhat further, including via terms of trade effects, to countries exporting (mineral) products for which South Africa is an important producer. How important are these linkages in propagating shocks between South Africa and the rest of sub-Saharan Africa?

In terms of connectedness to South Africa, the region can arguably be split into three groupings:

- South Africa's immediate neighbors in the SACU—Botswana, Lesotho, Namibia, and Swaziland (BLNS)—where trade, investment, financial, and institutional ties are strong.
- A group of countries mainly in the SADC that includes Malawi, Mauritius, Mozambique, Zambia, and Zimbabwe, for whom direct investment ties are of some significance; South Africa is a market destination of some importance for exports of goods and services; and migration flows and remittances are important in some cases (Malawi, Zimbabwe).
- The rest of sub-Saharan Africa, where there are some investment linkages (especially in anglophone countries), but where monetary conditions are unaffected by developments in South Africa; where dependence on the South African market as an export destination is minimal;[12] and where labor and remittance flows are not significant.

[9] The SACU members are currently reviewing their revenue sharing formula.

[10] Asonuma and others (forthcoming) find that the use of shocks to South African inflation improves the forecasting of inflation for the BLNS countries, especially in regard to food prices.

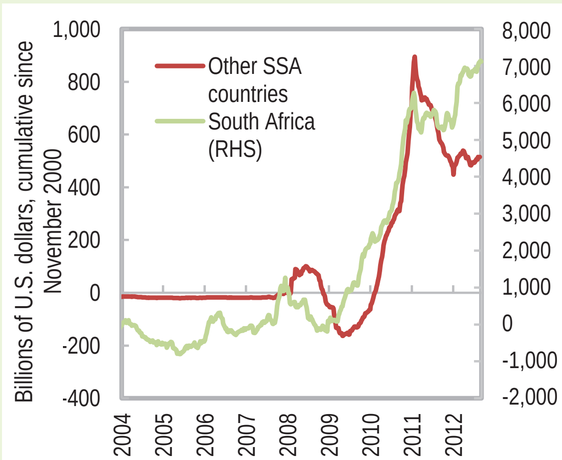
[11] The Botswana pula is linked to a currency basket in which the rand is given a very large weight: consequently, there are also significant, if less marked, monetary spillovers from South Africa to Botswana.

[12] Sizable exports to South Africa from Angola and Nigeria are in fact oil products—standardized commodities, where the influence of demand in the market destination on prices is minimal.

Box 2.2. Linkages among Sub-Saharan Africa Stock Exchanges

Stock price indices in sub-Saharan Africa are subject to spillovers from changes in global investor sentiment, but do not seem to have a significant influence on stock price indices in other parts of the region. The exceptions are stock prices from the Namibia stock exchange, perhaps reflecting dual listings.

Figure 1. Sub-Saharan Africa: Equity Flows, 2004–12[1]



Source: EPFR Global.

[1] Other sub-Saharan African countries for which data is available include Botswana, Ghana, Côte D'Ivoire, Kenya, Malawi, Mauritius, Namibia, Nigeria, Zambia, and Zimbabwe.

Table 1. Sub-Saharan Africa: Selected Indicators of Regional Equity Markets, 2011

	Market capitalization (Percent of GDP)	Stocks traded total value (Percent of GDP)	Turnover ratio (Ratio)	Firms listed at the JSE (Number)
South Africa	210	91.2	39.8	...
Zimbabwe	110	...	...	4
Mauritius	58	4.6	8.0	1
Uganda	46	...	...	0
Kenya	30	2.6	7.1	0
Malawi	24	0.9	3.9	1
Botswana	23	0.8	3.6	6
Nigeria	17	1.8	9.2	1
Namibia	9	0.1	1.2	16
Ghana	8	0.3	4.1	1
Tanzania	6	0.1	2.5	0

Source: World Bank, World Development Indicators.

The Johannesburg Stock Exchange (JSE) is not only the largest stock exchange in sub-Saharan Africa, but is also among the 15 largest in the world. It has close connections to the London stock exchange, including dual listings of some of its largest stocks. U.S. investors hold a significant amount of the stock value on the JSE. Although global investors have started paying closer attention to the stock exchanges in other sub-Saharan African frontier markets (Figure 1), the market capitalization and trading in these exchanges remains small compared to that of the JSE, in which stock trading exceeded 90 percent of South African GDP in 2011 (Table 1).[1]

To assess whether stock prices at the JSE play an independent role in determining stock prices in the other sub-Saharan Africa stock exchanges, we estimated, for 1999M1–2012M7, a system of equations to model sub-Saharan Africa stock prices as in Saadi and Williams (2011). We found that stock prices in all sub-Saharan African exchanges tend to increase when global risk aversion (as proxied by the Chicago Board of Options Exchange Volatility Index, VIX) falls, and vice versa. The only stock exchange that also reacts to regional shocks originating from the JSE is the Namibia stock exchange, which likely reflects the high degree of cross-listings between these two exchanges.

This box was prepared by Jorge Iván Canales-Kriljenko and Oral Williams.

[1] For a description of developments, issues, and challenges in stock market developments in sub-Saharan Africa, see Yartey and Adjasi (2007).

Box 2.3. Spillovers within the Southern Africa Customs Union

Outward spillovers from South Africa to the other members of the Southern Africa Customs Union[1]—Botswana, Lesotho, Namibia, and Swaziland (BLNS)—appear to be substantial. Customs revenue is heavily affected by the level of South African imports and accounts for a substantial amount of fiscal revenue in BLNS. Lesotho, Namibia, and Swaziland peg their currencies to the South African rand, in practice adopting monetary policy decisions from the South African Reserve Bank. South Africa is the main provider (80–90 percent) of imports to BLNS and the main destination of the exports of Swaziland (44 percent), Lesotho (42 percent), and Namibia (27 percent). Remittances from South Africa to Lesotho, and to a lesser degree Swaziland, amount to a substantial proportion of GDP. Moreover, South African financial groups are the dominant players in the financial markets of the region, spanning banking, pension, insurance, and wealth management services, whose treasury and risk management decisions tend to be centralized in Johannesburg. These institutions may help channel foreign direct investment and exports from South Africa into the rest of the region.

Table 1. South Africa's Share in the BLNS Total Exports and Imports (2000–11)

	Botswana	Lesotho[1]	Namibia[1]	Swaziland[2]
		(percent of total)		
Exports	9.7	41.6	27.2	44.4
Imports	78.8	86.2	80.7	82.9
		(percent of GDP)		
Exports	3.7	15.3	10.4	27.4
Imports	29.7	78.1	34.1	56.8

Source: United Nations COMTRADE database.

[1]Based on 2000–08 trade data.

[2]Based on 2000–07 trade data.

However, it is difficult to identify systematic linkages between fluctuations in growth rates in South Africa and in BLNS. Simple bilateral contemporaneous correlations of growth rates are low for Botswana and Namibia and even negative for Lesotho and Swaziland.[2] Furthermore, dynamic panel regressions that control for global developments and fiscal policies, such as those reported in Table 2, find no systematic evidence that South Africa's growth helps explain the evolution of growth in BLNS.[3] The results show instead that economic activity in BLNS depends heavily on real and financial external conditions, and that national macroeconomic policies make a difference. On average, a 1 percentage point change in world growth is associated with a change of 0.6 percentage point in growth in BLNS and a 1 percentage point decrease in the fiscal balance increases growth by 0.25 percent point, consistent with the successful implementation of countercyclical fiscal policies.

Table 2. Panel-GMM Regression on Real GDP Growth in BNLS Countries, 1986-2010

	Coefficients	z-values
Intercept	-1.72	(-2.29)**
Real GDP growth (t-1)	-0.16	(-1.24)
World growth	0.63	(3.78)***
Terms of trade	0.03	(6.58)***
Fiscal deficit	0.26	(6.19)***
TED spread	-1.37	(-3.56)***
AR(1) test: p-value	0.07	
AR(2) test: p-value	0.14	
Sargan test: p-value	0.49	

Source: IMF staff calculations.

Note: *, **, and *** indicate significance at the 10, 5, and 1 percent levels, respectively.

Vector-autoregressive (VAR) models for the individual BLNS countries produce similar results in terms of the impact of world growth, but shed a little more light on the possible role of developments in South Africa. Impulse responses from these VARs imply that events affecting world growth spill over onto GDP growth in Botswana, Namibia, and Swaziland, but not Lesotho. As in the panel regressions, after

Box 2.3. *(concluded)*

controlling for world growth, South Africa's real GDP growth does not seem to contribute much to GDP growth in Botswana, Namibia, and Swaziland. But, in Lesotho, growth seems to fall when it increases in South Africa. While this may sound counterintuitive, it could reflect the fact that workers from Lesotho migrate to South Africa when the South African economy is booming (lowering domestic production), and come back when South Africa is facing rough times. The impulse responses also suggest that a real appreciation in South Africa tends to reduce growth in Botswana—perhaps by hurting Botswana's competitiveness—but to increase it in Swaziland. It appears insignificant for Lesotho and Namibia. These results also hold for real demand growth.

In short, although developments in South Africa have significant spillovers in the region through a variety of channels, direct growth linkages with BLNS are difficult to identify. The financial and external environments (as well as national policies) are much more closely linked to output fluctuations. Given that financial systems in BLNS are much less developed than in South Africa, one possibility is that South Africa acts as a conduit in the transmission of external shocks, but it does not amplify or cushion them.

This box was prepared by Jorge Iván Canales Kriljenko, Farayi Gwenhamo, and Saji Thomas.

[1] The Southern African Customs Union is the oldest customs union in the world, and it includes Botswana, Lesotho, Namibia, South Africa, and Swaziland.

[2] Correlations with other countries in SADC, including Angola and Tanzania, are much larger than with BLNS, perhaps reflecting other common factors, such as world growth.

[3] The controls include world growth, oil prices, interest rate spreads, fiscal balances, and country fixed effects.

The significance of spillovers from South Africa to these three country groupings differs quite markedly.

- For BLNS, spillover effects are significant, albeit less straight forward than simple intuition would suggest (Box 2.3). BLNS depend in good part on export markets beyond South Africa, which may or may not be closely linked to shocks to the South African economy. Labor links can contribute to negative output correlations, as the "pull" of workers into a growing South African economy reduces labor supply, and potentially output, in neighboring countries. Finally, as noted earlier, the SACU revenue sharing formula introduces close links between South African import levels and BLNS fiscal positions, but these links operate with a lag.
- For the second grouping of countries, spillovers from South Africa are of some significance, via export demand effects, corporate direct investment, and, in some cases, migration flows (Table 2.3).
- For the third grouping of countries, spillover effects from South Africa are likely of a second or third order, given the lack of propagation mechanisms—except for countries that compete in export markets where South Africa is a significant producer that can directly influence world market prices.

We use statistical techniques here to examine more closely the links between output movements in South Africa and the rest of sub-Saharan Africa. First, analysis of bilateral contemporaneous correlations in sub-Saharan Africa (Figure 2.5) sheds little light, as it is clear that many of the high correlation cases can be explained by external factors, such as the strength of world commodity prices (e.g., the relatively high correlations between output growth in South Africa and, respectively, Angola and the Democratic Republic of the Congo). By contrast, output correlations between

Table 2.3. Sub-Saharan Africa: Key Linkages with South Africa, 2010

(Percent of GDP, unless otherwise indicated)

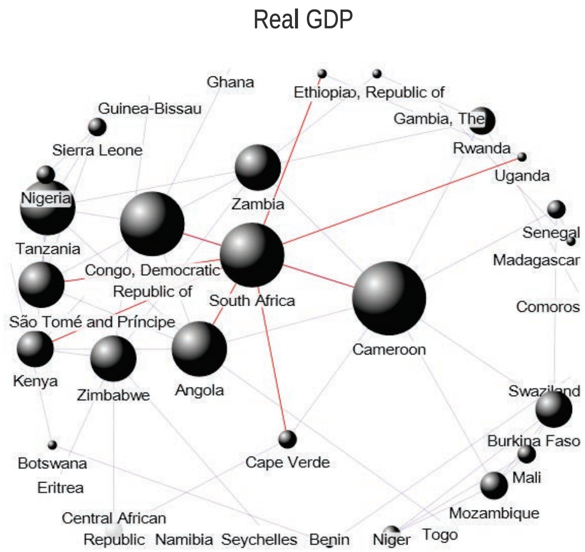
	Current account receipts linked to South Africa			Loan stocks (South Africa)	FDI stocks (South Africa)	Current account receipts linked to South Africa as percent of total current account receipts[1]
	Exports	Remittances	SACU revenue sharing			
SADC						
SACU						
South Africa						
Botswana	4.1		6.8		3.3	29.0
Lesotho	15.3	20.8	18.1		2.7	53.1
Namibia	11.0		8.0		4.3	34.4
Swaziland	27.4	2.6	11.6		11.1	63.0
Angola	2.2					3.5
Congo, Democratic Republic of					4.7	
Malawi	1.5			1.1	5.1	3.4
Mauritius	1.2			3.2	85.9	2.0
Mozambique	4.9			1.6	12.3	12.5
Seychelles						
Zambia	4.1				2.0	8.1
Zimbabwe	2.6			1.9	12.4	4.1
Tanzania	1.9				1.5	6.5
EAC						
Uganda					2.4	
ECOWAS						
Ghana	9.5				2.7	25.3
Nigeria	1.2				1.9	2.7

Sources: IMF's Direction of Trade Statistics, World Economic Outlook, United Nations Comtrade database, and country authorities.

Color code: White (below 1 percent), green (between 1 and 10 percent), orange (between 10 and 20 percent), red (above 20 percent).

[1] The sum of the first three columns as a percentage of total current account revenues in 2010. Because bilateral data on trade services and other current account revenues are not available, the ratio should be taken to be a lower bound.

Figure 2.5. Bilateral Correlations of Output in Sub-Saharan Africa



Sources: IMF World Economic Outlook database, and Fund staff estimates.

The figure shows the bilateral correlations of annual GDP growth in sub-Saharan Africa that exceed 0.5. For each country, the bubble size is proportional to the number of countries for which the bilateral correlation exceeds the threshold. Red lines indicate countries correlated with South Africa.

South Africa and its SACU partners are low, notwithstanding the exceptionally close linkages and varying spillover effects from South Africa to BLNS.

To move beyond a simple comparison of correlations, we examine econometrically the determinants of growth in income per capita among the countries in the first two groups above which were identified as having significant direct economic linkages with South Africa. As discussed in Appendix , the econometric analysis suggests that per capita income growth in these economies is, unsurprisingly, influenced by both global developments and domestic policy variables. But there is no strong evidence that the inclusion of variables relating to South African developments and policies adds to the explanatory power of the regressions. The assertion that South African developments have significant contemporaneous effects on growth in the rest of sub-Saharan Africa should therefore be treated with caution.

NIGERIA'S IMPACT ON ITS NEIGHBORS

Nigeria is the second-largest economy in sub-Saharan Africa, accounting for almost 20 percent of the region's GDP, and 18 percent of its population. It is also the region's largest oil exporter. This section looks at the various economic links between Nigeria and the rest of sub-Saharan Africa focusing on Nigeria's closest neighbors (Benin, Burkina-Faso, Cameroon, Chad, Côte d'Ivoire, Ghana, Niger, and Togo), with which the linkages appear to be most significant.

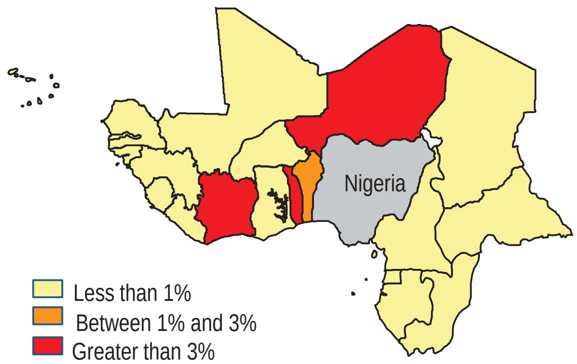
FORMAL TRADE LINKAGES

Although Nigerian imports account for only a small fraction of sub-Saharan Africa's aggregate imports, Nigeria is a significant export market for a number of countries in West Africa. Nigeria was the destination for only 1 percent of the region's total exports during 2008–10, but exports to Nigeria were sizable in relation to GDP for Niger (6.3 percent), Togo (3.8 percent), Côte d'Ivoire (3.3 percent), and Benin (1.7 percent) (Figure 2.6). Niger's exports to Nigeria consist mainly of food and animals; Togo exports manufactured goods; and Côte d'Ivoire exports chemicals and other manufactured products. Nigeria is a significant supplier of goods—mainly petroleum products—to Equatorial Guinea (11.9 percent of GDP), Côte d'Ivoire (7.5 percent), Ghana (4.6 percent), and Cameroon (4.2 percent), as well as to the Democratic Republic of the Congo (17.5 percent).

From a Nigerian perspective, official data suggest that the economic importance of trade with sub-Saharan Africa is small but increasing—its imports from sub-Saharan Africa accounted for around 5 percent of its total imports during 2008–10, a fraction that has doubled over the past decade. Its exports, mainly oil, to sub-Saharan Africa (Figure 2.7) accounted for about 13 percent of total exports during 2008–10, up from 9 percent a decade earlier. Nigeria has traditionally enjoyed a positive, albeit small, merchandise trade balance with the rest of sub-Saharan Africa.

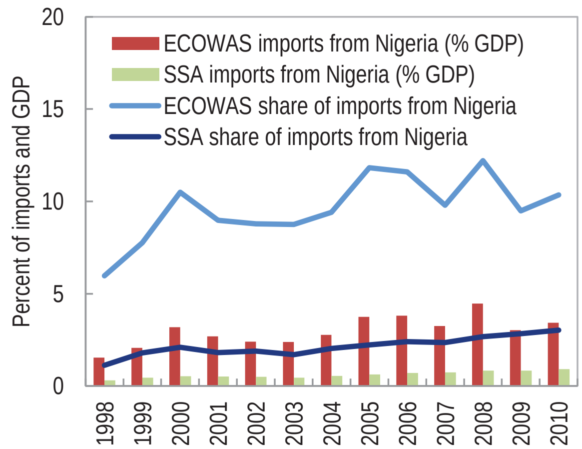
Figure 2.6. Western Africa: Exports to Nigeria

(Percent of GDP)



Source: United Nations COMTRADE database.

Figure 2.7. Relevance of Imports from Nigeria



Sources: Nigerian authorities and author's calculations.
Note: Data for ECOWAS imports from Nigeria excludes Nigeria.

These data do not tell the complete story. For the most part, the trade data represent formal sector activity only.[13] However, based on other sources, there is reason to believe informal sector links between Nigeria and its neighbors are stronger and offer a channel through which shocks in Nigeria are transmitted to other countries.

INFORMAL TRADE LINKAGES

Various studies have documented strong informal sector trading links between Nigeria and its neighbors. In particular, studies have highlighted largely unrecorded trade in agricultural goods, especially cereals and grains, and petroleum products; and re-export (entrepôt) trade in a wide variety of goods.

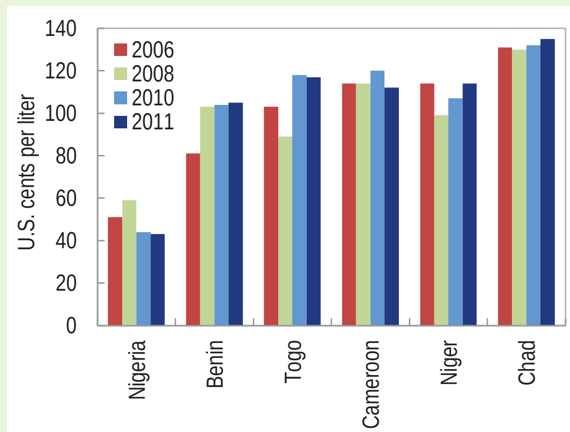
- *Agricultural goods*. Nigeria is at the center of the cereals trade in West Africa, covering Niger, Chad, Côte d'Ivoire, Cameroon, and Benin (Balami and others, 2011). Nigeria's cereal production is an important component of food security in the region. It meets 70 percent of the cereals needs of Niger and Chad. Well-organized trading networks facilitate the transfer of cereals from surplus zones to deficit zones, thereby facilitating the food security of the region and affecting prices at the regional level. The direction of trade shifts on a seasonal basis. Only a small proportion of this trade is recorded in merchandise trade data.
- *Petroleum products*. A highly subsidized fuel (gasoline, kerosene) and electricity regime is in place in Nigeria. Across West Africa, but most notably in bordering states (Benin, Cameroon, Chad, Niger), the smuggling of petroleum products from Nigeria is a major source of fuel imports (Golub, 2008). In Benin, for example, more than 80 percent of domestic consumption is estimated to come from smuggled Nigerian gasoline. In 2011, the regulated gasoline price in Nigeria was, on average, about 50 percent below the levels prevailing in neighboring countries, which contributed to the substantial informal trade in fuel products. Box 2.4 describes in more detail the energy market linkages between Nigeria and its neighbors, including the supply of electricity to Niger at highly subsidized prices.
- *Re-export trade*. Benin and Niger operate as "entrepôt states" for products that are highly taxed in Nigeria or subject to import bans, including particularly second-hand cars, textiles and garments, rice, and cigarettes. These countries are platforms for onward transport to Nigeria (Golub, 2012). It is estimated that the value of this re-export trade is equivalent

[13] Benin and Niger are notable exceptions. Their official trade data include estimates for informal sector trade.

Box 2.4. Energy Linkages between Nigeria and Surrounding Countries

Fuel and power prices in Nigeria are substantially below the levels prevailing in surrounding countries. Whereas Nigeria heavily subsidizes many fuel products, most of the neighboring countries impose taxes on these products while adopting more market-sensitive pricing regimes. In addition, transportation costs and other markups are higher for the landlocked countries. These factors contribute to the large price differential between Nigeria and other countries. For example, as shown in Figure 1, gasoline prices in countries around Nigeria are about double the regulated prices observed in Nigeria. These large differentials have led to a variety of rent-seeking behaviors and strong informal trade between Nigeria and neighboring countries.

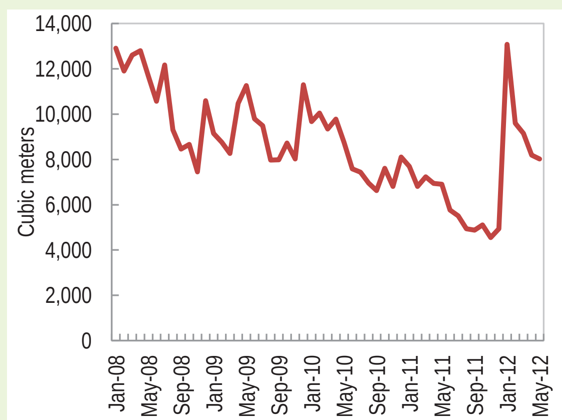
Figure 1. Comparison of Gasoline Prices



Source: Various GTZ reports.

The price differentials and weak management of the subsidy regime in Nigeria have generated strong spillovers for surrounding countries. While it is hard to quantify, informal trade in fuel products has considerable implications for fuel imports and tax revenue in Nigeria's neighboring countries. For example, it is estimated that official gasoline sales accounted for only 10 to 15 percent of total sales in Benin at end-2011. In addition, in Togo, official gasoline sales declined steadily between 2008 and 2011 (Figure 2). Then, in January 2012, there was a sharp spike following the fuel price increase in Nigeria, which was only partially reversed after the Nigerian authorities reduced the price increase.

Figure 2. Togo: Official Sales of Premium Gasoline



Source: Togolese authorities.

Strong electricity sector linkages exist or are developing between Nigeria and some of the surrounding countries. Under an agreement dating back to 1977, Nigeria provides close to 90 percent of Niger's power consumption at a highly subsidized price of US$0.03 per kWh, whereas Niger's own generation cost is on average around US$0.16–US$0.20 per kWh (World Bank, June 2011). In addition, Nigeria will be supplying gas at a reduced price to electricity generating units in Benin and Togo.

Given these strong informal and formal fuel and electricity linkages, changes in Nigeria's pricing policies for these products would have significant spillovers. IMF staff estimated that the increase in Nigerian fuel prices in January 2012 had a substantial impact on inflation in Benin (Box 2.5). Similarly, World Bank staff estimated that an electricity price increase to US$0.08 (Nigeria's long-run marginal cost of power generation) would increase Niger's annual electricity costs by US$26 million.

This box was prepared by Mumtaz Hussain.

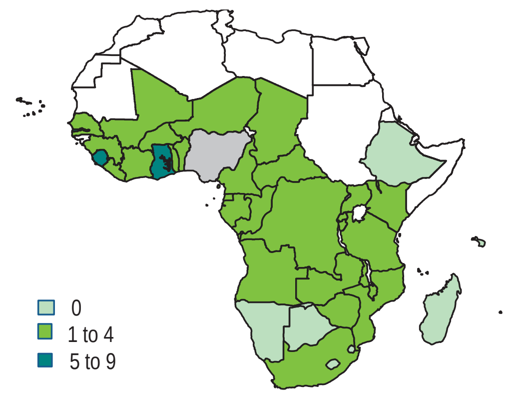
to more than 50 percent of Benin's GDP. Although this trade is partially captured in Benin's official data, it is not recorded in Nigeria's statistics (Box 2.5).

FINANCIAL SECTOR LINKAGES

Another important link between Nigeria and other sub-Saharan African countries is the expanding cross-border activity of Nigerian-based banks.[14] The cross-border expansion of Nigerian banks largely took off after the consolidation and strengthening of the Nigerian banking system in 2004.[15] The number of foreign subsidiaries increased from a total of just three in 2002, to 44 now operating in 21 sub-Saharan African countries outside Nigeria. The Nigerian banks with the largest number of subsidiaries are United Bank for Africa with 16 sub-Saharan African subsidiaries; Access Bank with 8; and Guaranty Bank with 5. This increases the potential for financial system shocks in Nigeria to be transmitted across sub-Saharan Africa. Including the Togo-incorporated group, Ecobank, the number of bank subsidiaries in sub-Saharan African countries that are strongly linked to Nigeria rises to 75 across 32 countries (Figure 2.8). According to Bankscope data (available for only about half of the subsidiaries), in at least 15 of these countries there is at least one Nigerian subsidiary that accounts for more than 10 percent of system-wide deposits or credit.

Nigerian-based banks are present mainly in anglophone West African countries. There are six subsidiaries in The Gambia, six in Sierra Leone, and five in Ghana. Moreover, the assets of Nigerian banks (excluding Ecobank) constitute around 40 percent of the banking system assets in the Gambia and Sierra Leone, about one-fourth in Liberia, and approximately one-sixth in Ghana (see Nnaji, forthcoming). Ecobank has subsidiaries in these four countries, and also has a significant presence in francophone West Africa. In fact, its subsidiaries account for more than 10 percent of system-wide credit or deposits in 11 francophone countries.

Figure 2.8. Number of Subsidiaries of Nigerian-based Banks



Sources: Central Bank of Nigeria; and BankScope.

The 2009–10 Nigerian banking crisis was a test of the importance of this transmission channel for financial system shocks. The crisis occurred following two years of a credit boom, amidst poor risk management, connected lending, and weak supervision. As a result, the Central Bank of Nigeria (CBN) intervened in 10 out of the 24 banks in 2009, following audits that revealed that most of the intervened banks were insolvent.[16] Four of the intervened and insolvent banks had significant cross-border expansion. The CBN audits also revealed that a few non-intervened banks with cross-border subsidiaries experienced sharp increases in non-performing loans (NPLs) or had weak capital. There were thus initial concerns in some sub-Saharan African countries that the Nigerian banking crisis could spread beyond Nigeria.

[14] Ecobank, which is incorporated in Togo and operates in 30 sub-Saharan African countries, is treated here as a Nigerian-based bank; Ecobank-Nigeria accounts for more than 40 percent of Ecobank's total earning sources (Lukonga and Chung, 2010).

[15] The consolidation of the Nigerian banking system was prompted by an increase in the minimum capital requirement from N2 billion to N25 billion. As a result, the number of banks declined from 89 in 2003 to 24 in 2009, and 20 at the end of 2011.

[16] The assets of the intervened banks accounted for 38 percent of total bank assets in Nigeria.

Box 2.5. Informal Trade between Benin and Nigeria

Trade with Nigeria has always played a major role in Benin's economy. IMF Direction of Trade data show that Nigeria accounts for only about 5 percent of Benin's recorded exports. Different trade policies, however, have given impetus to a large informal trade, only part of which is captured in official statistics. It is still lucrative to smuggle goods to Nigeria, even after paying import duties in Benin (World Bank, 2009). This box presents (i) the factors explaining the intensive informal trade between Benin and Nigeria, (ii) its composition and an estimate of the volume, and (iii) the spillover implications.

Factors explaining informal trade. Informal trade has grown mainly on the backbone of different trade policies. Nigeria is a highly protected economy with around 30 products currently subject to import bans and import tariffs hovering around 50 percent on average for consumer goods, in particular for rice and sugar. Unlike Nigeria, Benin's import tariffs are low—maximum of 20 percent. Nigeria's trade restrictions provide a large incentive for informal trading. Other policy decisions, especially on fuel subsidies, encourage large scale smuggling of petroleum products from Nigeria to Benin. Finally, cultural affinities between the people of Benin and Nigeria, especially the presence of the Yoruba ethnic group across the two countries, have contributed to informal trading.

Composition and volume. According to Geourjon, Chambas, and Laporte (2008), about half of imports going through the Port of Cotonou to Benin's domestic market have Nigeria as their final destination. The top imports that transit through the Port of Cotonou include frozen poultry, used cars, and textiles, most of which are on Nigeria's list of prohibited imports. Golub (2012) estimates Benin's informal trade, mostly with Nigeria, at around 52 percent of GDP (average between 2006 and 2008), even after excluding cotton and petroleum products, which are not accounted for by Benin customs in those categories. Table 1 provides a comparison of the imports of key products heavily informally traded between Benin and Nigeria with similar products in Togo.[1] Because Togo's and Benin's domestic demands are similar—given the similarities of their economies and population—large discrepancies in imports for domestic use generally reflect differences in informal trade. On gasoline trading, more than 80 percent of the gasoline consumed in Benin is smuggled from Nigeria, curtailing the provision of gasoline in the formal market and the number of gas stations.

Table 1. Selected Key Imports in Togo and Benin, 2008

(Billions of CFA francs)

	Benin			Togo		
	Imports for domestic use	Transit and re-export	Total	Imports for domestic use	Transit and re-export	Total
Goods facing import bans in Nigeria						
Cars	25.7	398.7	424.4	10.9	69.7	80.6
Cotton Cloth	17.9	350.5	368.4	2.3	30.4	32.7
Frozen chicken	58.6	0.0	58.6	4.4	0.0	4.5
Clothing	17.6	19.1	36.7	15.2	20.9	36.2
Used clothes	22.4	33.1	55.4	4.0	6.0	9.9
Medicine	18.8	10.2	29.1	17.7	15.5	33.2
Palm oil	35.0	27.2	62.1	3.5	6.6	10.1
Vegetable oil	0.3	11.7	11.9	1.1	6.6	7.8
Goods facing high tariffs in Nigeria						
Rice	88.4	43.7	132.1	4.2	8.7	12.8
Sugar	7.8	8.2	16.0	2.1	7.2	9.3
Cigarettes	2.6	19.2	21.9	8.8	11.9	20.7
Goods facing lower tariffs in Nigeria						
Frozen fish	4.6	0.7	5.3	2.1	4.9	7.0
Motorcycles	5.1	0.8	3.9	5.1	3.3	8.4

Sources: Golub, 2012 (Benin and Togo Customs and author's calculations).

Spillover implications. Informal trade has important spillovers from Nigeria to Benin. The transit and re-export activities are among Benin's most important industries. They are a significant source of employment, and tax revenue on goods going to Nigeria is estimated at about 14 percent of total tax revenue (2.4 percent of GDP). At the same time, government loses revenue because of illegally imported petroleum products from Nigeria, estimated at between 0.1 and 0.3 percent of GDP. Recently, in January 2012, Nigeria's decision to cut fuel subsidies by half was immediately and fully passed through to the informal gasoline market in Benin, increasing average inflation from 1.8 percent in the last quarter of 2011 to 6.5 percent for the first quarter of 2012, and dampening domestic demand as households adjusted to higher fuel prices.

This box was prepared by Cheikh Gueye, Carla Macario, and Kevin Wiseman.

[1] Even goods legally brought into Benin for re-export are not recorded when they enter Nigeria.

The financial turmoil in Nigeria did not lead to systemic contagion across the region. This partly reflects that the two banks with the largest cross-border operations, accounting for more than half of the number of foreign subsidiaries, were not among the troubled banks. Another factor that minimized systemic contagion was that the banking systems of the host countries are mainly funded by local deposits and therefore do not significantly depend on Nigerian funding.[17] The foreign subsidiaries of the intervened Nigerian banks were eventually acquired by the banks that acquired the parent banks as part of the crisis resolution process; the problems of the troubled banks had originated at home rather than abroad.

However, a number of cross-border subsidiaries of Nigerian banks did experience turbulence during those years.[18] According to Bankscope data, there were instances in which Nigerian subsidiaries in Benin, Burkina Faso, Cameroon, the Democratic Republic of the Congo, Guinea-Bissau, Niger, Rwanda, and Uganda experienced significant declines in either deposits, credit, or assets. Importantly, except in the case of Benin, none of these host countries experienced a systemic decline in these indicators during those years, suggesting that some of the problems of Nigerian subsidiaries may have reflected contagion from Nigeria.[19] Similarly, in Ghana, Kenya, and Liberia, NPLs in two Nigerian subsidiaries rose to levels substantially above the average in the banking system of their host countries.

[17] This was the case, for example, in Liberia, where there were reports of poor risk management in the subsidiary of a Nigerian bank that resulted in very high NPLs. The banking system was not affected, partly because Liberian banks are funded mainly by domestic deposits, and their assets are limited to cash and loans to the domestic private sector.

[18] This is just a cursory analysis, because data are available mainly for subsidiaries of non-intervened banks and, moreover, for only 46 out of 75 subsidiaries.

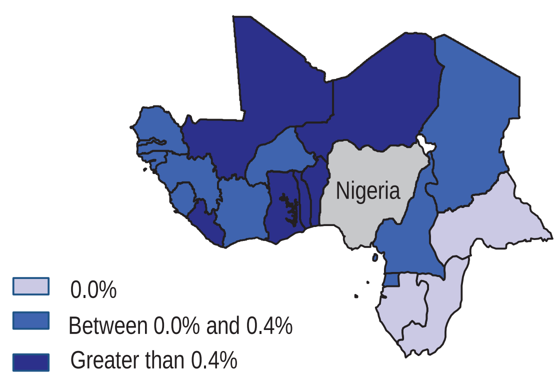
[19] Benin's banking system experienced a decline in assets and private credit in 2011. However, these declines were not related to the difficulties of the Nigerian subsidiaries.

OTHER LINKAGES

Remittances from migrant workers

Recorded data on worker remittances from Nigeria to neighboring countries are small relative to GDP, but many remittances go unrecorded. World Bank estimates of migration from neighboring countries to Nigeria suggest that the share of such migrants is modest, viewed from the standpoint of both Nigeria and the source countries (Figure 2.9). The World Bank estimates that there were about 1 million of sub-Saharan Africa migrants in Nigeria in 2010. The main home countries of migrants were Benin (0.2 million, 3 percent of population); Ghana (0.2 million, 1 percent); Togo (0.1 million, 2 percent) and Mali (0.1 million, 1 percent). Recorded remittances from Nigeria are also modest, with only Benin and Togo showing significant receipts (Table 2.4).

Figure 2.9. Share of Migrants to Nigeria to Total Population



Sources: Ratha and Shaw (2007).

Table 2.4. Main Recipients of Remittances from Nigeria

	Remittances from Nigeria	
	Millions of U.S. dollars	Percent of recipient GDP
Benin	35.0	0.53
Mali	11.4	0.12
Niger	9.1	0.17
Togo	14.7	0.46

Sources: Ratha and Shaw (2007) updated with additional data for 71 destination countries as described in the Migration and Remittances Factbook 2011 (World Bank).

FOREIGN DIRECT INVESTMENT

Nigeria's investment in the sub-Saharan African region, outside the financial sector, is of little significance. Concrete data on Nigeria's investment in sub-Saharan Africa is difficult to come by. However, even if a substantial portion of Nigeria's investment was in sub-Saharan Africa, it would still be negligible in terms of aggregate foreign direct investment in the region: the stock of Nigeria's global outward FDI stood at US$5.9 billion in 2011, compared with an estimated stock of FDI in sub-Saharan Africa of US$290 billion. Anecdotal evidence does not point to a noteworthy Nigerian non-bank corporate presence across sub-Saharan Africa, or even in the western Africa sub-region.

CO-MOVEMENTS OF MACROECONOMIC VARIABLES

Correlations of GDP between Nigerian and neighboring countries are generally weak. Using annual data from 1989 to 2011, correlations were calculated between (i) the (de-trended) level of real GDP in Nigeria and its neighboring countries,[20] and (ii) the corresponding growth rates of real GDP. Only for Chad did the data consistently point to a strong positive correlation, which probably reflects the important share of oil in Chad's GDP (Table 2.5).

On inflation dynamics, correlations between Nigeria and its neighboring countries are stronger. Contemporaneous correlations are high with Niger, Chad, and Burkina-Faso, while the results suggest that lagged inflation in Ghana and Togo co-move with that of Nigerian inflation. Correlation between food prices is even stronger, pointing to the key role of food prices in inflation co-movements (Table 2.6).

Although correlations can be the basis for a preliminary presumption on the size of spillovers, they may be misleading.[21] Instead, there is a need to dig further for more insight into the potential for "true" spillovers from Nigeria to its neighboring countries. For this, vector autoregression (VAR) analysis is used.

Table 2.5. Nigeria and Neighboring Countries' GDP

	Business cycle[1] co-movement of Nigeria with its neighbors, 1989–2011				Growth rates co-movement of Nigeria with its neighbors, 1989–2011
	t-1	*t*	*t+1*		*t*
Benin	0.272	0.1	-0.404	Benin	0.010
Burkina Faso	-0.095	0.0	0.478	Burkina Faso	0.079
Cameroon	0.060	0.0	0.090	Cameroon	0.192
Chad	-0.127	0.4	0.643	Chad	0.359
Côte d'Ivoire	-0.153	-0.2	-0.061	Côte d'Ivoire	-0.370
Ghana	-0.220	0.1	0.183	Ghana	0.118
Niger	-0.044	0.1	0.167	Niger	0.254
Togo	-0.073	0.2	0.210	Togo	0.054

Source: Authors' calculations.

[1] Cyclical components of GDP obtained using the Hodrick-Prescott (Nigeria is at t).

Shocks to gross domestic product

To estimate output spillovers arising from Nigeria to its neighboring countries, country-specific structural vector autoregression (SVAR) models are estimated for each of the eight countries (Benin, Burkina Faso, Cameroon, Chad, Côte d'Ivoire, Ghana, Niger, and Togo). The variables in the SVAR include (i) domestic GDP; (ii) Nigeria's GDP; (iii) global demand, proxied by a weighted average of real GDP of the Group of Seven countries and China, with weights proportional to their purchasing power parity adjusted GDP; and (iv) commodity prices, measured by a broad price index (a variant of the model replaces the broad commodity price index with just oil prices, measured by the *World Economic Outlook* oil price).

The SVAR analysis essentially reinforces the results from the correlation analysis. After controlling for common global factors, shocks to Nigerian GDP have a negligible impact on GDP in neighboring countries.

[20] The de-trended GDP series were computed using the Hodrick-Prescott (HP) filter.

[21] Correlations do not imply causation. Moreover, correlations may pick up the effect of the two variables having similar responses to common shocks, such as global factors that affect systemic and small economies alike.

Table 2.6. Nigeria and Neighboring Countries' CPI

Inflation co-movement of Nigeria with its neighbors, 1990:Q1–2011:Q4				Food inflation co-movement of Nigeria with its neighbors, 200X[1]:Q1–2011:Q4			
	t-1	*t*	*t+1*		*t-1*	*t*	*t+1*
Benin	0.150	0.2	-0.065	Benin	0.176	-0.2	0.388
Burkina Faso	0.314	0.5	-0.042	Burkina Faso	0.254	0.3	0.212
Cameroon	-0.120	0.1	0.082	Cameroon	-0.103	0.1	0.287
Chad	0.050	0.6	-0.171	Chad	0.494	0.6	-0.236
Côte d'Ivoire	0.337	0.1	-0.397	Côte d'Ivoire	0.452	0.5	-0.365
Ghana	0.551	0.2	-0.455	Ghana	0.684	0.2	-0.518
Niger	-0.033	0.6	0.022	Niger	0.184	0.8	0.240
Togo	0.500	0.1	-0.269	Togo	0.635	0.1	-0.413

Source: Authors' calculations.

[1] According to data availability (around 2000).

Shocks to inflation

The SVARs estimated to analyze the effect on neighboring countries' inflation of shocks to Nigerian inflation include the following variables: (i) domestic inflation, measured by the CPI; (ii) Nigerian inflation, measured by its CPI; and (iii) global inflation, measured by the all-items consumer price index.

The results show that inflation in neighboring countries is quite responsive to inflation dynamics in Nigeria. The impulse-response functions (IRFs) show that a one standard deviation (3 percent) shock to inflation in Nigeria would raise inflation by at least 1 percent in all the neighboring countries, with the exception of Cameroon (Appendix Figures 2.1 and 2.2). Shocks are also mostly transmitted fairly quickly, with the impact taking place within the same year. The spillovers are strongest in Niger (2 percent) and Chad (2 percent), which is consistent with their close informal sector trading relationships with Nigeria that were described in the previous section. Controlling for global food inflation instead of global inflation would not change the results significantly.

The integrated grain market within the region seems to be one of the main transmission channels of Nigeria's inflation spillovers to neighboring countries. Another set of SVARs was estimated for food inflation. Impulse response functions in Figure A2.2 show that the food prices of Togo, Niger, Côte d'Ivoire, and Chad—which are at the heart of the regional grain market—react strongly to one standard deviation shock of food inflation in Nigeria. Inflation in Benin reacts with a one period lag.

SPILLOVER EFFECTS FROM NIGERIA: ARE THEY SIGNIFICANT?

To summarize:

- Although Nigeria is an important trading partner for some of its neighbors, traditional indicators (e.g., trade, foreign direct investment, remittances) suggest that spillovers from Nigeria to its neighbors are small, and Nigeria's role as an engine or catalyst of regional economic activity is relatively unimportant.
- Other indicators—informal and institutional—point to a somewhat stronger influence of Nigeria in sub-Saharan Africa. During the past decade, Nigeria's banking sector has expanded throughout the region, and Nigerian-owned banks now operate in 21 sub-Saharan African countries. Informal trade flows with border states and in regional markets are important, particularly in cereals and grains, re-exports from Benin and Niger unrecorded in Nigeria, and illegal petroleum product exports from Nigeria to neighboring countries.
- The quantitative analysis in this section suggests that, although spillovers from Nigerian GDP to neighboring countries are negligible, inflation shocks in Nigeria have a strong impact on inflation in other countries.

CONCLUDING REMARKS

We have examined how developments in South Africa and Nigeria, the two largest economies in sub-Saharan Africa, affect the rest of the region. The main conclusions are that: (i) South Africa's linkages with the rest of the continent have been growing steadily and look set to deepen over time, but, for now, these linkages are of macroeconomic significance mainly for southern Africa; and (ii) Nigeria still has weak links with the rest of the region, except with its near-neighbors, where its tax and subsidy policies have magnified normal incentives for trade. Macroeconomic shocks in these two economies have spillover effects on several countries—but the spillover effects can be complex (as in the case of SACU), with a longer reach in the case of South Africa, much less so in the case of Nigeria.

Intra-regional trade and financing links within sub-Saharan Africa have been expanding significantly in recent years—but it is widely recognized that there is a long road to travel in terms of achieving close economic integration at the regional and sub-regional level. As this integration proceeds and economic linkages deepen, the importance of spillover effects from large countries to the rest of sub-Saharan Africa, and within their own sub-region, will grow: closer economic linkages inevitably imply increased exposure to shocks, both favorable and unfavorable, in partner countries.

APPENDIX: ECONOMETRIC RESULTS

To assess the relative importance of global developments, domestic policies, and South African developments and policies in determining per capita GDP growth in South Africa's key partners in sub-Saharan Africa, this section presents four pooled regressions (Appendix Table 2.1). These are estimated over two subperiods (1980–2010 and 1990–2010) using annual data drawn in the main from the IMF's WEO database. The pooled regressions include fixed effects to accommodate country-specific growth differences, including different starting income levels.

KEY IMPLICATIONS

- *Global developments are, unsurprisingly, an important determinant of growth*. In particular, as illustrated in the first regression, per-capita growth increases with real commodity prices, falls with increases in U.S. banking spreads (a proxy for tighter global financial conditions), and increases with the pace of world growth.
- *Domestic policies matter*. Fluctuations in per-capita growth are affected by available fiscal resources (the ratio of fiscal revenue to GDP), the pace of growth of government consumption, and the pace of inflation (which, in turn, reflects both the exchange rate arrangement and policy reactions).
- *There is no compelling evidence that aggregate growth in South Africa's main partners in sub-Saharan Africa is affected by South African developments or policies*. When all possible candidate variables (external and domestic policy, including South African policies) are initially included and the variables that contribute the least are sequentially removed until only significant variables remain, the pace of world growth is a significant explanatory factor but the various South African explanatory variables drop out. More mixed results are obtained when one excludes either (i) the role of domestic policy variables, or (ii) the role of global developments.

Appendix Table 2.1. Pooled Regressions: Per Capita GDP Growth in South Africa's Main Sub-Saharan African Partners[1]

	Regression 1		Regression 2		Regression 3		Regression 4	
	1980–2010	1990–2010	1980–2010	1990–2010	1980–2010	1990–2010	1980–2010	1990–2010
Global developments								
Real commodity prices	2.30 ***	2.74 ***	2.09 ***	2.65 ***				
U.S. TED spread[2]	-0.79 *	-1.06	-0.63	-1.02				-2.19 **
Lagged panel real GDP per capita growth	0.23 ***	0.18 ***	0.28 **	0.34 **			-0.11 *	
World real per capita GDP growth	0.53 ***	0.47 ***	0.19	0.03	0.48 **	0.36	0.43 *	0.36 **
Regional developments								
Public Revenue to GDP					0.08 ***	0.10 ***	0.07 **	0.08 **
Real government consumption growth					0.04 ***	0.04 ***	0.04 ***	0.03 ***
Inflation					-0.05 ***	-0.05 ***	-0.05 ***	-0.02 ***
Real exchange rate					-0.04 **	-0.03	-0.04 **	
Lagged panel real GDP per capita growth					-0.06	-0.10		
South African developments								
South Africa real per capita GDP growth			0.28 **	0.34 **	0.02	0.06	0.04	
South Africa real exchange rate								
South Africa short-term interest rates							0.18 **	0.18 *
South Africa inflation								
South Africa fiscal revenue to GDP							0.50 ***	0.89 ***
South African real government consumption growth								
Regression statistics								
Adjusted *R* -squared	0.21	0.22	0.22	0.22	0.26	0.27	0.29	0.35
Observations	521	385	521	385	341	296	311	297
Cross-sections	19	19	19	19	18	18	18	18

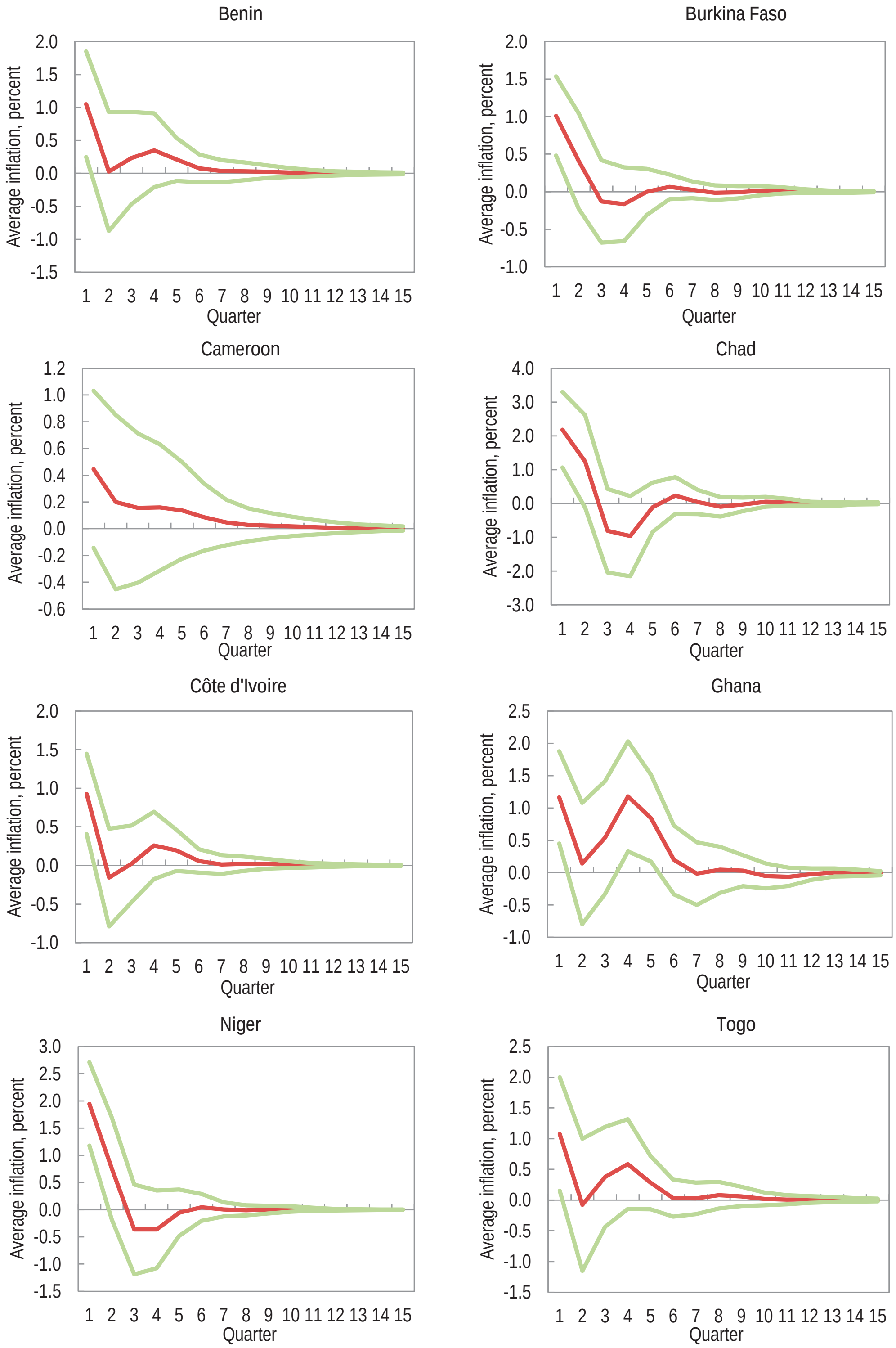
Sources: IMF, *World Economic Outlook;* Haver Analytics Inc.; and IMF staff estimates.

[1] Based on the analysis of real and financial linkages, South Africa's main trading partners are Angola, Botswana, Congo (DR), Ghana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Seychelles, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe. The unbalanced pooled regressions include fixed effects. The asterisks represent significance at the 10 (*), 5 (**), and 1 (***) percent levels.

[2] The TED spread, an indicator of financial risk, is the difference between interest rates on 3-month LIBOR and U.S. treasury bills.

Appendix Figure 2.1. CPI Inflation Response to a Shock to Nigeria's Overall inflation

(One standard deviation)

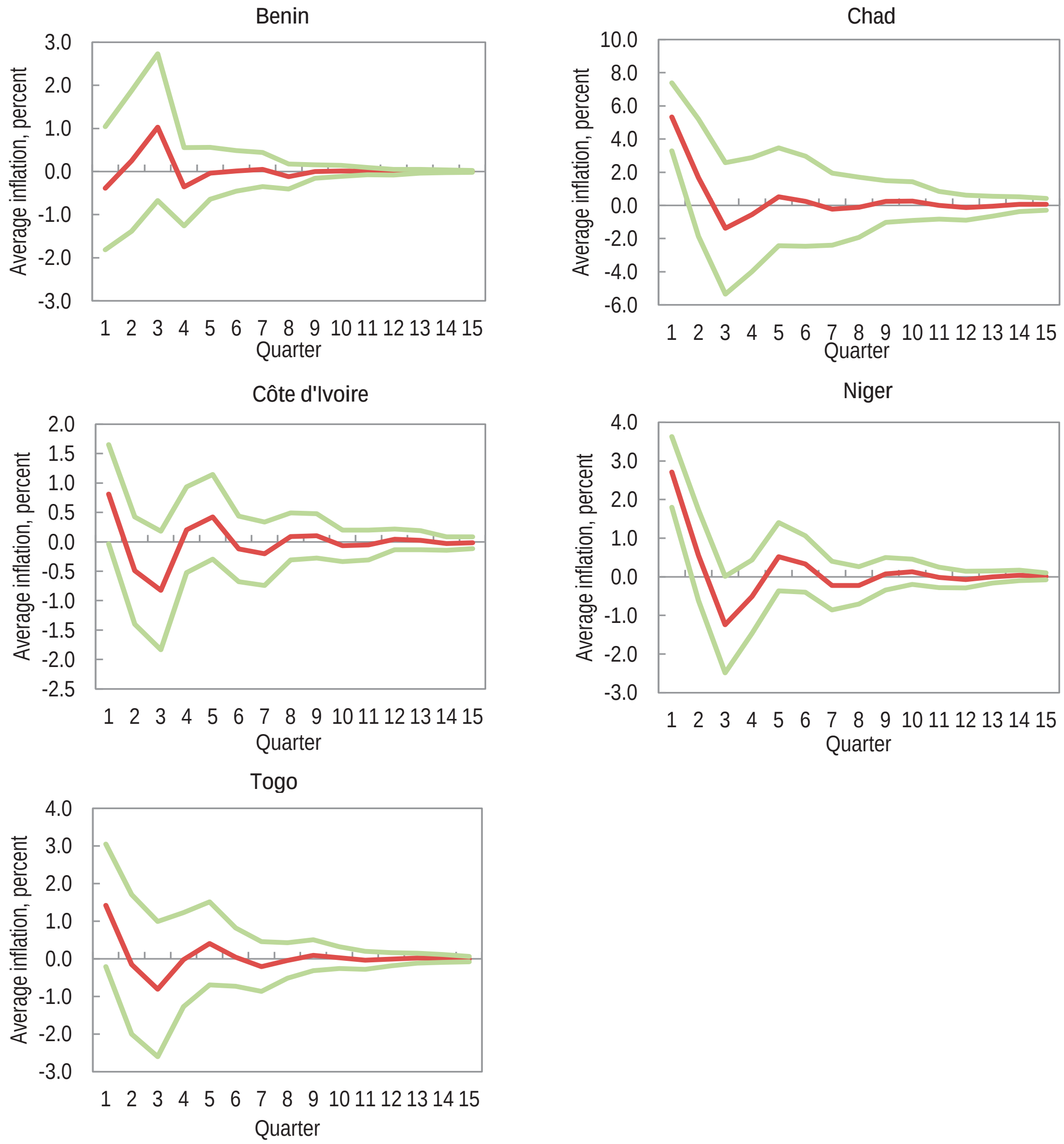


Source: IMF staff estimates.

Note: Red line indicates response to shock. Green lines indicate plus and minus two standard deviations.

Appendix Figure 2.2. Food Prices' Inflation Response to a Shock to Nigeria Food Price Inflation

(One standard deviation)



Source: IMF staff estimates.

Note: Red line indicates response to shock. Green lines indicate plus and minus two standard deviations.

3. Structural Transformation in Sub-Saharan Africa

INTRODUCTION AND SUMMARY

This chapter analyzes the extent to which structural transformation, defined as the shift of workers from low to high average productivity activities and sectors, occurred across countries in sub-Saharan Africa from 1995 to 2010. This has been a period of high growth for a significant number of countries in sub-Saharan Africa, and this chapter finds that most have experienced some degree of structural transformation, albeit at different speeds and following different paths. But while the Asian countries against which sub-Saharan African countries are benchmarked in this chapter largely transformed through low-wage manufacturing, it is not obvious this will be the path for most sub-Saharan African countries. Depending on resource endowments, labor skills, and other factors, some sub-Saharan African countries may follow the Asian path through low-wage manufacturing, whereas others may transform through services, and still others through the transformation of their agricultural sector.

Many countries in sub-Saharan Africa have experienced unprecedented high, sustained economic growth over the last two decades. This chapter analyzes the extent to which this period of high growth has been accompanied by structural transformation, defined as the shift of workers from activities and sectors with low average labor productivity to those with high average labor productivity, thus contributing to an increase in average labor productivity for the overall economy.[1] This chapter's analysis does, indeed, find that for most countries in the region, growth has been accompanied by some degree of structural transformation, although there has been significant variation in the speed and type of transformation. Most oil exporters, and middle-income and non-fragile low-income countries, have seen sustained increases in average labor productivity, often underpinned by rising productivity in agriculture and resulting in a declining share of GDP from that sector. Fragile countries, in contrast, have generally experienced low and irregular growth, largely as a result of conflict; this poor growth is reflected in the absence of significant structural transformation in most of these fragile countries.

The main findings of the chapter are as follows:

- While data are limited and not always consistent, it appears agricultural labor productivity growth has been very weak among many low-income countries in sub-Saharan Africa, attributable to poor irrigation, lack of fertilizer, shrinking land use, and infrastructure constraints, although some exceptions exist (Burkina Faso, Malawi).
- The manufacturing sector is developing in a few countries (Ethiopia, Kenya, Mozambique, and Tanzania), but starting from a low base with slow productivity.
- The services sector has been more successful in stimulating output, exports, and labor productivity growth, and some countries have moved up the value-added chain (Kenya, Mauritius). Informality in sub-Saharan Africa economies, however, remains pervasive.

The analysis in this chapter takes special note of the agricultural sector, which remains the largest employer in many countries in sub-Saharan Africa.

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[1] This is a narrow sense of structural transformation, because the concept is often defined to include the urbanization and demographic transition that typically accompany economic growth. Other phenomena often associated with transformation are the diversification and increasing sophistication of exports and output and product quality upgrading, all of which are the focus of the recent research project "Economic Diversification for Stability and Growth in LICs," by the IMF's Strategy, Policy, and Review Department and Research Department.

This chapter was prepared by Rodrigo Garcia-Verdu, Alun Thomas, and John Wakeman-Linn, with input from Yingying Shi.

In sub-Saharan Africa, agriculture accounts, on average, for over half of total employment and one-fifth of gross domestic product (GDP) (Figure 3.1).[2]

Output per worker in the agriculture sector is lower than the nonagriculture in GDP per worker in every country in the global sample of 86 countries considered in Figure 3.2. More important, the difference in average labor productivity between the agricultural sector and the rest of the economy is greater among low-income countries, including the subsample of 23 countries from sub-Saharan Africa (shown in red), than among high-income countries.[3]

Much of the empirical evidence from other regions suggests rapid productivity growth is often accompanied by declining shares of agriculture in GDP and employment, reflecting the migration of resources toward higher-productivity activities in other sectors. The evidence also shows a concurrent increase in the productivity of labor in agriculture, which releases labor to the rest of the economy. The combination of these shifts could be consistent with increasing agricultural output. Thus, this chapter looks both at the shift of resources out of agriculture and at the evolution of productivity in agriculture among sub-Saharan African countries.

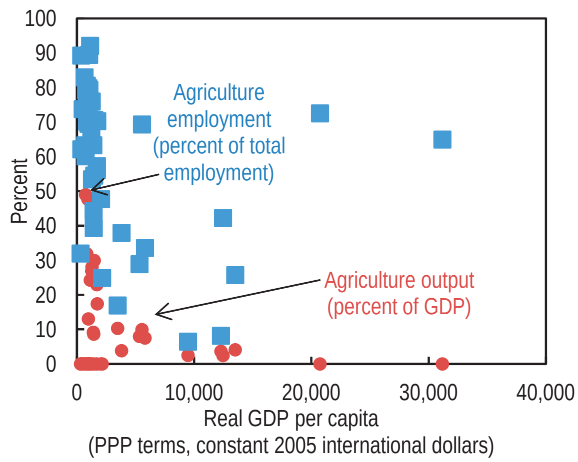
This chapter concludes that increasing agricultural productivity is an essential element of structural transformation in sub-Saharan Africa. Moreover, countries need to continue to emphasize increasing the quality and coverage of education to facilitate the shift of labor into higher value-added industries and services, and sustained improvement in logistics and infrastructure should help the expansion of activities in all sectors.

[2] The weighted average of value added in agriculture in sub-Saharan Africa was 11.2 percent of GDP in 2010. Given that South Africa accounts for about one-third of the region's GDP and has a very low share (2.5 percent), this low figure is not surprising. The non-weighted average is close to 20 percent.

[3] Except as otherwise noted, the concept of productivity analyzed throughout this chapter is average labor productivity, as measured by value added per worker, rather than total factor or multifactor productivity.

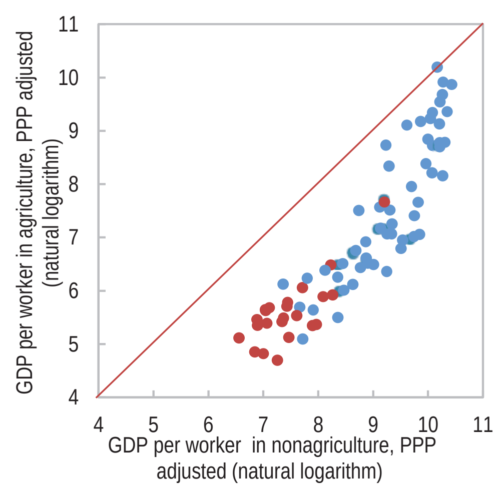
The rest of this chapter provides a variety of analyses. Section II presents some stylized facts about the extent of structural transformation in sub-Saharan African countries. It also benchmarks that transformation in selected sub-Saharan African countries against a sample of Asian countries. Section III deepens the analysis to include developments in output share and labor productivity in sub-Saharan African countries by sector (agriculture, mining and manufacturing,

Figure 3.1. Sub-Saharan Africa: Agriculture's Shares in GDP and Total Employment and Real GDP per capita, 2010
(Percent)



Source: World Bank, World Development Indicators.

Figure 3.2. Average Labor Productivity



Source: Restuccia, Yang, and Zhu (2008), based on data from the Penn World Table (PWT) and the Food and Agriculture Organization (FAO).

and services). Section IV briefly discusses some barriers to transformation in sub-Saharan Africa, and Section V concludes. An Appendix provides examples of successful structural transformation in five sub-Saharan African countries.

STYLIZED FACTS

Due to data constraints, as well as the late start of growth and transformation in sub-Saharan Africa, this chapter focuses on a relatively short period (1995 to 2010), combining agricultural data from the Food and Agricultural Organization (FAO) of the United Nations, GDP data by sector based on a survey of the IMF's African Department country teams, and data on employment by sector from household surveys.[4] The following analysis of sub-Saharan Africa's structural transformation must be interpreted with caution, because the output data are of uneven quality, and few countries have long and consistent time series for employment.

Figure 3.3 underscores the heterogeneity of the growth experience in sub-Saharan Africa.[5] Twelve countries in the region have experienced labor productivity declines while, at the other end of the spectrum, 13 have seen productivity grow at rates that would more than double labor productivity in one generation. The rest of sub-Saharan African countries fall between these two extremes, with positive but relatively slower productivity growth. Table 3.1 shows aggregate labor productivity growth, average labor productivity growth in the agricultural sector, and the change in the share of agriculture in GDP (non-resource GDP for resource-abundant countries, shown in italics) over the past decade and a half. Countries are grouped using the Regional Economic Outlook classification (see Statistical Appendix), and within each category they are ranked by their average labor productivity growth. Table 3.2 adds information on the changes in the sectoral composition of output, using the same country groupings. Tables 3.1 and 3.2 reveal several patterns across country groups, which are discussed below. The group of low-income fragile countries shows evidence of limited structural change, with nine out of the 12 experiencing negative overall average labor productivity growth. Given data limitations, the fragile countries are not discussed further in the text.

PERFORMANCE BY COUNTRY GROUPINGS

Oil exporters

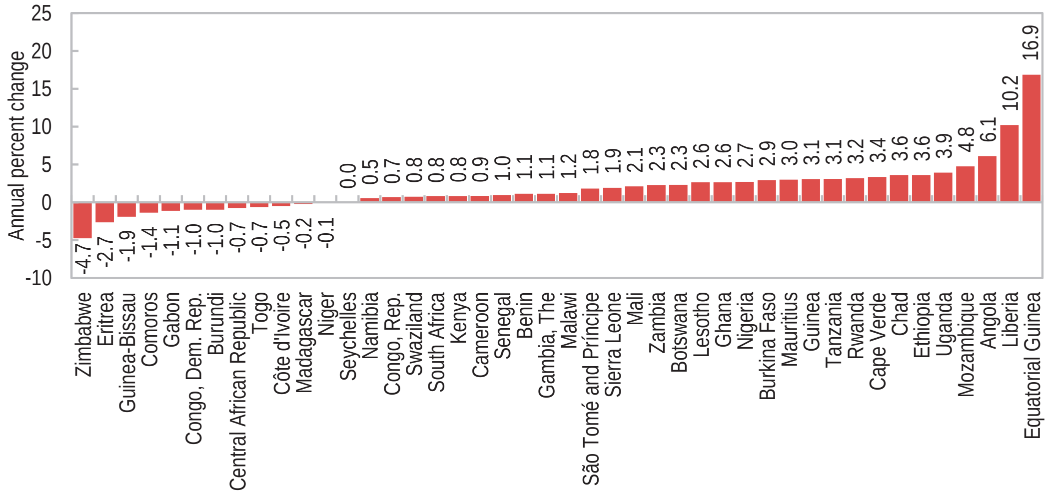
Most oil-exporting countries experienced some form of structural transformation, albeit at different rates. Except for Chad, all countries registered a decline in agriculture as a share of non-resource GDP while, aside from Cameroon and Equatorial Guinea, all countries experienced positive labor productivity growth in the agricultural sector.

Within this group, differences in labor productivity growth may be linked partly to variations in the trajectories of oil revenue and exports, through spillovers into the non-oil sector. The three countries that experienced the fastest increase in average labor productivity—Angola, Equatorial Guinea, and Chad—were the ones that experienced the fastest increase in oil production (in the same order). Oil output in Angola increased from around 650 thousand barrels per day (bpd) in 1995 to nearly 2 million bpd in 2010 (an 8 percent annual growth rate), while in Equatorial Guinea it increased from 5 thousand bpd to 320 thousand bpd in the same period (an annual growth rate of 32 percent). In Chad, oil production began only in 2003, growing rapidly to around 125 thousand bpd by 2010. In these three countries, growth has been accompanied by a rise in the output share of construction, underscoring the role of the oil

[4] The FAO growth rates usually coincide with data from the system of national accounts in most countries, although discrepancies exist in a few cases. Part of the difference is explained by the lack of fishing and forestry data in the FAO data on value added, thus explaining why in some countries where these subsectors are important (e.g., fishing in Senegal and Seychelles; forestry in Cameroon) the two sources do not coincide.

[5] For an in-depth discussion of economic growth in sub-Saharan Africa, and the emergence of a group of fast-growing economies, see Ndulu and others (2007, Volumes I and II) and Radelet (2010).

Figure 3.3. Growth Rate of Real GDP per Person in the Labor Force, 1995–2010



Source: IMF staff estimates.

sector as a potential enabler of development in other sectors. By contrast, Cameroon and Gabon, with some of the lowest increases in productivity, saw oil output decline.

Oil production alone does not explain the evolution of average labor productivity. As noted, most countries in this group show significant increases in productivity in agriculture, and some drivers of performance are idiosyncratic and have at most an indirect and remote link to oil. For example, Angola's emergence in 2002 from protracted civil strife may help explain its high growth rate of average labor productivity in the aggregate and in the agricultural sector, as this growth contains an important "catch up" peace dividend.

Middle-income countries

At a very aggregate level, the middle-income countries (MICs) display the typical pattern of structural transformation. All experienced positive growth in output per worker, and all, except for Seychelles, experienced positive average labor productivity growth in the agricultural sector, as well as a declining share of agriculture in total GDP. In addition, many countries in this group had very high shares of services in output at the start of the period of analysis, increasing further over time, in some cases at the expense of the secondary sector, and not just of the agricultural sector.

Low-income countries (excluding fragile countries)

Almost every country in the non-fragile low-income group experienced some structural transformation, with cross-country differences likely related to variations in education levels. Real output per worker rose in every country but Madagascar and Niger, and every country experienced positive agricultural productivity growth, except Madagascar and Uganda. Low-income countries (LICs) in East and Southern Africa experienced higher average labor productivity growth than countries in West Africa, and this is also true for the change in the agricultural output share. Part of the improved relative performance could be related to the level of education, as the population age 25 years and above among non-fragile LICs in West Africa had 2.2 years of schooling versus 4.3 years in those in East and Southern Africa (2010).[6]

[6] Two counter examples exist: Mozambique reports an average of only 1.2 years of schooling but has experienced rapid average labor productivity growth (perhaps, in part, another peace dividend), while Kenya, with an average of 7 years of schooling, has experienced slow average labor productivity growth.

Table 3.1. Structural Transformation in Sub-Saharan African Countries: Productivity Growth and Change in Agricultural Output Shares, 1995–2010[1]

(Percent)

	Growth rate of real GDP per capita	Growth rate of real GDP per person in the labor force	Annual percent change in agricultural output share	Average agricultural productivity growth (year if not 1995-2010)
Oil-exporting countries				
Equatorial Guinea	17.12	16.86	-5.69	-0.90
Angola	6.04	6.11	-2.07	4.50
Chad	3.63	3.60	0.31	0.80
Nigeria	2.72	2.70	-0.41	2.30
Cameroon	1.46	0.85	-0.14	-1.60 (1995-2007)
Congo, Rep.	1.21	0.66	-0.90	3.00
Gabon	-0.59	-1.12	-1.65	2.70
Middle-income countries				
Cape Verde	5.08	3.36	-2.91	3.90
Mauritius	3.46	2.98	-3.34	1.20 (1995-2009)
Ghana	2.78	2.64	-1.06	1.50 (1998-2005)
Lesotho	2.45	2.63	-2.05	1.10
Botswana	3.49	2.32	-3.56	2.20 (2001-2010)
Zambia	2.08	2.28	-2.66	4.70 (1998-2010)
Senegal	1.35	0.97	-1.40	4.00 (2001-2005)
South Africa	1.58	0.80	-1.16	7.10 (2000-2009)
Swaziland	1.84	0.76	-0.89	1.90
Namibia	2.02	0.52	-2.83	0.50
Seychelles	2.50	N.A.	-6.52	-4.90
Low-income and fragile countries				
Low-income excluding fragile countries				
Mozambique	4.83	4.75	-2.45	4.10 (2003-2009)
Uganda	3.59	3.91	-3.49	-3.50 (2002-2009)
Ethiopia	4.35	3.61	-1.69	2.00
Rwanda	3.77	3.19	-0.94	3.40 (1996-2005)
Tanzania	3.20	3.10	-2.07	2.90 (2000-2009)
Burkina Faso	3.15	2.91	-1.41	1.80
Mali	2.37	2.10	-0.05	3.90 (2001-2009)
Sierra Leone	2.05	1.94	1.68	3.00
Malawi	1.60	1.25	-2.29	5.30
Gambia, The	1.52	1.15	0.82	4.90
Benin	1.36	1.14	0.23	2.70
Kenya	0.80	0.83	-1.70	1.10
Madagascar	-0.05	-0.21	-0.04	-0.70
Niger	0.34	-0.13	0.31	5.40
Fragile countries				
Liberia	10.43	10.19	-3.64	1.90
Guinea	3.33	3.05	1.09	1.40
São Tome and Principe	0.80	1.80	-0.23	2.00
Côte d'Ivoire	-0.23	-0.51	0.68	1.90
Togo	0.22	-0.67	1.75	1.20
Central African Republic	-0.47	-0.75	0.65	2.10
Burundi	-0.43	-0.97	-2.19	-5.40
Congo, Dem. Rep. of	-0.82	-0.98	-2.85	-2.00
Comoros	-0.81	-1.37	0.62	-1.50
Guinea-Bissau	-1.21	-1.89	0.47	2.60
Eritrea	-1.69	-2.66	4.88	0.40
Zimbabwe	-3.10	-4.74	1.98	1.60

Sources: IMF staff calculations; IMF, African Department database; World Bank, World Development Indicators.

[1] The period for which the change in agriculture's share of GDP is calculated does not always coincide with 1995–2010 because of lack of data for some countries. Table 3.2 presents the years in parentheses.

Note: Italicized names represent resource-abundant countries, whose sector shares are reported in terms of non-resource GDP, and thus, do not add up to 100 percent.

Table 3.2. Structural Transformation in Sub-Saharan African Countries: Output Shares of Agriculture, Mining, Manufacturing, Construction, and the Tertiary Sector, 1995–2010

	Agriculture		Annual percent change in agricultural GDP share	Mining		Manufacturing		Construction		Tertiary	
	Initial	Final		Initial	Final	Initial	Final	Initial	Final	Initial	Final
Oil-exporting countries											
Equatorial Guinea	65.3	9.6	-5.7	32.3	55.6	10.3	32.4	3.9	43.6	21.0	11.5
Angola (2000-2010)	24.0	19.0	-2.1	47.8	41.3	7.7	11.8	8.2	15.3	59.9	53.6
Chad (2005-2010)	22.8	23.1	0.3	32.7	22.3	5.0	2.6	2.8	4.3	62.4	62.4
Nigeria	48.5	45.5	-0.4	48.5	26.4	8.2	5.5	1.2	1.0	42.3	45.1
Cameroon (2000-2010)	25.1	24.7	-0.1	11.7	5.2	23.6	19.2	3.0	2.9	47.4	52.3
Congo, Rep. (2002-2008)	18.2	17.2	-0.9	37.8	28.3	12.1	13.6	3.0	3.0	63.5	61.0
Gabon	12.9	9.7	-1.6	38.1	21.2	8.5	9.6	6.8	5.0	64.7	64.9
Middle-income countries											
Cape Verde	12.8	7.2	-2.9	0.0	0.0	6.3	4.0	12.3	10.9	68.1	74.6
Mauritius (2000-2010)	5.5	3.7	-3.3	0.1	0.0	19.2	14.5	4.5	5.5	69.2	75.0
Ghana (2000-2010)	32.6	29.2	-1.1	8.0	7.6	8.6	6.9	5.6	8.9	47.4	49.3
Lesotho	12.9	9.0	-2.1	0.1	4.9	9.1	16.9	11.5	6.5	63.9	58.8
Botswana	6.8	3.2	-3.6	36.5	32.3	7.4	6.0	10.0	8.7	71.9	78.4
Zambia (2000-2010)	19.6	14.4	-2.7	6.8	10.3	12.0	10.6	5.6	13.6	59.4	58.7
Senegal	17.6	13.9	-1.4	0.0	1.1	15.0	12.2	0.0	4.2	59.2	64.1
South Africa	2.9	2.4	-1.2	10.0	5.4	21.7	16.2	2.8	5.9	69.7	76.1
Swaziland	11.1	9.7	-0.9	0.7	0.1	39.7	35.0	3.3	2.4	44.1	51.6
Namibia	11.6	6.7	-2.8	8.3	6.7	16.1	16.1	3.3	4.6	65.1	69.9
Seychelles (2004-2010)	3.9	2.4	-6.5	0.0	0.0	10.4	7.5	4.7	6.0	78.8	82.1
Low-income and fragile countries											
Low-income excluding fragile countries											
Mozambique	41.7	26.3	-2.4	0.5	1.2	8.5	13.1	2.8	3.6	45.8	50.7
Uganda (2000-2010)	24.6	16.0	-3.5	0.3	0.4	7.9	7.5	11.8	16.2	51.0	56.7
Ethiopia (2000-2010)	49.4	41.0	-1.7	0.5	0.5	3.6	3.4	4.2	5.7	38.1	45.9
Rwanda	45.9	39.4	-0.9	0.2	0.5	8.1	6.7	5.1	7.8	39.5	44.8
Tanzania (1998-2010)	31.8	23.9	-2.1	1.5	2.4	8.5	9.5	5.2	7.0	45.8	48.3
Burkina Faso	36.3	28.6	-1.4	0.5	2.5	13.4	9.4	4.5	5.8	43.9	49.1
Mali	39.0	38.7	-0.1	1.9	6.4	10.3	4.6	4.5	4.5	36.5	37.8
Sierra Leone (2001-2010)	47.0	54.1	1.7	3.0	3.8	3.2	2.3	1.6	2.0	41.1	33.5
Malawi (2002-2010)	33.3	27.2	-2.3	0.3	2.3	8.2	10.4	2.6	3.1	51.3	53.7
Gambia, The (2004-2010)	28.7	30.1	0.8	1.6	2.8	6.0	5.4	6.0	3.5	56.8	56.9
Benin	38.2	39.5	0.2	1.2	0.1	9.7	9.2	3.6	3.9	45.1	45.5
Kenya (2000-2010)	29.4	24.4	-1.7	0.4	0.4	10.3	9.9	2.9	3.2	55.1	59.8
Madagascar	28.6	28.4	0.0	0.5	0.6	10.6	11.1	1.3	4.7	57.8	53.9
Niger	47.4	49.6	0.3	3.9	2.2	7.7	5.4	0.6	1.9	39.2	38.8
Fragile countries											
Liberia (2000-2010)	66.4	42.2	-3.6	0.3	1.6	7.4	7.9	1.1	4.8	24.3	43.0
Guinea (2000-2010)	21.3	23.7	1.1	14.1	13.6	6.5	6.2	10.3	12.9	45.0	41.0
São Tome and Principe (2001-2010)	15.2	14.9	-0.2	0.3	0.3	5.8	6.0	7.4	6.8	42.2	42.4
Côte d'Ivoire	22.8	25.1	0.7	0.2	1.6	5.4	2.9	2.1	3.3	55.5	52.6
Togo (2000-2010)	37.6	44.2	1.8	3.9	2.9	9.2	10.1	3.0	4.4	42.7	34.6
Central African Republic (2000-2010)	48.3	51.4	0.7	4.2	2.4	6.1	7.4	3.5	4.4	33.0	31.1
Burundi	49.8	33.4	-2.2	0.8	0.4	10.6	10.0	3.0	5.9	34.3	48.8
Congo, Dem. Rep. (2000-2010)	55.8	39.9	-2.9	10.4	14.7	5.4	4.5	4.8	10.2	33.2	39.6
Comoros	41.9	45.9	0.6	0.0	0.0	4.1	3.6	6.2	6.5	46.3	42.7
Guinea-Bissau (2000-2010)	41.5	43.4	0.5	0.0	0.0	12.8	11.1	0.4	1.3	44.9	43.2
Eritrea (2000-2010)	15.1	22.4	4.9	0.1	0.0	11.2	6.3	10.5	15.8	61.9	54.1
Zimbabwe	15.8	20.5	2.0	4.7	12.6	21.0	17.5	2.4	2.0	58.7	54.2

Sources: IMF, staff calculations; African department database; World Bank World Development Indicators; and Food and Agriculture of the United Nations (FAOSTAT).

Notes: The parentheses next to each country's name show the years over which the change in agriculture's share of GDP was calculated. Italicized names represent resource-abundant countries, whose sector shares are reported in terms of non-resource GDP, and thus, do not add up to 100 percent.

Education may also have played a part in helping MIC newcomers rise from the ranks of LICs. MIC newcomers have on average higher levels of education than non-fragile LICs (with the exception of Kenya), measured either by average years of schooling or the percentage of the labor force with some secondary or tertiary education. The three newcomers in the MIC group had an average of 6 years of schooling in 2010, up from 5 years in 1995 (Figure 3.4). In contrast, a subsample of 10 non-fragile low-income countries for which data are available (Benin, The Gambia, Kenya, Malawi, Mali, Mozambique, Niger, Rwanda, Uganda, and Tanzania) averaged 3.4 years of schooling in 2010, up from 2.4 years in 1995.

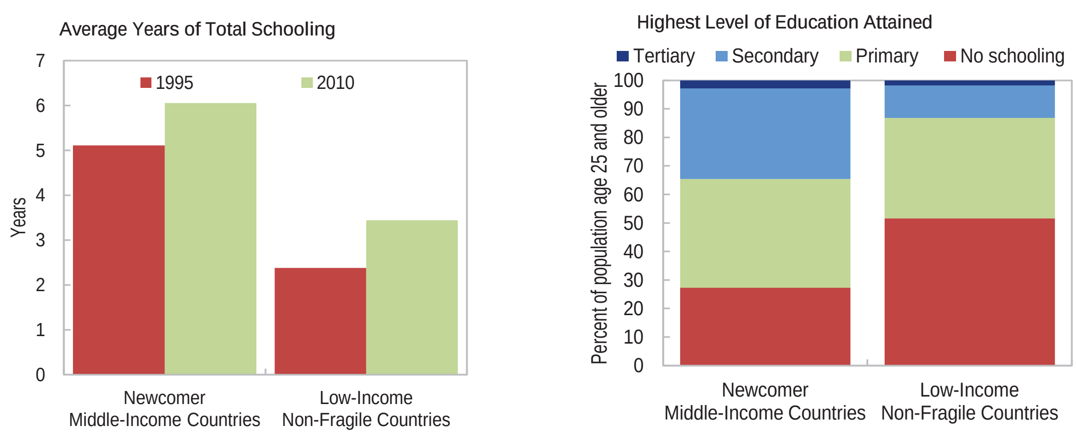
BENCHMARKING SUB-SAHARAN AFRICA'S TRANSFORMATION

To assess sub-Saharan Africa's performance, Figure 3.5 compares a subset of those countries (Cameroon, Ghana, Mauritius, South Africa, and Tanzania) with the median estimate of a group of low- and middle-income Asian economies that have experienced rapid structural transformation and started their growth takeoffs with similar or lower levels of GDP per capita than the average sub-Saharan African country at the time (Box 3.1). The choice of sub-Saharan countries was determined by the availability of employment data and the desirability of including countries from each grouping. Interesting findings include the following:

- Ghana and Tanzania have experienced declines in agricultural output and employment shares over time, with Tanzania matching the experience of the comparator Asian economies quite closely.
- Most middle-income countries have experienced declining manufacturing ratios for the past two decades, consistent with the process in more advanced Asian countries, where services play an ever-increasing role in the economy.
- Relatively few LICs in sub-Saharan Africa (Mozambique, Tanzania) have been able to raise their manufacturing output and employment shares on a sustained basis.[7]

Among the sub-Saharan African countries, the upward output and employment trends in the services sector have been stronger than in the Asian economies, suggesting that the path to transformation is likely to take place at least partly through services.

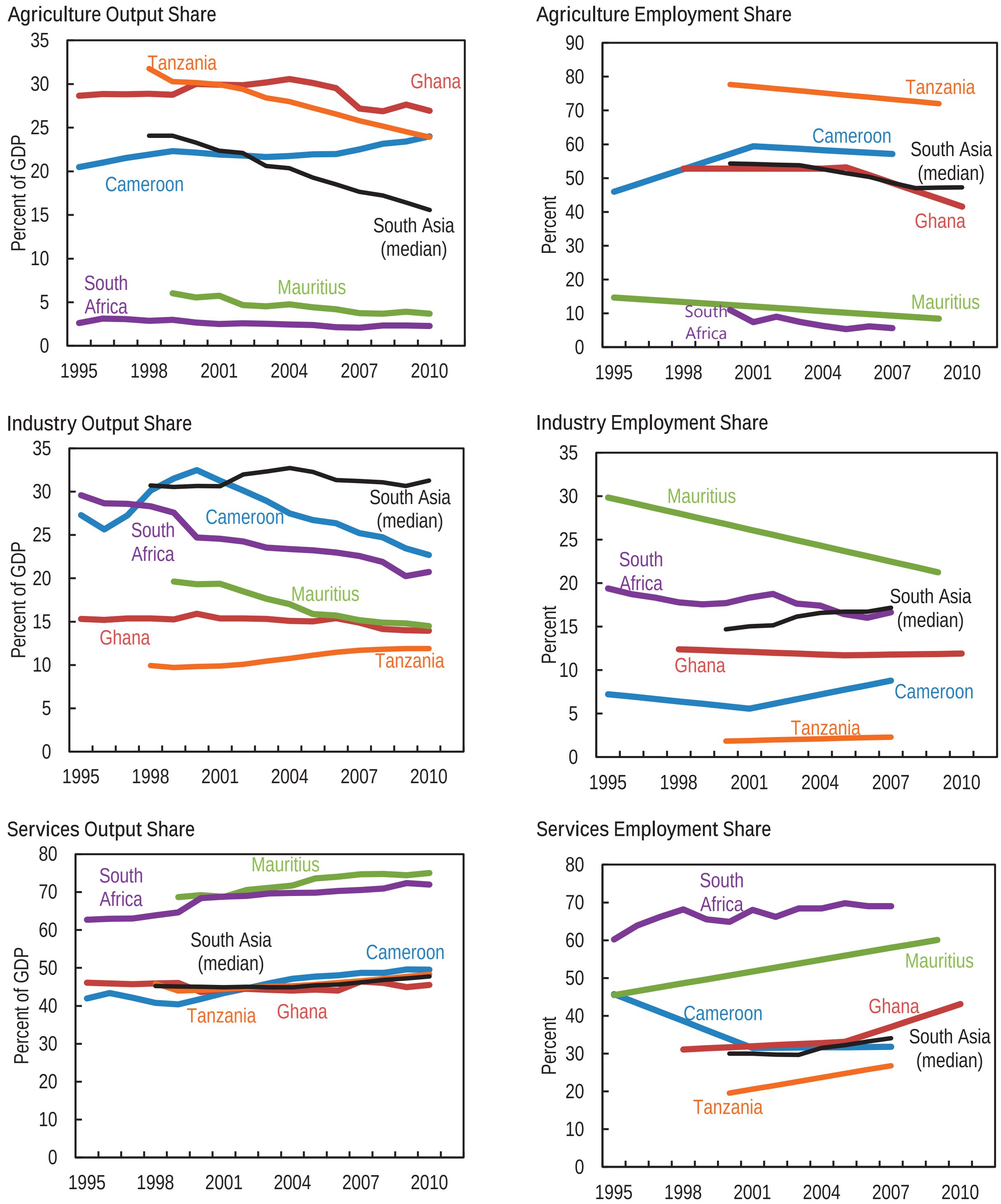
Figure 3.4. Average Year of Total Schooling and Highest Level of Education Attained



Source: Barro and Lee (2011).

[7] Although the output share of industry rose briefly in Cameroon following the large devaluation of the CFA franc in 1994, this was only a temporary surge.

Figure 3.5. Sub-Saharan Africa: Sectoral Output and Employment, 1995–2010



Sources: CEIC database; and Haver Analytics database.

Box 3.1. Structural Transformation in Asia

In all the Asian countries considered, the share of agriculture in output and employment has fallen over time, with most countries experiencing fairly strong labor productivity growth. With workers shifting out of the agricultural sector, labor productivity growth has been quite strong in most cases, ranging from 1 percent in the Philippines to 3–3½ percent in Indonesia and Vietnam. Indeed, one of the main features of the structural transformation process in Asia is its "green revolution."

Manufacturing output growth has been extremely strong over the past two decades in Bangladesh, Cambodia, and Vietnam, while services output growth in agriculture has been the dominant factor in the more advanced economies (Indonesia, Philippines) and India. In manufacturing, output growth has mainly concentrated in apparel, clothing, and footwear production, mostly for export. The output surge has coincided with modest increases in labor productivity in manufacturing, given the labor intensity of the products. In services, finance and business-process outsourcing have played dominant roles in many countries.

Change in Output and Employment Shares, 1990–2011
(Annual, percent)

	Output shares			Employment shares		
	Agriculture	Industry	Services	Agriculture	Industry	Services
Bangladesh	-0.5	0.5	0.0	-0.3	0.4	-0.1
Cambodia, 1998-2010	-1.8	0.7	1.0	-1.5	0.8	0.8
Vietnam	-0.7	0.8	-0.1	-1.2	0.5	0.6
Indonesia, 1993-2011	-0.2	-0.1	0.3	-0.9	0.3	0.6
Philippines	-0.2	-0.2	0.4	-0.6	0.0	0.6
India	-0.7	0.0	0.7	-0.7	0.4	0.3

Source: Haver Analytics; and IMF staff calculations.

The low wage level relative to productivity is one of the main factors behind this significant structural transformation in Asia. Using data from the World Bank's Enterprise Surveys, Clarke (2012) has shown that the median labor cost is 28 percent of value-added per worker among East Asia manufacturing firms, compared with 34 percent among low-income and lower-middle-income countries in sub-Saharan Africa.

This box was prepared by Alun Thomas.

An alternative presentation of these data show broad increases in employment in sectors with higher average labor productivity. Figures 3.6 and 3.7 plot annual changes in employment shares against average relative productivity levels for agriculture, manufacturing, mining, and the tertiary sector for sub-Saharan African and Asian countries, respectively.[8] Points in the lower left quadrant indicate sectors with below average productivity and declining employment shares, while those in the upper right quadrant indicate sectors with above average productivity and rising employment shares. Interestingly, the picture is quite similar for both regions, with workers moving out of agriculture, where relative productivity levels are low, into the tertiary and manufacturing sectors.

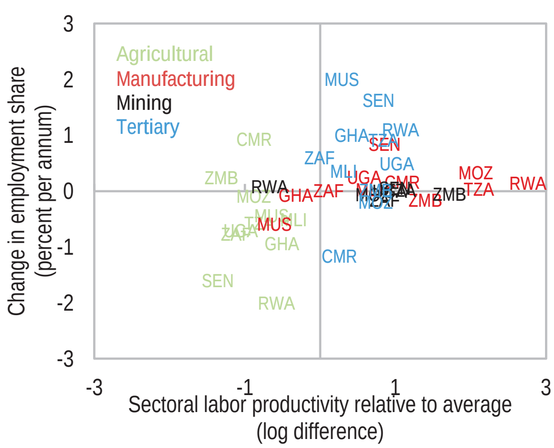
Indeed, the only sub-Saharan African countries with little change, or even an increase, in the agriculture employment share are Cameroon and Zambia.

In all the other sub-Saharan African countries, workers have moved out of the agricultural sector. This suggests that the findings of McMillan and Rodrick (2011), whose analysis of a smaller subset of countries through 2005 found workers moving into low-productivity sectors, may actually be reversed when considering a broader set of countries through 2010.

SECTORAL PERSPECTIVES

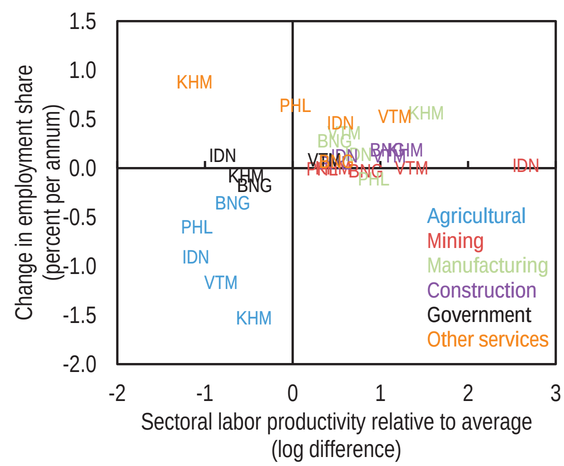
As noted above, structural transformation involves shifting from low value-added activities and sectors to higher value-added activities. This section analyzes the extent to which such structural transformation is taking place in sub-Saharan Africa by evaluating developments at the sectoral level.

Figure 3.6. Sub-Saharan Africa: Labor Productivity and Change in Employment Shares, 1995–2010



Source: IMF staff calculations.

Figure 3.7. Asia: Labor Productivity and Change in Employment Shares, 1995–2010



Source: IMF staff calculations.

[8] The initials appearing in the graphs correspond to the following sub-Saharan African countries: Angola (AGO), Benin (BEN), Botswana (BWA), Burkina Faso (BFA), Burundi (BDI), Cameroon (CMR), Cape Verde (CPV), Central African Republic (CAF), Chad (TCD), Comoros (COM), Côte d'Ivoire (CIV), Dem. Rep. of Congo (COD), Equatorial Guinea (GNQ), Eritrea (ERI), Ethiopia (ETH), Gabon (GAB), The Gambia (GMB), Ghana (GHA), Guinea (GIN), Guinea-Bissau (GNB), Kenya (KEN), Lesotho (LSO), Liberia (LBR), Madagascar (MDG), Malawi (MWI), Mali (MLI), Mauritius (MUS), Mozambique (MOZ), Namibia (NAM), Niger (NER), Nigeria (NGA), Rwanda (RWA), Rep. of Congo (COG), São Tome & Príncipe (STP), Senegal (SEN), Seychelles (SYC), Sierra Leone (SLE), South Africa (ZAF), Swaziland (SWZ), Tanzania (TZA), Togo (TGO), Uganda (UGA), Zambia (ZMB), and Zimbabwe (ZWE). The Asian countries included in the sample are Bangladesh (BNG), Cambodia (KHM), Indonesia (IDN), the Philippines (PHL), and Vietnam (VTM).

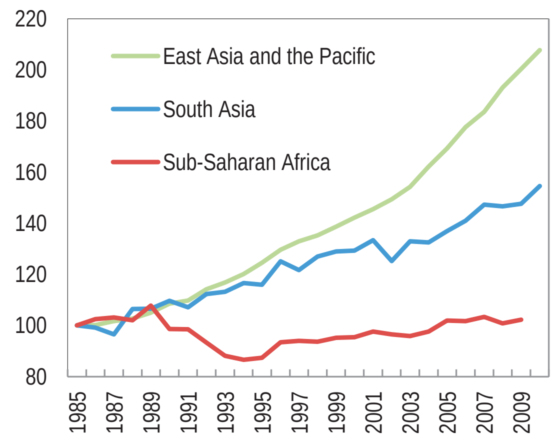
Agriculture

As a whole, sub-Saharan Africa has experienced slow growth in average labor productivity in the agricultural sector in the past three decades, indicating that little structural transformation has taken place in this sector. The annual growth rate of average agricultural productivity in sub-Saharan Africa was virtually unchanged in the mid-1990s, at around 0.1 percent to 0.2 percent, and has continued lagging other regions (Figure 3.8). Nevertheless, the regional average masks a wide variation in experiences, including productivity declines in many countries in sub-Saharan Africa and high productivity growth (and presumably structural transformation) in others.[9] As Table 3.1 shows, the rate of productivity growth in agriculture is highly correlated with the growth of GDP per capita.

Fertilizer use and the extension of agriculture to non-arable land are key factors in explaining the lower agriculture labor productivity levels in sub-Saharan Africa compared to Asia. Arable land has been declining by 1 percent a year in both regions. In contrast, non-arable agricultural land has been rising by 1 percent a year in Asia while it has declined by a similar magnitude among sub-Saharan African countries. With respect to fertilizer, while its use has increased by 3.5 percent a year among Asian countries, on average it has not risen in sub-Saharan Africa.

Many governments in sub-Saharan Africa have been concerned with improving agricultural productivity, with some positive results. The Comprehensive Africa Agriculture Development Program (CAADP), created in 2003, focuses attention on a basic strategy to improve agricultural productivity in sub-Saharan Africa involving improved water control, increased use of fertilizer, and development

Figure 3.8. Average Labor Productivity in the Agriculture Sector, 1985–2010



Source: World Bank, World Development Indicators.

and distribution of better seeds (UNDP, 2012).[10] A discussion in this chapter's appendix of the recent experience with cotton sector production and productivity in Burkina Faso shows how such policies can generate impressive results.

Manufacturing and mining[11]

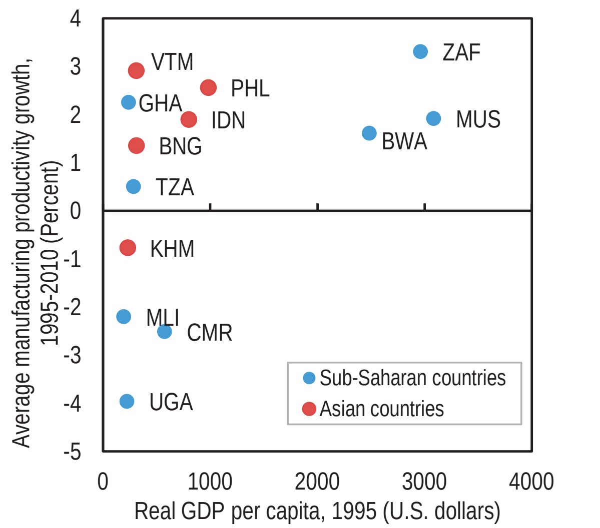
Examples exist of strong productivity growth in manufacturing in sub-Saharan Africa, although this is generally restricted to MICs. Among the upper-middle-income sub-Saharan African countries at a more advanced stage of structural transformation, growth rates of productivity in the secondary sector are comparable to those of Asian countries (Figure 3.9). A few low-income sub-Saharan African countries have experienced impressive growth in textiles and leather products—albeit starting from a very low base. Exports of textiles have more than doubled over the past two years in Ethiopia, and leather exports have rebounded, but manufacturing exports account for only 1 percent of output.

[9] Fuglie and Rada (2011) have produced similar results for total factor productivity, with the annual growth rate at 2.1 percent for Southeast Asian countries over the period 1990-2007, 1.6 percent for South Asian countries, and 1.1 percent for sub-Saharan Africa.

[10] This strategy was first adopted in South Africa and led to an almost fourfold increase in cereal yields. Some elements of this strategy are already being followed in other countries. For example, drought-tolerant varieties of millet and sorghum have been developed for farmers in the Sahel and the Horn of Africa, and fertilizer markets in Kenya and Malawi have been liberalized.

[11] While separate discussions of mining and manufacturing would be preferable, data limitations preclude this.

Figure 3.9. Manufacturing Productivity Growth vs. Real GDP Per Capita



Source: IMF staff estimates based on household survey data.

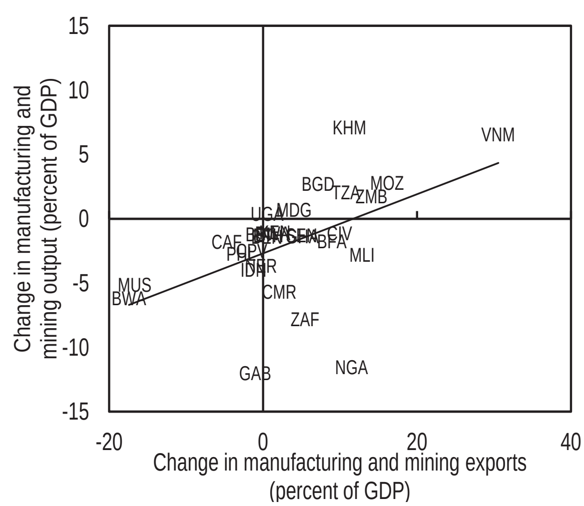
Exports of light manufactures have also doubled in Kenya in the past decade, but they still represent only 2 percent of GDP. In general, however, among low-income and lower-middle-income countries (Mozambique, Senegal, Uganda) the productivity growth rates are negative and their magnitude significant. This could be related to data quality, because reported manufacturing employment levels at the beginning of the period in these countries are very low and may reflect poor data, which may have improved over time.

Notwithstanding weak productivity growth, a few low-income sub-Saharan African countries have performed strongly in terms of manufacturing and mining output and exports. In a combined sub-Saharan Africa and Asian sample, a 10 percent increase in manufacturing and mining exports in relation to output is associated with an increase in the corresponding output share of about 2 percent (Figure 3.10).[12] The sub-Saharan African countries that have registered an increase in the manufacturing and mining output share in the past 15 years are Madagascar, Mozambique, Namibia, Tanzania, Uganda, and Zambia. This chapter's appendix provides a discussion of how this was accomplished in two cases: Tanzania, where the result was largely due to renewed macroeconomic stability and a general liberalization of the economy; and Namibia, where a focus on business-oriented infrastructure and support contributed to rising manufacturing.

The weaker performance among sub-Saharan African countries in manufacturing may reflect both factor endowments and the timing of growth. At the time of their transformation, most Asian economies had limited land and natural resources and abundant skilled and low-wage workers, and they faced a global marketplace where manufacturing was dominated largely by high-wage industrial countries. So their path to transformation—to higher value-added output—was through low-wage manufacturing.

Sub-Saharan Africa today faces a very different situation. The countries of sub-Saharan Africa generally are land and natural resource abundant, and face a global marketplace where low-wage economies already dominate many markets. So, the market conditions and resource endowments in many sub-Saharan African

Figure 3.10. Change in Manufacturing and Mining Output and Export Shares, 1995–2010



Source: IMF staff estimates based on household survey data.

[12] The large absence of value added in manufacturing exports has recently been documented by Johnson and Noguera (2012) who associate it with the emergence of global supply chains in which production stages are sliced up and distributed across countries.

countries may favor a type of transformation in which the natural resources, agricultural, and services sectors play a more dominant role, with a lesser role for manufacturing.[13]

While the value of mining output (including petroleum) has increased rapidly in a number of resource-rich countries in the past decade, mining shares have fallen in real terms in some places, such as Angola. The exceptions are Chad, the Republic of Congo, and Zambia. There has also been limited experience with the processing of minerals. In the case of oil, part of the difficulty lies in the small size of the national markets, with a number of countries having developed refineries that could serve the regional market.[14]

Services

Even though services already play an important role in many sub-Saharan African countries, there are encouraging signs that they could be developed further. Services sector productivity growth among many LICs has been very strong in recent years, higher than industry productivity growth among LICs and far higher than productivity growth in developed countries (Ghani, Grover, and Kharas, 2011). This suggests there may still be room for the sector to grow, especially as it remains heavily concentrated in low value-added informal services such as retail trade. Supporting this view, services sector productivity growth in some MICs (Botswana, Mauritius, South Africa) has been comparable to, if not higher than, middle-income Asian countries in the past decade (Indonesia, Philippines) and generally stronger than in manufacturing. Moreover, productivity increases in a few countries have also been strong (Mali, Mozambique, Senegal), supporting the view that a number of sub-Saharan African countries are possibly following a developmental process that favors services provision over manufacturing.

A few low- and middle-income sub-Saharan African countries are restructuring their economies around services, following the pattern of India. The discussions in this chapter's appendix of the services sectors in Mauritius and Kenya show that information and communications technology services have grown rapidly in these economies in recent years. In Mauritius, government policies supported this development through strong protection of property rights, flexible labor market regulations, and a simplified tax regime, among other measures. In Kenya, the process has been facilitated by the deepening regional integration of the East African Community (EAC). In addition, one of the major attractive features of these economies is the quality of their labor forces compared to the rest of sub-Saharan Africa. The share of students who have reached the secondary level of education in 2010 is highest in Mauritius at more than 50 percent, while the share of students with tertiary education is comparable between Mauritius and India, and considerably above the sub-Saharan Africa median level in Kenya (Table 3.3).

Among many oil exporters and other resource-based economies, the change in the services sector output share is also considerably larger than the change in the services export share (Figure 3.11). This could reflect the presence of backward linkages with resource extraction, large public sectors, or, most likely a combination of both. Transportation output has grown fastest among the resource exporters: Angola and Nigeria (above 12 percent a year) and Botswana (8–9 percent a year). Public administration also has grown faster among resource-rich countries, at more than 5 percent a year (Botswana, Namibia, Nigeria) compared to 3 percent a year for the rest (median).[15]

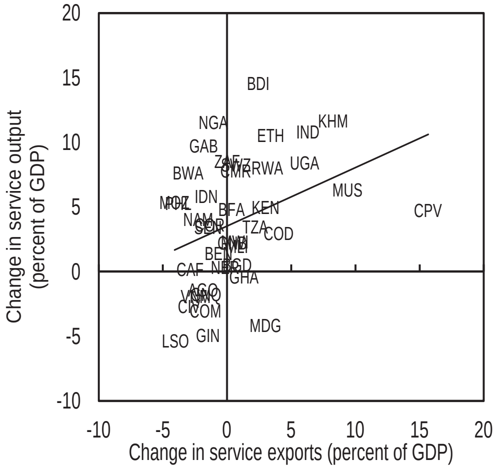
[13] India's recent experience of rapid growth in its services sector (telecommunications, finance, information technology, etc.) without first having developed a competitive manufacturing sector is a case in point. See Gordon and Gupta (2004), and Kochhar, and others (2006).

[14] Indeed, sub-Saharan Africa could be a net exporter of refined petroleum if the refineries ran at a minimum of 75 percent capacity (Akinkugbe, 2012). However, at the moment refinery use is less than 50 percent in Côte d'Ivoire, Ghana, and Nigeria, and is above 75 percent only in Cameroon (CITAC, 2011).

[15] Burundi appears to be an outlier in terms of its sharp services output growth, which could reflect massive spending by donors following the conflict in the early 2000s channeled through the government.

A large proportion of the services jobs in sub-Saharan Africa are in the informal sector, thus making the recent experience of strong services productivity growth in low-income sub-Saharan Africa economies all the more impressive, particularly given the extent of low value-added services such as retail trade (Box 3.2). It does, however, raise the question of whether the current productivity surge can be sustained, although examples such as Kenya and Mauritius show that the switch into higher value-added services can be achieved.

Figure 3.11. Change in Service Output and Export Shares, 1995–2010



Source: IMF staff estimates based on household survey data.

Table 3.3. Education Characteristics, 2010

(Percent of population age 15 and over)

	Highest level attained		
	Primary Total	Secondary Total	Tertiary Total
Kenya	53.3	32.8	3.1
Mauritius	37.4	51.3	5.2
SSA median	32.9	22.6	1.95
India	20.9	40.7	5.8

Source: Barro and Lee (2010).

SOME IMPEDIMENTS TO STRUCTURAL TRANSFORMATION

The analysis above indicates that structural transformation in sub-Saharan Africa, while taking place, is doing so at a slow pace. This raises the question of why, despite high growth, transformation has been slow. While a comprehensive answer to that question is beyond the scope of this chapter, this section briefly assesses some key factors retarding progress in the transformation of sub-Saharan African economies.[16]

The principal factors cited by the private sector as hindering development in sub-Saharan African countries include the cost of power outages, the lack of transportation infrastructure, and the degree of corruption. Table 3.4 presents a comparison of some of these structural impediments for sub-Saharan Africa as a whole and for a few comparator Asian countries, which, while different in some respects, may still provide lessons for sub-Saharan Africa.

The table shows that the cost of power outages (in terms of sales) is considerably higher among sub-Saharan African countries than in the sample of Asian countries. As for transportation infrastructure, road density and logistical performance are relatively low in sub-Saharan Africa, contributing to the higher cost of exporting goods from sub-Saharan African countries compared to other countries: US$1,974 per container, compared to a median estimate of US$732 for the Asian countries. It also shows that countries in sub-Saharan Africa rank slightly worse than the median country in the Asian sample in the measures of corruption and transparency.

Independently, both an irregular power supply and corruption could hinder production and exports in all three sectors, while high transport costs and low road density could significantly constrain the development of manufacturing and agriculture. But it is the cumulative impact of dealing with all

[16] Important factors not discussed here include land-locked country status, thin financial markets, labor and land market regulations, and limited regional infrastructure.

Table 3.4. Structural Impediments

(2009, unless otherwise noted)

	Road Density (Kilometers of road per 100 square kilometers land area, 2007)	Cost to Export (U.S. dollars per container)	Logistics Performance Index, Efficiency of Customs Clearance (1=low, 5=high)	Value Lost to Electrical Outages (Percent of sales)	ICRG Corruption (0=high risk, 6=low risk)	Transparency, Accountability, and Integrity of the Public Sector (1=low, 6=high)
Bangladesh	n.a.	970	2.3	n.a.	3.0	3.0
Cambodia	n.a.	732	2.3	n.a.	2.0	2.0
India	n.a.	945	2.7	n.a.	2.0	3.5
Indonesia	22.0	704	2.4	2.4	3.0	n.a.
Philippines	n.a.	816	2.7	3.4	2.0	n.a.
Vietnam	48.0	555	2.7	3.7	3.5	3.0
South East Asia (median)	35.0	774	2.6	3.4	2.5	3.0
Sub-Saharan Africa[1]	14.5	1,927	2.2	6.1	2.3	2.8

Sources: World Bank, World Development Indicators; International Country Risk Guide; and IDA Resource Allocation Index.

[1] Road density refers to 2004, and electricity outages to 2007.

three factors that makes the business environment particularly challenging in parts of sub-Saharan Africa.

CONCLUSIONS AND FUTURE PROSPECTS

Looking at the 1995–2010 period, rapid economic growth in many countries in sub-Saharan Africa has been accompanied by only limited structural transformation. In particular, the speed of transformation has been slower than that experienced in Asia. Rather than seeing labor shift rapidly from agriculture to manufacturing, many African countries have experienced relatively slow productivity growth in agriculture and a less-pronounced shift from agriculture to services and, to an even lesser extent, manufacturing.

So far, the slower rate of structural transformation would not seem to have held back economic growth in some of sub-Saharan Africa's most rapidly growing countries. The question is whether it will become an impediment to continued high and sustained growth in the coming decades. Experience both within and outside sub-Saharan Africa suggests that raising agricultural productivity will need to be an important part of the answer. Because the employment share of agriculture in most economies in sub-Saharan Africa is very large and relative productivity levels are so low, there is significant opportunity to raise living standards through agricultural productivity improvements.

Policymakers should and, in some cases, are focusing their efforts on productivity increases in agriculture. While this may be consistent with a steady or rising agricultural output share, if there is to be significant structural transformation in sub-Saharan Africa, the employment share of agriculture will almost certainly decline.

Whether or not rising productivity in agriculture will be accompanied in all countries by an expansion of manufacturing is an open question. The comparative advantage of many countries may lie elsewhere, for example in services. The challenge here is to raise education standards and narrow the infrastructure gap to levels at which the region can compete for higher value-added services. This is already happening in some countries, but a stronger push is needed.

Looking further ahead, the continued rapid growth in real wage levels in Asia, and sub-Saharan Africa's demographic dividend, with dependency ratios projected to decline, suggest that manufacturing in sub-Saharan Africa could become increasingly competitive. The challenge for sub-Saharan Africa will be to take full advantage of these developments, which will require investments in both human and physical capital. But the aim is clear: to harness Africa's resources to provide high and sustained growth, raise living standards, and create employment opportunities. Structural transformation will need to be a key part of this process.

Box 3.2: Formal and Informal Employment

Informal workers (including self-employed workers) are the dominant feature of labor markets in developing countries. These workers have no labor contracts and no health or social security benefits. On average, they work longer hours, and their earnings per hour are generally lower than in the formal sector.

Available estimates of formal sector employment in relation to total employment suggest that its share is very low in sub-Saharan Africa. The data are generally based on household surveys conducted infrequently; and definitions of formal employment can vary from study to study, making comparisons difficult. Mindful of these drawbacks, the table (below) provides the latest estimates of formal employment. For low-income sub-Saharan African countries, formal employment covers public sector employment and wage employment in other sectors. For the more advanced countries, formal employment covers workers with an employment relationship that is subject to national labor legislation, income taxation, and social protection.

Table 1. Employment Indicators
(Ratio of total employment, except where stated)

	Year	Sectoral Employment Shares			Formal Sector Employment[1]
		Agriculture	Manufacturing	Services	
Cameroon	2007	57.1	8.8	31.8	9.5
Ghana	2010	41.6	11.9	43.1	18.2
Kenya	2006	49.6	3.8	43.6	9.6
Mali	2009	61.0	3.4	31.6	10.7
Mozambique	2009	69.0	3.4	23.9	16.7
Rwanda	2011	72.5	2.3	21.1	22.6
Senegal	2005	55.0	2.5	36.0	9.0
Tanzania	2009	72.0	2.3	26.8	7.1
Uganda	2009	67.4	6.0	25.0	6.8
Zambia	2010	73.0	2.0	29.3	9.4
Average		61.8	4.6	31.2	12.0
Advanced stage of transformation					
Mauritius	2009	8.5	22.5	60.1	51.1
South Africa	2007	5.7	16.6	69.0	36.8

Source: Household surveys.
[1] Latest estimate in percent of working-age population.

Formal employment in low-income sub-Saharan African countries is low, ranging from around 7 percent of total employment (Tanzania, Uganda) to about 27 percent (Rwanda). At the other end of the spectrum, formal employment is fairly high in Mauritius and South Africa, ranging from 37 to 51 percent of total employment, with the Indonesia estimate sitting between these figures. Formal employment ratios are positively related to levels of GDP per capita.

This box was prepared by Alun Thomas.

APPENDIX: SELECTED COUNTRY EXAMPLES

This appendix highlights some of the successful examples of structural transformation in sub-Saharan economies. The examples were chosen to illustrate a variety of dimensions:

> *Burkina Faso* is a country that has succeeded in raising average agricultural productivity levels in recent years; *Tanzania* has succeeded in developing its manufacturing sector; *Namibia* has successfully diversified away from non-renewable natural resources; while *Mauritius* and *Kenya* provide examples of countries that have developed a successful service sector.

These experiences may provide useful insights for other economies.

Burkina Faso: Agricultural Productivity Growth[1]

Cotton is the dominant agricultural product in Burkina Faso: 250,000 households and more than 3 million people (almost 19 percent of the population) depend directly or indirectly on its cultivation for their livelihood. The development of cotton cultivation spurs the development of maize (up by more than 50 percent since 1994), which is planted in rotation with cotton. Until the start of gold mining in 2008, cotton accounted for more than 50 percent of export earnings.

Agricultural production grew at an average rate of almost 4 percent a year between 1995 and 2009, reflecting labor and land productivity gains, and a significant increase in the area of cultivated land, the latter development contrasting with many other sub-Saharan African countries. Until 2006, many of the gains in agricultural productivity were realized in the seed cotton sector, which has grown on average by 7.2 percent a year since 1995. The success of the cotton sector was an important factor in the doubling of real per capita GDP in Burkina Faso between 1995 and 2006.

Following setbacks from 2006 to 2009, ginned cotton production has increased since 2009 by more than 33 percent, underpinned by a series of structural reforms:

- Setting a realistic and publicly disclosed price for the cotton crop at planting time, negotiated by a grass-roots producers' association and supported by (i) a fully funded "price smoothing" fund and (ii) increased use of forward sale contracts by ginners.
- Establishing a revolving-door "inputs fund" that mobilizes seasonal bank financing and fertilizer subsidies.
- Developing collective liability of producers' associations for loans connected to agricultural inputs.
- Introducing new entrants in ginning who provide credible alternatives to the dominant state-owned ginner.

The government has recently prioritized agriculture in policymaking through its development program. It has introduced many interventions that complement the structural reforms described above and that complement the list of measures generally recommended by specialists (UNDP, 2011).

- Improvements in crop resilience to shocks by using more productive and drought- and pest-resistant seeds.
- Smart management of soil fertility, given increasing concerns of soil saturation and limits on the availability of arable land.
- Increased irrigation, including building new dams and rehabilitating existing dams, to hedge against droughts.
- Promotion of crop diversity to improve farmstead resilience, combined with a focus on larger-scale production of oil seeds and fruit to tap international markets.

These case studies were prepared by Antonio David, Floris Fleermuys, Nikoloz Gigineishvili, Ragnar Gudmundsson, Farayhi Gwenhamo, and Jan van Houtte.

[1] For more details on Burkina Faso's agricultural progress, see World Bank (2010) and Badiane (2011).

- Promotion of cooperatives and marketing associations to establish economies of scale and scope for small farmers and to promote agri-business opportunities.

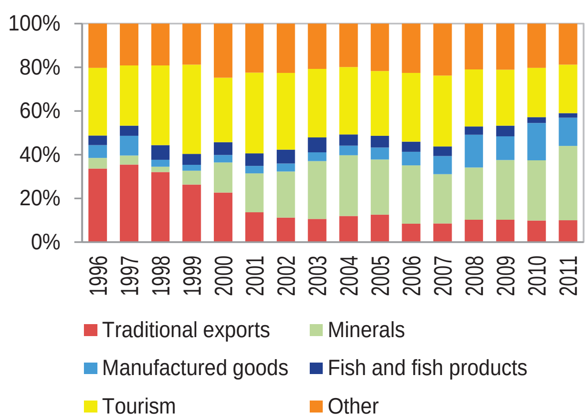
Tanzania: Growth in Manufacturing[2]

The Tanzanian economy has changed significantly since the early 2000s, with traditional agricultural cash crops (cotton, coffee, tea, sisal, cashew nuts, tobacco) having declined in importance. This reflects the reorientation of agricultural production to the domestic market to meet the demands of a rapidly growing population and the substitution of traditional exports by rising exports of minerals (gold) and manufactures (Figure 3.12).

Gold exports have grown to almost 30 percent of export receipts, making Tanzania the fourth largest gold exporter in Africa. The expansion largely reflects rapidly rising gold prices because the share of gold production in real GDP has increased only marginally to 2.5 percent in 2010.

In the past decade, the manufacturing sector developed strongly, driven primarily by demand from regional markets, supported by the strengthening of the East African Community (EAC) common market. Manufacturing's share of Tanzania's exports grew from 3 percent in 2000 to 17 percent in 2010, with the key products being processed food, beverages, and tobacco products, followed by manufacturing of furniture and other wood products.

Figure 3.12. Tanzania: Composition of Exports of Goods and Services



Source: Tanzanian authorities.

Tanzania's successful diversification away from low value-added agriculture to higher value-added manufacturing is attributable to the policy and structural reforms carried out at the beginning of the decade. These reforms were designed to transform a government-dominated welfare state into a market economy, and covered a broad range of areas: exchange rate, price, and trade liberalization; tax and public finance reforms; introduction of modern monetary policy; liberalization of the financial sector; reforms of the public sector; regulatory and institutional reforms; and the onset of regional integration. In tandem, macroeconomic stabilization advanced rapidly—GDP growth more than doubled from an average of 3 percent in the 1990s to 6.7 percent in the 2000s; inflation declined to single digits; and public debt was reduced to sustainable levels.

At the same time, substantial reductions in tariffs and non-tariff barriers, market deregulation and privatization, and large public investments in infrastructure, including in the energy sector, offered fertile ground for rapid productivity growth in the private sector and the expansion of exports. Indeed, labor and total factor productivity increased by more than 30 percent in the last decade, with manufacturing one of the key sectors benefitting from these reforms.

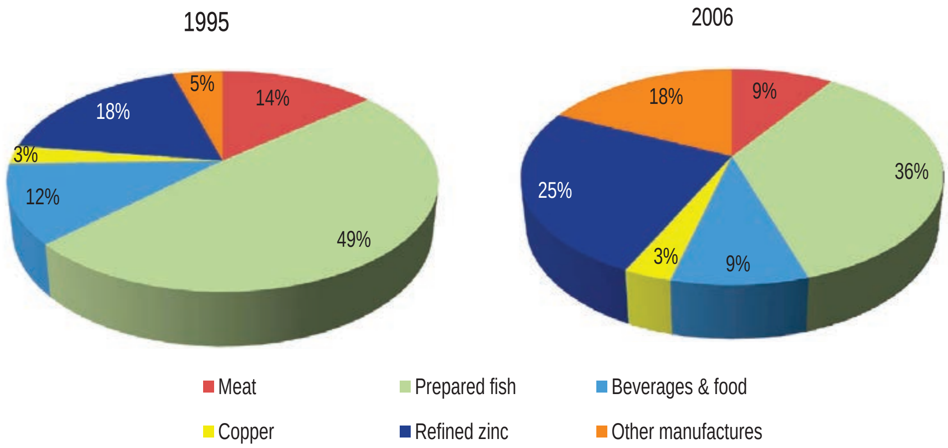
Namibia: Diversification from Minerals to Manufacturing[3]

For a decade after independence in 1990, Namibia's exports relied primarily on the mining sector, with low activity in the manufacturing sector. Mineral exports—mostly gem diamonds, uranium, and base metals—accounted for more than 50 percent of goods and services exports. Within the mining sector, diamond mining played a dominant role,

[2] For more on Tanzania's transformation, see Nord and others (2009).

[3] For more on Namibia's transformation, see Kadhikwa and Ndalikolue (2007) and Zaaruka and Namaklu (2002).

Figure 3.13. Namibia: Composition of Manufactured Exports



Sources: Namibian authorities; and IMF staff estimates.

contributing about 74 percent of total mining exports (2000–06 average). With prudent macroeconomic policies and political stability, the government embarked on policy measures to diversify its export base away from minerals to manufacturing. This was achieved through key interventions including the development of export processing zones, industrial parks, common facility centers, and small- and medium-size enterprise (SME) development programs. In addition, the government embarked on active promotion and marketing of Namibia's investment opportunities to potential foreign investors, and conducted active research on diversification. These policies facilitated an increase of 5 percentage points in the manufacturing sector's contribution to total exports, reaching 20 percent by 2006. Other exports, including raw hides and skins and arts and crafts, also grew significantly.

Policy initiatives have also supported diversification in manufactured exports by encouraging textiles and clothing, polished and processed diamonds, and refined copper and zinc. The export share of prepared fish, which traditionally dominated the manufactured exports basket, declined from 49 percent to 36 percent between 1995 and 2006; and the contribution of refined zinc has increased significantly (Figure 3.13). This new area of the manufacturing sector created strong backward and forward linkages within the economy, particularly between the manufacturing and mining sectors.

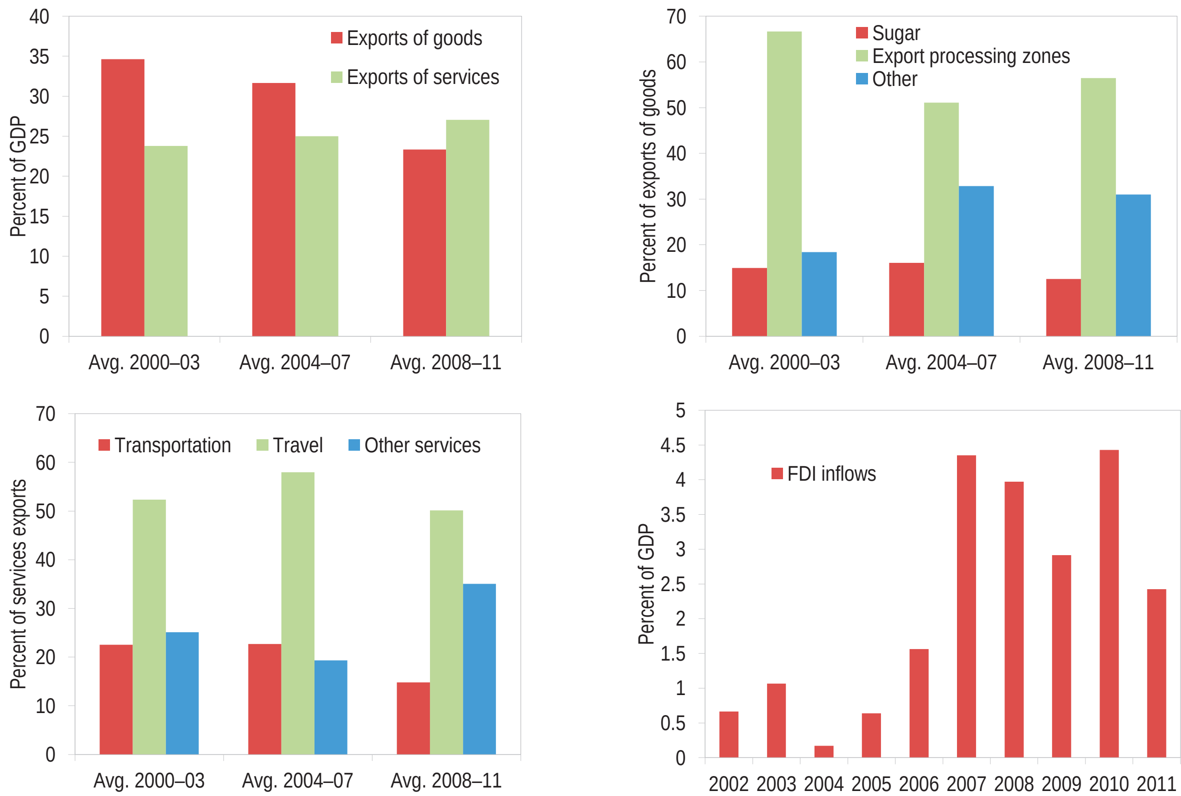
Mauritius: Shift from Manufacturing to Services Exports[4]

Since independence, Mauritius has demonstrated a strong economic record based on sound institutions and macroeconomic policies (including prudent fiscal policy and a flexible exchange rate). This performance is impressive given poor natural resource endowments and the high vulnerability to external shocks intrinsic to a small open economy. Economic openness and a political system characterized by coalition governments with a strong track record of protecting property rights (especially for minority ethnic groups) played a key role in the Mauritius success story. In addition, Mauritian policymakers made good use of preferential access to markets in Europe and the United States.

The share of services in total exports grew rapidly in the 2000s (Figure 3.14). Initially driven by growth in tourism (tourist arrivals increased from 240,000 in 1988 to close to 965,000 by end-2011) and financial services, exports of information and communication technologies (ICT), and business process outsourcing (BPO) later followed. Currently, the ICT sector accounts for 2.5 percent

[4] For more details, see Frankel (2010), Subramanian (2009), and Zafar (2011).

Figure 3.14. Mauritius: Exports and FDI Inflows



Sources: Mauritian authorities; and IMF staff estimates.

of employment and almost 3 percent of exports. New export subsectors are also emerging (health/ medical services).

In the mid-2000s the country suffered severe external shocks, namely the loss of sugar preferences and the phase-out of textile trade preferences (dismantling of the Multi-Fiber Agreement), which precipitated a shift away from manufacturing exports toward services. Policy measures also influenced this shift, including boosts to foreign direct investment (FDI) in tourism, financial services, and ICT; changes in labor market regulations to increase flexibility; and simplification of the tax regime. The introduction of a 15 percent flat income tax rate for individuals and corporations and the Business Facilitation Act provided an enabling environment for the development of new sources of export growth.

The government has played an important role in fostering new export sectors by formulating sectoral policies and facilitating private sector expansion. Notably, growth in tourism has been supported by government strategic planning complemented by the promotional activities of hotels and by Air Mauritius. Successful structural transformation in Mauritius was supported by a forward-looking approach followed by policymakers, who proactively anticipated responses to underlying changes to the economic environment.

Kenya: Growing Service Exports[5]

The service sector in Kenya has been the largest contributor to GDP growth and foreign exchange revenue in recent years (Figure 3.15).[6] Unlike other LICs, Kenya has several world-class firms exporting high-value off-shore services, such as product development, research and development business ventures, insurance, accounting, and BPO services.

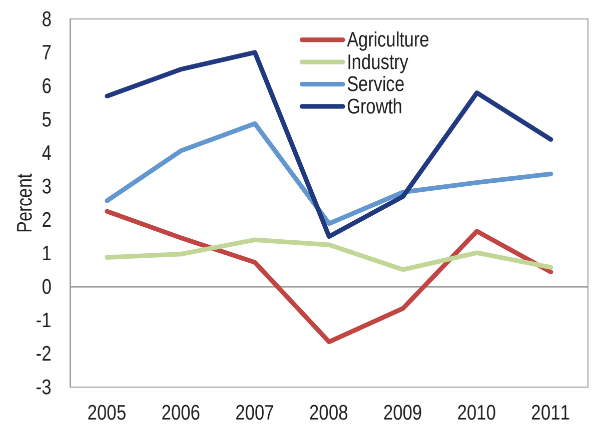
Kenya appears particularly competitive in transportation, communication, and financial services, given the relative abundance of qualified professionals in Kenya employed in the intra-EAC service trade, to which should be added a strong entrepreneurial tradition (World Bank, 2012).

Kenya's transport services have grown rapidly in recent years, as Kenya's international airline company has firmly established itself in Africa, consistently realizing growing passenger numbers. Growth in air and shipping freight have been made possible by increasing trade openness in the EAC, partly owing to reforms in the shipping subsector and removal of explicit trade restrictions. Moreover, Nairobi is a key transportation hub for Eastern and Central Africa and the largest city between Cairo and Johannesburg. The port of Mombasa is currently ranked fifth in Africa in terms of handling capacity, having recorded a 145 percent increase between 2006 and 2010, serving more than a dozen countries. Capacity at Mombasa will improve by widening berths to accommodate larger ships and by constructing a second container terminal.

Kenya has increasingly concentrated on high-tech communication and technology services. These exports already account for more than 10 percent of total service exports (Figure 3.16) and close to 20 percent of total foreign direct investment inflows. The success of Safaricom in expanding mobile phone and Internet access and KenCall in providing call center and BPO services to organizations worldwide illustrate the sector's dynamism. Currently, the Kenyan government is in the process of establishing an ICT Park for BPO, which is expected to further boost service exports.

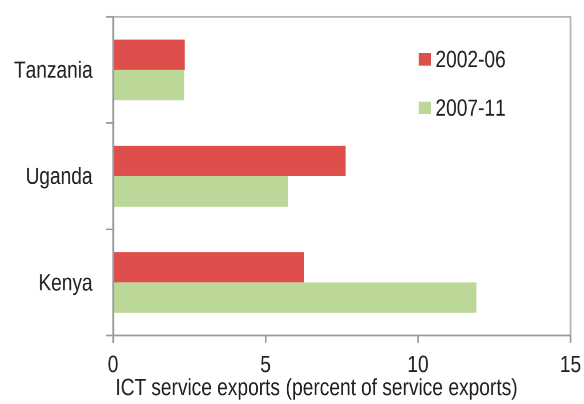
The cross-border expansion of Kenya's financial sector has also leveraged regional integration within the EAC and developed a strong regional footprint. Trade in financial services should be further enhanced as barriers, particularly those arising from regulation (no single licensing regime) and capital account mobility, are gradually removed.

Figure 3.15. Contribution to Real GDP Growth by Sectors, 2005–11



Sources: Kenyan authorities; and IMF staff estimates.

Figure 3.16. Kenya: ICT Service Exports



Source: Kenyan authorities; and IMF staff estimates.

[5] For more details, see World Bank (2012) and World Bank (2011).

[6] Dileh and others (2011).

Statistical Appendix

Unless otherwise noted, data and projections presented in this *Regional Economic Outlook* are IMF staff estimates as of September 7, 2012, consistent with the projections underlying the October 2012 *World Economic Outlook*.

The data and projections cover 45 countries in sub-Saharan Africa covered by the IMF's African Department. Only limited data are yet available for South Sudan. Data definitions follow established international statistical methodologies to the extent possible. However, in some cases data limitations limit comparability across countries.

COUNTRY GROUPINGS

As in previous *Regional Economic Outlooks*, countries are aggregated into four nonoverlapping groups: oil exporters, middle-income, low-income, and fragile countries (see the statistical tables). The membership of these groups reflects the most recent data on per capita gross national income (averaged over three years) and the 2010 IDA Resource Allocation Index (IRAI).

- The eight oil exporters are countries where net oil exports make up 30 percent or more of total exports. Except for Angola, Nigeria, and South Sudan, they belong to the Central African Economic and Monetary Community. Oil exporters are classified as such even if they would otherwise qualify for another group.
- The 11 middle-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years 2008–10 of more than US$992.70 (World Bank using the Atlas method).
- The 14 low-income countries not classified as oil exporters or fragile countries had average per capita gross national income in the years 2008–10 equal to or lower than $992.70 (World Bank, Atlas method) and IRAI scores higher than 3.2.

The 12 fragile countries not classified as oil exporters had IRAI scores of 3.2 or less.

Table SA MN 1 shows the membership of SSA countries in the major regional cooperation bodies: CFA franc zone, comprising the West African Economic and Monetary Union (WAEMU) and the Central African Economic and Monetary Community (CEMAC); Common Market for Eastern and Southern Africa (COMESA); East Africa Community (EAC-5); Southern African Development Community (SADC); and Southern Africa Customs Union (SACU). EAC-5 aggregates include data for Rwanda and Burundi, which joined the group only in 2007.

METHODS OF AGGREGATION

In Tables SA1–3, SA6–SA7, SA13, SA15, and SA21–SA22, country group composites are calculated as the arithmetic average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the *World Economic Outlook* (WEO) database.

In Tables SA8–SA12, SA16–20, and SA23–25, country group composites are calculated as the arithmetic average of data for individual countries, weighted by GDP in U.S. dollars at market exchange rates as a share of total group GDP.

In Tables SA4–5 and SA14, country group composites are calculated as the geometric average of data for individual countries, weighted by GDP valued at purchasing power parity as a share of total group GDP. The source of purchasing power parity weights is the WEO database.

Table SA MN 1. Sub-Saharan Africa: Member Countries of Regional Groupings

The West African Economic and Monetary Union (WAEMU)	Economic and Monetary Community of Central African States (CEMAC)	Common Market for Eastern and Southern Africa (COMESA)	East Africa Community (EAC-5)	Southern African Development Community (SADC)	Southern Africa Customs Union (SACU)
Benin	Cameroon	Burundi	Burundi	Angola	Botswana
Burkina Faso	Central African Republic	Comoros	Kenya	Botswana	Lesotho
Côte d'Ivoire	Chad	Congo, Dem. Rep. of	Rwanda	Congo, Dem. Rep. of	Namibia
Guinea-Bissau	Congo, Rep. of	Eritrea	Tanzania	Lesotho	South Africa
Mali	Equatorial Guinea	Ethiopia	Uganda	Madagascar	Swaziland
Niger	Gabon	Kenya		Malawi	
Senegal		Madagascar		Mauritius	
Togo		Malawi		Mozambique	
		Mauritius		Namibia	
		Rwanda		Seychelles	
		Seychelles		South Africa	
		Swaziland		Swaziland	
		Uganda		Tanzania	
		Zambia		Zambia	
		Zimbabwe		Zimbabwe	

List of Tables

Table SA1. Real GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**8.6**	**11.2**	**7.5**	**7.6**	**9.5**	**7.1**	**5.1**	**6.6**	**6.3**	**6.7**	**6.0**
Excluding Nigeria	**11.0**	**12.3**	**10.9**	**9.9**	**13.4**	**8.8**	**2.3**	**4.4**	**4.4**	**6.2**	**4.9**
Angola	17.8	11.2	20.6	20.7	22.6	13.8	2.4	3.4	3.9	6.8	5.5
Cameroon	3.0	3.7	2.3	3.2	3.4	2.6	2.0	2.9	4.2	4.7	5.0
Chad	8.7	33.6	7.9	0.2	0.2	1.7	-1.2	13.0	1.8	7.3	2.4
Congo, Rep. of	4.3	3.5	7.8	6.2	-1.6	5.6	7.5	8.8	3.4	4.9	5.3
Equatorial Guinea	16.2	38.0	9.7	1.3	21.4	10.7	4.6	-0.5	7.8	5.7	6.1
Gabon	2.7	1.4	3.0	1.2	5.6	2.3	-1.4	6.6	6.6	6.1	2.0
Nigeria	7.0	10.6	5.4	6.2	7.0	6.0	7.0	8.0	7.4	7.1	6.7
South Sudan	...								1.4	-55.0	69.6
Middle-income countries[2]	**5.0**	**4.9**	**5.0**	**5.5**	**5.6**	**4.1**	**-0.6**	**3.8**	**4.5**	**3.4**	**3.8**
Excluding South Africa	**5.3**	**5.8**	**4.2**	**5.3**	**5.7**	**5.5**	**2.1**	**6.5**	**8.2**	**5.6**	**5.9**
Botswana	4.1	6.0	1.6	5.1	4.8	3.0	-4.7	7.0	5.1	3.8	4.1
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.7	5.2	5.0	4.3	4.4
Ghana	6.5	5.3	6.0	6.1	6.5	8.4	4.0	8.0	14.4	8.2	7.8
Lesotho	3.9	2.8	2.9	4.1	4.8	4.8	3.8	5.2	4.9	4.3	4.7
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.2	4.1	3.4	3.7
Namibia	6.1	12.3	2.5	7.1	5.4	3.4	-0.4	6.6	4.9	4.0	4.1
Senegal	4.5	5.9	5.6	2.4	5.0	3.7	2.1	4.1	2.6	3.7	4.3
Seychelles	4.6	-2.9	8.0	8.9	9.9	-1.0	0.5	6.7	5.1	3.0	3.5
South Africa	4.9	4.6	5.3	5.6	5.5	3.6	-1.5	2.9	3.1	2.6	3.0
Swaziland	2.6	2.3	2.2	2.9	2.8	3.1	1.2	2.0	0.3	-2.9	-1.0
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.6	6.5	8.2
Low-income and fragile countries	**6.2**	**5.6**	**6.6**	**6.3**	**6.6**	**6.0**	**4.9**	**6.0**	**4.9**	**6.0**	**6.2**
Low-income excluding fragile countries	**7.3**	**6.6**	**7.7**	**7.5**	**7.7**	**7.0**	**5.4**	**6.4**	**5.5**	**5.9**	**6.1**
Benin	3.9	3.1	2.9	3.8	4.6	5.0	2.7	2.6	3.5	3.5	3.8
Burkina Faso	5.9	4.5	8.7	6.3	4.1	5.8	3.0	7.9	4.2	7.0	7.0
Ethiopia[3]	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	7.5	7.0	6.5
Gambia, The	3.6	7.0	-0.3	0.8	4.0	6.5	6.7	5.5	3.3	-1.6	9.7
Kenya	5.1	4.6	6.0	6.3	7.0	1.5	2.7	5.8	4.4	5.1	5.6
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-4.1	0.4	1.8	1.9	2.6
Malawi	5.6	5.5	2.6	2.1	9.5	8.3	9.0	6.5	4.3	4.3	5.7
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	5.8	2.7	-4.5	3.0
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	7.1	7.3	7.5	8.4
Niger	5.2	-0.8	8.4	5.8	3.1	9.6	-0.9	8.0	2.3	14.5	6.6
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	7.2	8.6	7.7	7.5
Sierra Leone	5.7	6.5	4.4	4.4	8.0	5.4	3.2	5.3	6.0	21.3	7.5
Tanzania	7.3	7.8	7.4	6.7	7.1	7.4	6.0	7.0	6.4	6.5	6.8
Uganda	8.2	6.6	8.6	9.5	8.6	7.7	7.0	6.1	5.1	4.2	5.7
Fragile countries	**2.5**	**2.4**	**2.9**	**2.3**	**2.8**	**2.2**	**3.1**	**4.2**	**2.3**	**6.6**	**6.5**
Burundi	4.7	3.8	4.4	5.4	4.8	5.0	3.5	3.8	4.2	4.2	4.5
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.0	3.3	4.1	4.2
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.2	2.5	3.5
Congo, Dem. Rep. of	6.5	6.6	7.8	5.6	6.3	6.2	2.8	7.2	6.9	7.1	8.2
Côte d'Ivoire	1.6	1.6	1.9	0.7	1.6	2.3	3.7	2.4	-4.7	8.1	7.0
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.5	3.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	3.9	4.8	5.0
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	5.3	-2.8	5.7
Liberia	7.6	4.1	5.9	9.0	13.2	6.2	5.3	6.1	8.2	9.0	7.9
São Tomé & Príncipe	6.0	4.5	1.6	12.6	2.0	9.1	4.0	4.5	4.9	4.5	5.5
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.5	4.0	4.9	5.0	5.3
Zimbabwe[4]	-7.4	-6.0	-5.5	-3.5	-3.8	-18.3	6.3	9.6	9.4	5.0	6.0
Sub-Saharan Africa[1]	**6.5**	**7.1**	**6.2**	**6.4**	**7.1**	**5.6**	**2.8**	**5.3**	**5.2**	**5.3**	**5.3**
Median	5.0	4.6	4.9	5.2	5.2	5.2	3.3	5.6	4.9	4.9	5.4
Excluding Nigeria and South Africa	7.3	7.3	7.2	7.0	8.2	6.7	3.6	5.6	5.4	6.0	5.7
Oil-importing countries	**5.5**	**5.2**	**5.6**	**5.8**	**6.0**	**4.9**	**1.6**	**4.7**	**4.6**	**4.1**	**5.6**
Excluding South Africa	**6.0**	**5.7**	**6.0**	**6.0**	**6.4**	**5.9**	**4.2**	**6.1**	**5.7**	**5.2**	**7.3**
CFA franc zone	4.9	7.7	4.9	2.9	4.7	4.3	2.5	4.9	3.0	5.5	5.0
WAEMU	3.7	2.9	4.7	3.3	3.4	4.4	2.9	4.6	1.2	5.4	5.6
CEMAC	6.1	12.6	5.1	2.5	5.9	4.3	2.2	5.2	4.8	5.5	4.3
EAC-5	6.7	6.2	7.2	7.3	7.2	5.6	4.9	6.3	5.5	5.5	6.1
SADC	6.4	5.6	6.5	7.1	7.6	5.3	0.2	3.9	3.9	3.9	4.2
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.6	3.2	3.2	2.6	3.1
COMESA (SSA members)	6.9	6.4	7.0	7.2	7.7	6.2	5.3	6.2	5.7	5.4	5.9
MDRI countries	6.6	6.1	6.9	6.6	6.6	7.1	5.0	6.4	6.6	6.1	6.4
Countries with conventional exchange rate pegs	4.8	7.6	4.7	3.1	4.6	4.1	2.4	4.9	3.2	5.2	4.8
Countries without conventional exchange rate pegs	6.9	7.0	6.6	7.1	7.7	6.0	2.9	5.4	5.6	5.3	5.3
Sub-Saharan Africa	**6.5**	**7.1**	**6.2**	**6.4**	**7.1**	**5.6**	**2.8**	**5.3**	**5.1**	**5.0**	**5.7**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA2. Real Non-Oil GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**10.9**	**11.3**	**8.3**	**12.1**	**13.2**	**9.5**	**7.8**	**7.9**	**8.6**	**7.4**	**7.1**
Excluding Nigeria	**12.5**	**8.0**	**10.3**	**16.1**	**17.7**	**10.4**	**7.1**	**7.1**	**8.3**	**6.4**	**6.8**
Angola	18.0	9.0	14.1	27.6	24.4	15.0	8.1	7.6	9.5	6.0	6.8
Cameroon	3.6	4.9	3.2	2.9	4.0	3.1	2.9	3.7	4.7	4.3	5.0
Chad	4.8	2.1	11.0	4.7	3.1	3.0	0.0	15.0	2.6	7.9	3.8
Congo, Rep. of	5.7	5.0	5.4	5.9	6.6	5.4	3.9	6.5	7.4	9.7	8.0
Equatorial Guinea	29.3	28.4	22.8	29.8	47.2	18.1	24.3	6.2	14.3	8.5	13.9
Gabon	4.2	2.3	4.3	4.9	6.2	3.4	-0.5	5.7	8.6	6.9	4.1
Nigeria	9.8	13.3	7.0	9.6	10.1	8.9	8.3	8.5	8.8	7.9	7.3
South Sudan	...								47.5	-27.2	-7.3
Middle-income countries[2]	**5.0**	**4.9**	**5.0**	**5.5**	**5.6**	**4.1**	**-0.6**	**3.7**	**3.9**	**3.5**	**3.8**
Excluding South Africa	**5.3**	**5.8**	**4.2**	**5.3**	**5.7**	**5.5**	**2.1**	**6.0**	**6.0**	**5.8**	**5.8**
Botswana	4.1	6.0	1.6	5.1	4.8	3.0	-4.7	7.0	5.1	3.8	4.1
Cape Verde	7.2	4.3	6.5	10.1	8.6	6.2	3.7	5.2	5.0	4.3	4.4
Ghana	6.5	5.3	6.0	6.1	6.5	8.4	4.0	6.4	8.7	8.8	7.6
Lesotho	3.9	2.8	2.9	4.1	4.8	4.8	3.8	5.2	4.9	4.3	4.7
Mauritius	4.6	5.5	1.5	4.5	5.9	5.5	3.0	4.2	4.1	3.4	3.7
Namibia	6.1	12.3	2.5	7.1	5.4	3.4	-0.4	6.6	4.9	4.0	4.1
Senegal	4.5	5.9	5.6	2.4	5.0	3.7	2.1	4.1	2.6	3.7	4.3
Seychelles	4.6	-2.9	8.0	8.9	9.9	-1.0	0.5	6.7	5.1	3.0	3.5
South Africa	4.9	4.6	5.3	5.6	5.5	3.6	-1.5	2.9	3.1	2.6	3.0
Swaziland	2.6	2.3	2.2	2.9	2.8	3.1	1.2	2.0	0.3	-2.9	-1.0
Zambia	5.8	5.4	5.3	6.2	6.2	5.7	6.4	7.6	6.6	6.5	8.2
Low-income and fragile countries	**6.2**	**5.6**	**6.4**	**6.3**	**6.7**	**6.0**	**4.9**	**6.0**	**4.9**	**5.8**	**6.2**
Low-income excluding fragile countries	**7.3**	**6.6**	**7.7**	**7.5**	**7.7**	**7.0**	**5.4**	**6.4**	**5.5**	**5.6**	**6.1**
Benin	3.9	3.1	2.9	3.8	4.6	5.0	2.7	2.6	3.5	3.5	3.8
Burkina Faso	5.9	4.5	8.7	6.3	4.1	5.8	3.0	7.9	4.2	7.0	7.0
Ethiopia[3]	11.8	11.7	12.6	11.5	11.8	11.2	10.0	8.0	7.5	7.0	6.5
Gambia, The	3.6	7.0	-0.3	0.8	4.0	6.5	6.7	5.5	3.3	-1.6	9.7
Kenya	5.1	4.6	6.0	6.3	7.0	1.5	2.7	5.8	4.4	5.1	5.6
Madagascar	5.7	5.3	4.6	5.0	6.2	7.1	-4.1	0.4	1.8	1.9	2.6
Malawi	5.6	5.5	2.6	2.1	9.5	8.3	9.0	6.5	4.3	4.3	5.7
Mali	4.6	2.3	6.1	5.3	4.3	5.0	4.5	5.8	2.7	-4.5	3.0
Mozambique	7.8	7.9	8.4	8.7	7.3	6.8	6.3	7.1	7.3	7.5	8.4
Niger	5.2	-0.8	8.4	5.8	3.1	9.6	-0.9	8.0	2.3	5.1	5.6
Rwanda	8.6	7.4	9.4	9.2	5.5	11.2	4.1	7.2	8.6	7.7	7.5
Sierra Leone	5.7	6.5	4.4	4.4	8.0	5.4	3.2	5.3	6.0	21.3	7.5
Tanzania	7.3	7.8	7.4	6.7	7.1	7.4	6.0	7.0	6.4	6.5	6.8
Uganda	8.2	6.6	8.6	9.5	8.6	7.7	7.0	6.1	5.1	4.2	5.7
Fragile countries	**2.4**	**2.4**	**1.8**	**2.2**	**3.4**	**2.2**	**3.1**	**4.5**	**2.2**	**6.6**	**6.5**
Burundi	4.7	3.8	4.4	5.4	4.8	5.0	3.5	3.8	4.2	4.2	4.5
Central African Republic	2.6	1.0	2.4	3.8	3.7	2.0	1.7	3.0	3.3	4.1	4.2
Comoros	1.3	-0.2	4.2	1.2	0.5	1.0	1.8	2.1	2.2	2.5	3.5
Congo, Dem. Rep. of	6.1	6.6	3.6	6.4	8.0	6.0	2.7	7.8	6.6	6.8	8.4
Côte d'Ivoire	1.5	1.6	1.3	0.0	2.1	2.5	3.7	2.8	-4.9	8.4	6.9
Eritrea	-1.1	1.5	2.6	-1.0	1.4	-9.8	3.9	2.2	8.7	7.5	3.4
Guinea	2.9	2.3	3.0	2.5	1.8	4.9	-0.3	1.9	3.9	4.8	5.0
Guinea-Bissau	3.1	2.8	4.3	2.1	3.2	3.2	3.0	3.5	5.3	-2.8	5.7
Liberia	7.6	4.1	5.9	9.0	13.2	6.2	5.3	6.1	8.2	9.0	7.9
São Tomé & Príncipe	6.0	4.5	1.6	12.6	2.0	9.1	4.0	4.5	4.9	4.5	5.5
Togo	2.4	2.1	1.2	4.1	2.3	2.4	3.5	4.0	4.9	5.0	5.3
Zimbabwe[4]	-7.4	-6.0	-5.5	-3.5	-3.8	-18.3	6.3	9.6	9.4	5.0	6.0
Sub-Saharan Africa[1]	**7.2**	**7.1**	**6.4**	**7.8**	**8.3**	**6.4**	**3.7**	**5.8**	**5.8**	**5.5**	**5.6**
Median	5.0	4.6	4.5	5.3	5.4	5.2	3.5	5.8	4.9	4.9	5.6
Excluding Nigeria and South Africa	7.7	6.3	6.9	8.6	9.4	7.1	4.9	6.2	6.0	6.0	6.2
Oil-importing countries	**5.5**	**5.2**	**5.5**	**5.8**	**6.0**	**4.9**	**1.6**	**4.6**	**5.0**	**4.2**	**4.7**
Excluding South Africa	**6.0**	**5.7**	**5.8**	**6.0**	**6.5**	**5.9**	**4.2**	**6.0**	**6.4**	**5.4**	**5.8**
CFA franc zone	6.0	5.1	6.2	5.6	7.9	5.3	4.5	5.6	4.2	5.7	6.1
WAEMU	3.7	2.9	4.5	3.1	3.6	4.4	2.9	4.7	1.1	4.6	5.5
CEMAC	8.3	7.4	7.9	8.1	12.2	6.2	6.1	6.5	7.2	6.8	6.7
EAC-5	6.7	6.2	7.2	7.3	7.2	5.6	4.9	6.3	5.5	5.5	6.1
SADC	6.5	5.4	5.8	7.8	7.9	5.5	0.9	4.4	4.6	3.7	4.3
SACU	4.9	4.8	5.0	5.6	5.5	3.6	-1.6	3.2	3.2	2.6	3.1
COMESA (SSA members)	6.9	6.4	6.7	7.2	7.9	6.2	5.3	6.3	5.7	5.4	5.9
MDRI countries	6.7	6.2	6.7	6.6	7.0	7.1	5.0	6.2	6.0	6.1	6.4
Countries with conventional exchange rate pegs	5.8	5.3	5.8	5.5	7.5	5.0	4.1	5.5	4.2	5.4	5.8
Countries without conventional exchange rate pegs	7.5	7.6	6.6	8.3	8.5	6.7	3.6	5.8	6.0	5.5	5.6
Sub-Saharan Africa	**7.2**	**7.1**	**6.4**	**7.8**	**8.3**	**6.4**	**3.7**	**5.8**	**6.2**	**5.3**	**5.5**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA3. Real Per Capita GDP Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**5.7**	**8.2**	**4.6**	**4.7**	**6.6**	**4.3**	**2.4**	**3.8**	**3.4**	**3.9**	**3.2**
Excluding Nigeria	**8.1**	**9.3**	**7.9**	**6.9**	**10.4**	**6.0**	**-0.3**	**1.6**	**1.7**	**3.4**	**2.1**
Angola	14.6	8.0	17.2	17.4	19.3	10.9	-0.2	0.4	0.9	3.7	2.4
Cameroon	0.2	0.9	-0.5	0.4	0.6	-0.2	-0.8	0.4	1.7	2.1	2.4
Chad	6.1	30.4	5.3	-2.3	-2.3	-0.8	-3.6	10.2	-0.7	4.7	-0.1
Congo, Rep. of	1.4	0.6	4.7	3.2	-4.4	2.6	4.4	5.7	0.5	2.0	3.0
Equatorial Guinea	12.9	34.1	6.7	-1.6	18.0	7.6	1.6	-3.3	4.8	2.7	3.1
Gabon	0.4	-1.1	0.5	-1.3	3.0	0.8	-2.8	5.1	5.1	4.6	0.5
Nigeria	4.2	7.6	2.6	3.4	4.1	3.1	4.1	5.1	4.5	4.2	3.9
South Sudan	...								-12.3	-57.1	66.3
Middle-income countries[2]	**3.6**	**3.6**	**3.8**	**4.2**	**3.5**	**2.7**	**-2.0**	**2.5**	**3.0**	**1.8**	**2.4**
Excluding South Africa	**3.3**	**3.9**	**2.3**	**3.4**	**3.6**	**3.5**	**0.1**	**4.6**	**6.1**	**3.0**	**3.9**
Botswana	3.0	4.8	0.8	4.3	3.5	1.8	-5.9	5.8	3.9	2.6	2.9
Cape Verde	5.6	2.6	4.9	8.5	7.1	4.7	2.3	3.8	3.6	2.9	3.0
Ghana	3.8	2.7	3.4	3.5	3.8	5.7	1.4	5.3	11.5	5.5	5.1
Lesotho	4.3	2.1	2.2	9.2	4.0	4.0	3.1	4.5	4.2	3.5	3.9
Mauritius	3.8	4.6	0.7	3.7	4.9	5.2	2.5	3.7	3.5	2.7	3.1
Namibia	4.3	10.4	0.7	5.2	3.5	1.5	-2.2	5.7	4.0	3.2	3.2
Senegal	1.7	3.0	2.8	-0.3	2.2	0.9	-0.6	1.4	-0.1	-3.8	1.9
Seychelles	3.6	-2.5	7.5	6.6	9.3	-3.2	0.1	3.8	3.9	1.8	2.3
South Africa	3.6	3.5	4.3	4.5	3.4	2.5	-2.6	1.8	1.9	1.4	1.8
Swaziland	1.6	1.7	1.3	1.7	1.6	1.6	-0.3	2.4	0.7	-2.5	-0.6
Zambia	3.3	3.1	3.0	3.7	3.6	3.1	3.8	5.0	4.0	3.9	5.6
Low-income and fragile countries	**3.5**	**2.8**	**4.0**	**3.6**	**3.8**	**3.2**	**2.2**	**3.2**	**2.2**	**3.4**	**3.5**
Low-income excluding fragile countries	**4.5**	**3.9**	**5.1**	**4.7**	**4.8**	**4.2**	**2.6**	**3.7**	**2.8**	**3.3**	**3.5**
Benin	0.7	-0.2	-0.3	0.6	1.5	2.0	-0.3	-0.3	0.7	0.7	1.1
Burkina Faso	2.8	1.5	5.5	3.2	1.1	2.7	-0.1	4.7	1.1	4.6	4.6
Ethiopia[3]	8.9	8.9	9.8	8.7	8.9	8.3	7.3	5.5	5.0	4.5	4.0
Gambia, The	0.6	3.8	-3.3	-2.1	1.1	3.6	3.9	2.7	0.5	-4.2	6.8
Kenya	2.4	2.6	4.0	3.2	3.9	-1.4	-0.3	2.7	1.4	2.1	2.6
Madagascar	2.8	2.4	1.8	2.2	3.4	4.3	-6.6	-2.2	-0.8	-0.6	0.1
Malawi	3.0	3.3	0.5	-0.8	6.5	5.4	6.0	3.6	1.4	1.4	2.8
Mali	1.4	-0.9	2.9	2.0	1.1	1.8	1.3	2.7	-0.4	-7.4	-0.1
Mozambique	5.7	5.8	6.3	6.6	5.2	4.7	4.2	5.0	5.2	5.4	6.3
Niger	2.1	-3.8	5.2	2.6	0.0	6.3	-3.9	4.7	-0.8	11.0	3.4
Rwanda	6.6	5.9	7.5	7.3	3.3	8.9	2.0	5.0	6.3	5.5	5.3
Sierra Leone	2.4	2.3	0.7	1.1	5.0	2.8	0.7	2.6	3.3	18.2	4.8
Tanzania	5.1	5.5	5.1	4.8	5.0	5.3	3.9	4.9	4.4	4.4	4.7
Uganda	4.7	3.2	5.1	6.0	5.1	4.2	3.6	2.7	1.8	0.9	2.4
Fragile countries	**-0.3**	**-1.0**	**0.3**	**-0.3**	**0.1**	**-0.6**	**0.4**	**1.4**	**-0.3**	**3.8**	**3.8**
Burundi	2.5	1.7	2.3	3.3	2.7	2.6	1.0	1.4	1.7	1.8	2.0
Central African Republic	0.6	-1.0	0.4	1.8	1.7	0.0	-1.9	0.5	0.8	1.6	1.7
Comoros	-0.7	-2.3	2.1	-0.8	-1.6	-1.1	-0.3	0.0	0.1	0.3	1.4
Congo, Dem. Rep. of	3.4	3.5	4.7	2.5	3.2	3.1	-0.2	4.1	3.8	4.0	5.0
Côte d'Ivoire	-1.7	-3.3	-0.8	-2.2	-1.4	-0.7	0.7	-0.6	-7.5	5.0	3.9
Eritrea	-4.5	-2.6	-1.2	-4.3	-1.9	-12.6	0.7	-0.9	5.4	4.3	0.4
Guinea	0.8	0.4	1.0	0.4	-0.4	2.6	-2.7	-0.6	1.4	2.2	2.4
Guinea-Bissau	0.8	0.3	1.8	-0.2	0.9	1.0	0.7	1.2	3.1	-4.9	3.4
Liberia	3.8	2.3	3.0	4.8	8.0	1.0	1.0	1.8	5.4	6.2	5.2
São Tomé & Príncipe	4.4	3.0	0.1	10.9	0.4	7.4	2.3	2.7	3.0	2.5	3.4
Togo	-0.2	-0.5	-1.4	1.5	-0.2	-0.1	1.3	1.7	2.6	2.7	3.0
Zimbabwe[4]	-8.0	-7.0	-6.5	-3.3	-4.0	-18.9	6.3	9.6	9.4	5.0	6.0
Sub-Saharan Africa[1]	**4.2**	**4.9**	**4.1**	**4.2**	**4.6**	**3.4**	**0.6**	**3.1**	**2.9**	**3.0**	**3.0**
Median	2.7	2.5	2.4	2.9	3.3	2.6	0.7	2.7	2.8	2.7	3.0
Excluding Nigeria and South Africa	4.6	4.6	4.6	4.4	5.5	4.0	1.1	3.1	2.9	3.3	3.2
Oil-importing countries	**3.5**	**3.3**	**3.9**	**4.0**	**3.6**	**2.9**	**-0.3**	**2.8**	**2.5**	**2.0**	**3.6**
Excluding South Africa	**3.4**	**3.1**	**3.5**	**3.5**	**3.8**	**3.3**	**1.6**	**3.6**	**2.9**	**2.5**	**4.8**
CFA franc zone	2.0	4.4	2.1	0.1	1.8	1.5	-0.2	2.1	0.3	2.4	2.4
WAEMU	0.7	-0.7	1.8	0.4	0.5	1.4	0.0	1.6	-1.7	1.7	2.8
CEMAC	3.3	9.6	2.4	-0.2	3.1	1.7	-0.4	2.7	2.3	3.0	1.9
EAC-5	4.1	3.8	4.7	4.6	4.4	2.8	2.2	3.6	2.8	2.8	3.4
SADC	4.8	4.1	5.0	5.6	5.4	3.7	-1.4	2.3	2.3	2.2	2.5
SACU	3.6	3.7	4.0	4.5	3.4	2.4	-2.7	2.1	2.1	1.5	1.9
COMESA (SSA members)	4.3	3.9	4.6	4.5	5.0	3.5	2.7	3.6	3.1	2.8	3.3
MDRI countries	3.9	3.3	4.1	3.8	3.8	4.3	2.3	3.7	3.9	3.3	3.8
Countries with conventional exchange rate pegs	2.0	4.5	1.9	0.5	1.9	1.4	-0.3	2.3	0.7	2.4	2.3
Countries without conventional exchange rate pegs	4.7	5.0	4.6	5.0	5.1	3.8	0.8	3.3	3.3	3.1	3.1
Sub-Saharan Africa	**4.2**	**4.9**	**4.1**	**4.2**	**4.6**	**3.4**	**0.6**	**3.1**	**2.8**	**2.7**	**3.5**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA4. Consumer Prices
(Annual average, percent change)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**10.7**	**14.6**	**14.7**	**8.0**	**5.6**	**10.4**	**11.1**	**11.4**	**9.6**	**9.8**	**8.2**
Excluding Nigeria	**9.2**	**13.9**	**9.8**	**7.7**	**5.9**	**8.8**	**9.0**	**7.7**	**7.7**	**7.1**	**6.1**
Angola	20.9	43.6	23.0	13.3	12.2	12.5	13.7	14.5	13.5	10.8	8.6
Cameroon	2.7	0.3	2.0	4.9	1.1	5.3	3.0	1.3	2.9	3.0	3.0
Chad	1.5	-4.8	3.7	7.7	-7.4	8.3	10.1	-2.1	1.9	5.5	3.0
Congo, Rep. of	3.9	3.7	2.5	4.7	2.6	6.0	4.3	5.0	1.8	5.1	4.5
Equatorial Guinea	4.4	4.2	5.6	4.5	2.8	4.7	8.3	6.1	6.3	5.4	7.0
Gabon	2.1	0.4	1.2	-1.4	5.0	5.3	1.9	1.4	1.3	2.3	2.6
Nigeria	11.6	15.0	17.9	8.2	5.4	11.6	12.5	13.7	10.8	11.4	9.5
South Sudan	...								47.3	54.8	22.2
Middle-income countries[2]	**6.5**	**3.0**	**4.8**	**5.5**	**7.5**	**11.8**	**8.0**	**4.9**	**5.6**	**6.0**	**5.8**
Excluding South Africa	**9.4**	**8.2**	**9.3**	**8.1**	**8.6**	**12.6**	**10.6**	**6.7**	**7.3**	**7.2**	**7.3**
Botswana	9.4	7.0	8.6	11.6	7.1	12.6	8.1	6.9	8.5	7.5	6.2
Cape Verde	2.9	-1.9	0.4	4.8	4.4	6.8	1.0	2.1	4.5	2.1	2.0
Ghana	13.0	12.6	15.1	10.2	10.7	16.5	19.3	10.7	8.7	9.8	10.9
Lesotho	6.7	5.0	3.4	6.1	8.0	10.7	7.4	3.6	5.6	5.3	4.9
Mauritius	7.4	4.7	4.9	8.7	8.6	9.7	2.5	2.9	6.5	4.5	5.2
Namibia	5.7	4.1	2.3	5.1	6.7	10.4	8.8	4.5	5.8	6.7	5.9
Senegal	3.2	0.5	1.7	2.1	5.9	5.8	-1.7	1.2	3.4	2.3	2.1
Seychelles	9.0	3.9	0.6	-1.9	5.3	37.0	31.7	-2.4	2.6	7.5	4.5
South Africa	5.6	1.4	3.4	4.7	7.1	11.5	7.1	4.3	5.0	5.6	5.2
Swaziland	6.9	3.4	4.9	5.2	8.1	12.7	7.4	4.5	6.1	7.8	6.9
Zambia	13.7	18.0	18.3	9.0	10.7	12.4	13.4	8.5	8.7	6.4	6.2
Low-income and fragile countries	**9.6**	**6.0**	**9.5**	**8.3**	**7.9**	**16.5**	**9.3**	**6.4**	**14.4**	**11.8**	**7.3**
Low-income excluding fragile countries	**9.7**	**6.2**	**9.0**	**8.0**	**7.6**	**17.5**	**8.6**	**5.9**	**15.5**	**13.0**	**7.6**
Benin	3.7	0.9	5.4	3.8	1.3	7.4	0.9	2.1	2.7	6.9	3.3
Burkina Faso	3.8	-0.4	6.4	2.4	-0.2	10.7	2.6	-0.6	2.7	3.0	2.0
Ethiopia	18.0	3.2	11.7	13.6	17.2	44.4	8.5	8.1	33.1	22.9	10.2
Gambia, The	6.2	14.3	5.0	2.1	5.4	4.5	4.6	5.0	4.8	4.7	5.5
Kenya	9.4	11.8	9.9	6.0	4.3	15.1	10.6	4.1	14.0	10.0	5.8
Madagascar	12.5	14.0	18.4	10.8	10.4	9.2	9.0	9.3	10.0	6.5	7.0
Malawi	11.5	11.5	15.4	13.9	8.0	8.7	8.4	7.4	7.6	17.7	16.2
Mali	3.1	-3.1	6.4	1.5	1.5	9.1	2.2	1.3	3.1	7.2	6.2
Mozambique	10.2	12.6	6.4	13.2	8.2	10.3	3.3	12.7	10.4	3.0	8.6
Niger	3.8	0.4	7.8	0.1	0.1	10.5	1.1	0.9	2.9	4.5	2.0
Rwanda	10.9	12.0	9.1	8.8	9.1	15.4	10.3	2.3	5.7	7.0	6.1
Sierra Leone	12.5	14.2	12.0	9.5	11.6	14.8	9.2	17.8	18.5	13.7	7.0
Tanzania	6.6	4.1	4.4	7.3	7.0	10.3	12.1	7.2	12.7	15.6	9.8
Uganda	7.5	3.7	8.6	7.2	6.1	12.0	13.1	4.0	18.7	14.6	6.1
Fragile countries	**9.5**	**5.3**	**11.1**	**9.5**	**8.8**	**12.6**	**12.2**	**8.6**	**9.8**	**6.9**	**6.0**
Burundi	12.5	11.8	1.2	9.1	14.4	26.0	4.6	4.1	14.9	14.7	8.4
Central African Republic	3.5	-2.2	2.9	6.7	0.9	9.3	3.5	1.5	1.2	6.8	1.6
Comoros	4.0	4.5	3.0	3.4	4.5	4.8	4.8	3.9	6.8	5.6	3.1
Congo, Dem. Rep. of	14.7	4.0	21.4	13.2	16.7	18.0	46.2	23.5	15.5	10.4	9.5
Côte d'Ivoire	3.2	1.5	3.9	2.5	1.9	6.3	1.0	1.4	4.9	2.0	2.5
Eritrea	16.4	25.1	12.5	15.1	9.3	19.9	33.0	12.7	13.3	12.3	12.3
Guinea	25.0	17.5	31.4	34.7	22.9	18.4	4.7	15.5	21.4	14.7	10.3
Guinea-Bissau	4.0	0.8	3.2	0.7	4.6	10.4	-1.6	1.1	5.0	5.0	2.5
Liberia	9.8	3.6	6.9	7.2	13.7	17.5	7.4	7.3	8.5	6.6	5.4
São Tomé & Príncipe	20.8	13.3	17.2	23.1	18.6	32.0	17.0	13.3	14.3	10.5	6.2
Togo	3.8	0.4	6.8	2.2	0.9	8.7	1.9	3.2	3.6	2.5	4.2
Zimbabwe[3]	...						6.2	3.0	3.5	5.0	5.7
Sub-Saharan Africa[1]	**8.6**	**7.4**	**9.0**	**7.0**	**7.0**	**12.6**	**9.4**	**7.5**	**9.3**	**8.9**	**7.0**
Median	6.9	4.1	6.4	6.7	6.7	10.5	7.4	4.2	6.2	6.6	5.9
Excluding Nigeria and South Africa	9.3	8.1	9.3	8.1	7.4	13.7	9.4	6.8	11.2	9.7	7.0
Oil-importing countries	**7.7**	**4.2**	**6.6**	**6.6**	**7.6**	**13.6**	**8.5**	**5.5**	**9.7**	**8.7**	**6.6**
Excluding South Africa	**9.6**	**6.6**	**9.4**	**8.3**	**8.1**	**15.4**	**9.7**	**6.5**	**13.2**	**10.9**	**7.6**
CFA franc zone	3.1	0.4	3.7	3.1	1.5	6.8	2.9	1.6	3.2	3.8	3.4
WAEMU	3.4	0.3	4.7	2.2	2.0	7.9	0.9	1.1	3.6	3.6	2.9
CEMAC	2.8	0.4	2.7	4.1	1.0	5.8	4.9	2.2	2.9	4.1	3.8
EAC-5	8.2	7.5	7.5	6.9	6.1	13.1	11.5	4.9	14.1	12.8	7.3
SADC	7.8	6.1	6.6	6.7	8.1	11.7	9.3	6.7	7.4	7.3	6.5
SACU	5.8	1.8	3.6	5.0	7.1	11.6	7.2	4.4	5.2	5.8	5.3
COMESA (SSA members)	12.1	8.2	11.6	9.6	10.2	20.7	12.1	7.0	17.5	13.4	7.9
MDRI countries	9.2	5.4	9.0	8.0	8.0	15.4	9.8	6.7	12.2	10.8	7.5
Countries with conventional exchange rate pegs	3.6	1.0	3.8	3.5	2.1	7.3	3.7	2.0	3.6	4.2	3.7
Countries without conventional exchange rate pegs	9.7	8.7	10.2	7.8	7.9	13.6	10.5	8.5	10.4	9.8	7.7
Sub-Saharan Africa	**8.6**	**7.4**	**9.0**	**7.0**	**7.0**	**12.6**	**9.4**	**7.5**	**9.7**	**9.1**	**7.1**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA5. Consumer Prices
(End of period, percent change)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**9.6**	**10.6**	**10.1**	**7.6**	**6.7**	**12.9**	**11.5**	**10.4**	**9.3**	**9.4**	**8.0**
Excluding Nigeria	**8.4**	**11.7**	**7.7**	**6.2**	**6.8**	**9.7**	**7.9**	**8.4**	**7.6**	**6.7**	**5.5**
Angola	17.3	31.0	18.5	12.2	11.8	13.2	14.0	15.3	11.4	9.6	7.5
Cameroon	3.1	1.0	3.5	2.4	3.4	5.3	0.9	2.6	2.7	3.0	3.0
Chad	3.2	9.2	-3.4	-0.9	1.7	9.7	4.7	-2.2	10.8	5.5	3.0
Congo, Rep. of	4.4	1.1	3.1	8.1	-1.7	11.4	2.5	5.4	1.8	5.3	4.1
Equatorial Guinea	4.3	5.1	3.2	3.8	3.7	5.5	7.1	7.3	6.5	7.0	7.0
Gabon	2.3	-0.5	1.1	-0.7	5.9	5.6	0.9	0.7	2.3	2.3	2.6
Nigeria	10.4	10.0	11.6	8.5	6.6	15.1	13.9	11.7	10.3	11.0	9.5
South Sudan	...								65.6	60.4	-5.9
Middle-income countries[2]	**7.2**	**4.6**	**5.0**	**6.4**	**9.1**	**10.9**	**6.7**	**4.3**	**6.4**	**5.9**	**5.7**
Excluding South Africa	**9.9**	**8.3**	**9.5**	**8.4**	**9.6**	**13.5**	**7.8**	**6.7**	**7.2**	**7.5**	**6.9**
Botswana	9.9	7.9	11.3	8.5	8.1	13.7	5.8	7.4	9.2	6.4	6.0
Cape Verde	3.5	-0.3	1.8	5.8	3.4	6.7	-0.4	3.4	3.6	2.3	2.3
Ghana	13.7	11.8	14.8	10.9	12.7	18.1	16.0	8.6	8.6	11.5	9.5
Lesotho	7.2	5.0	3.5	6.4	10.5	10.6	4.5	3.1	7.7	4.3	5.5
Mauritius	7.3	5.6	3.9	11.6	8.6	6.8	1.5	6.1	4.9	4.8	5.1
Namibia	6.4	4.3	3.5	6.0	7.1	10.9	7.0	3.1	7.2	6.2	5.7
Senegal	3.5	1.7	1.4	3.9	6.2	4.3	-3.4	4.3	2.7	2.2	2.1
Seychelles	16.5	3.9	-1.6	0.2	16.7	63.3	-2.6	0.4	5.5	7.0	3.1
South Africa	6.4	3.5	3.6	5.8	9.0	10.1	6.3	3.5	6.1	5.3	5.3
Swaziland	7.7	3.2	7.6	4.8	9.8	12.9	4.5	4.5	7.8	3.1	14.3
Zambia	13.4	17.5	15.9	8.2	8.9	16.6	9.9	7.9	7.2	6.7	6.1
Low-income and fragile countries	**10.3**	**9.3**	**7.8**	**9.6**	**7.8**	**17.1**	**7.9**	**7.4**	**16.6**	**9.1**	**7.1**
Low-income excluding fragile countries	**10.3**	**9.4**	**7.1**	**9.3**	**8.1**	**17.5**	**7.2**	**7.2**	**18.7**	**9.9**	**7.3**
Benin	4.1	2.7	3.7	5.3	0.3	8.4	-0.5	4.0	1.8	7.2	3.3
Burkina Faso	4.1	0.7	4.5	1.5	2.3	11.6	-0.3	-0.3	5.1	3.0	2.0
Ethiopia	19.3	7.9	12.3	18.5	18.4	39.2	7.1	14.6	35.9	16.6	9.0
Gambia, The	5.2	8.1	4.8	0.4	6.0	6.8	2.7	5.8	4.4	5.0	6.0
Kenya	10.0	17.1	4.7	7.3	5.6	15.5	8.0	4.5	18.6	7.0	7.0
Madagascar	13.6	27.3	11.5	10.8	8.2	10.1	8.0	10.2	7.5	7.7	7.0
Malawi	11.6	13.7	16.6	10.1	7.5	9.9	7.6	6.3	9.8	22.6	11.8
Mali	3.7	1.5	3.4	3.6	2.6	7.4	1.7	1.9	5.3	6.4	7.6
Mozambique	9.2	9.1	11.1	9.4	10.3	6.2	4.2	16.6	5.5	5.5	8.2
Niger	4.5	3.7	4.2	0.4	4.7	9.4	-0.6	2.7	1.4	4.5	2.0
Rwanda	11.4	10.2	5.6	12.1	6.6	22.3	5.7	0.2	8.3	6.3	5.9
Sierra Leone	12.4	14.4	13.1	8.3	13.8	12.2	10.8	18.4	16.9	11.0	7.5
Tanzania	7.1	4.1	5.0	6.7	6.4	13.5	12.2	5.6	19.8	11.1	9.6
Uganda	8.4	8.0	3.7	10.9	5.2	14.3	11.0	3.1	27.0	7.1	5.0
Fragile countries	**10.4**	**8.9**	**10.4**	**10.6**	**6.4**	**15.7**	**10.9**	**8.1**	**8.5**	**6.1**	**6.1**
Burundi	12.5	11.8	1.2	9.1	14.4	26.0	4.6	4.1	14.9	14.7	8.4
Central African Republic	4.7	-0.3	2.2	7.1	-0.2	14.5	-1.2	2.3	4.3	2.9	2.3
Comoros	4.4	3.3	7.2	1.7	2.2	7.4	2.2	6.6	7.0	4.3	2.0
Congo, Dem. Rep. of	17.2	9.2	21.3	18.2	10.0	27.6	53.4	9.8	15.4	9.9	9.0
Côte d'Ivoire	3.9	4.4	2.5	2.0	1.5	9.0	-1.7	5.1	1.9	1.5	2.5
Eritrea	17.5	17.4	18.5	9.0	12.6	30.2	22.2	14.2	12.3	12.3	12.3
Guinea	24.6	27.6	29.7	39.1	12.8	13.5	7.9	20.8	19.0	12.0	8.7
Guinea-Bissau	4.6	2.9	-1.0	3.2	9.3	8.7	-6.4	5.7	3.3	3.3	1.7
Liberia	9.5	7.5	7.0	8.9	14.7	9.4	9.7	6.6	11.4	4.9	4.7
São Tomé & Príncipe	21.9	15.2	17.2	24.6	27.6	24.8	16.1	12.9	11.9	8.3	6.0
Togo	4.9	3.9	5.5	1.5	3.4	10.3	-2.4	6.9	1.5	1.0	12.0
Zimbabwe[3]	...						-7.7	3.2	4.9	6.5	4.3
Sub-Saharan Africa[1]	**8.8**	**7.7**	**7.3**	**7.6**	**8.0**	**13.2**	**8.6**	**7.2**	**10.1**	**8.0**	**6.9**
Median	7.1	5.6	4.7	7.1	7.1	10.9	4.7	5.5	7.2	6.4	6.0
Excluding Nigeria and South Africa	9.6	9.5	8.0	8.5	7.9	14.3	7.9	7.5	12.4	8.2	6.6
Oil-importing countries	**8.4**	**6.4**	**6.1**	**7.6**	**8.6**	**13.3**	**7.2**	**5.6**	**11.2**	**7.5**	**6.1**
Excluding South Africa	**10.2**	**9.0**	**8.3**	**9.3**	**8.3**	**16.1**	**7.9**	**7.2**	**15.1**	**9.2**	**6.8**
CFA franc zone	3.6	2.6	2.4	2.5	2.9	7.6	0.7	3.1	3.7	3.8	3.6
WAEMU	3.9	2.8	3.0	2.7	2.9	8.3	-1.2	3.5	3.0	3.3	3.4
CEMAC	3.3	2.5	1.8	2.4	3.0	6.9	2.7	2.7	4.4	4.3	3.8
EAC-5	8.9	10.3	4.5	8.2	6.0	15.2	9.8	4.2	20.1	8.5	7.4
SADC	8.2	7.1	6.4	7.3	9.1	11.3	8.5	6.0	8.1	6.8	6.3
SACU	6.6	3.7	4.0	5.9	8.9	10.3	6.3	3.7	6.3	5.4	5.4
COMESA (SSA members)	13.0	12.3	9.2	11.9	9.9	21.4	10.1	7.9	20.1	10.3	7.5
MDRI countries	9.8	7.3	8.3	9.0	8.3	16.2	8.4	7.2	13.8	9.1	7.0
Countries with conventional exchange rate pegs	4.1	3.0	2.9	2.9	3.5	8.2	1.4	3.3	4.1	4.0	4.0
Countries without conventional exchange rate pegs	9.7	8.8	8.3	8.6	8.9	14.2	10.1	8.0	11.3	8.7	7.4
Sub-Saharan Africa	**8.8**	**7.7**	**7.3**	**7.6**	**8.0**	**13.2**	**8.6**	**7.2**	**10.6**	**8.2**	**6.8**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA6. Total Investment
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**21.8**	**22.2**	**20.5**	**21.9**	**23.3**	**20.9**	**26.5**	**22.6**	**21.4**	**21.4**	**21.0**
Excluding Nigeria	**19.1**	**20.4**	**17.7**	**19.3**	**18.7**	**19.3**	**23.2**	**21.9**	**20.3**	**20.0**	**20.3**
Angola	12.8	9.9	8.8	15.4	13.5	16.2	15.2	12.7	11.4	11.7	12.6
Cameroon	16.8	20.4	16.8	14.3	15.0	17.5	16.4	16.1	19.8	19.7	20.1
Chad	26.8	29.3	24.0	26.9	26.5	27.1	36.9	42.4	37.5	24.4	23.3
Congo, Rep. of	20.9	22.5	20.2	21.6	21.8	18.3	22.5	20.5	25.3	35.4	33.9
Equatorial Guinea	35.5	41.8	39.9	32.2	34.6	29.0	58.4	54.6	35.5	36.4	35.3
Gabon	23.4	24.4	21.3	25.1	24.8	21.5	26.9	27.3	29.2	28.3	29.2
Nigeria	23.5	23.3	22.2	23.5	26.3	22.0	28.6	23.1	22.1	22.2	21.5
South Sudan	...							11.5	10.7	8.1	6.2
Middle-income countries[2]	**21.1**	**19.7**	**19.5**	**20.6**	**22.2**	**23.6**	**21.1**	**21.0**	**21.1**	**22.0**	**22.7**
Excluding South Africa	**24.8**	**24.5**	**24.4**	**23.3**	**25.3**	**26.4**	**25.6**	**25.4**	**24.7**	**24.7**	**25.0**
Botswana	28.0	33.2	26.3	24.0	25.8	30.8	31.8	29.5	30.7	25.8	26.8
Cape Verde	41.4	39.5	36.0	38.0	47.0	46.2	39.1	37.8	36.5	33.9	34.3
Ghana	22.8	22.8	23.8	21.7	22.9	23.0	23.8	23.0	18.6	19.8	20.1
Lesotho	25.5	26.3	23.5	23.7	25.9	27.9	28.6	28.6	36.1	43.4	44.5
Mauritius	25.6	24.4	22.7	26.7	26.9	27.3	21.2	23.6	25.5	26.7	27.1
Namibia	22.6	19.1	19.7	22.3	23.7	28.2	29.4	28.1	35.5	32.4	30.1
Senegal	30.1	26.0	28.5	28.2	34.0	33.8	29.3	29.7	28.7	31.0	29.9
Seychelles	28.3	20.6	35.1	29.8	28.9	26.9	27.3	36.7	35.4	36.8	33.6
South Africa	19.9	18.1	18.0	19.7	21.2	22.7	19.6	19.4	19.7	21.0	21.8
Swaziland	10.1	1.4	15.9	6.8	12.6	13.9	13.9	12.2	9.2	10.5	11.0
Zambia	22.7	24.9	23.7	22.1	22.0	20.9	21.0	22.6	25.0	24.9	27.4
Low-income and fragile countries	**20.1**	**18.7**	**19.3**	**20.0**	**20.4**	**21.9**	**21.1**	**22.8**	**23.5**	**25.3**	**25.5**
Low-income excluding fragile countries	**21.7**	**20.1**	**20.9**	**21.9**	**22.2**	**23.5**	**23.1**	**24.7**	**25.6**	**26.3**	**26.2**
Benin	18.3	19.3	16.4	17.2	20.1	18.4	20.9	17.6	18.7	19.1	19.2
Burkina Faso	18.5	16.2	20.3	17.1	18.9	20.1	18.0	18.3	15.6	18.0	17.8
Ethiopia[3]	24.0	26.5	23.8	25.2	22.1	22.4	22.7	24.7	25.5	26.2	25.6
Gambia, The	20.8	24.2	21.8	24.3	19.0	14.8	19.5	21.4	17.8	21.4	20.4
Kenya	17.5	14.4	16.9	17.9	19.0	19.2	19.9	20.9	20.9	22.3	22.0
Madagascar	28.8	25.8	23.8	25.0	28.3	41.0	34.1	28.6	25.7	23.4	24.0
Malawi	23.7	18.2	22.7	25.7	26.5	25.7	25.6	26.0	15.5	16.5	21.7
Mali	17.0	16.5	15.5	16.9	16.9	19.0	20.3	18.4	20.4	13.7	14.0
Mozambique	17.2	18.3	17.7	17.0	15.3	17.6	14.9	21.9	24.5	25.0	25.4
Niger	23.3	14.6	23.1	23.6	22.8	32.3	33.0	38.6	36.8	41.4	35.4
Rwanda	20.9	19.9	20.9	19.7	20.2	23.5	22.4	21.7	22.1	23.8	23.1
Sierra Leone	10.2	10.0	11.3	10.0	9.6	9.8	9.3	24.3	40.5	15.4	15.4
Tanzania	26.9	22.6	25.1	27.6	29.6	29.8	29.0	32.0	36.7	40.0	39.5
Uganda	22.2	21.3	21.7	22.5	23.3	22.4	22.8	24.3	25.5	26.9	27.9
Fragile countries	**13.6**	**13.5**	**13.4**	**12.5**	**13.1**	**15.3**	**13.1**	**15.1**	**15.0**	**20.8**	**22.4**
Burundi	19.5	19.2	19.4	19.5	19.7	19.8	19.9	19.9	20.0	20.0	20.0
Central African Republic	10.0	6.8	9.8	10.1	10.7	12.7	13.2	14.3	12.4	14.9	15.7
Comoros	10.7	9.4	9.3	9.6	11.2	14.3	12.4	15.4	14.9	17.9	19.0
Congo, Dem. Rep. of	16.1	12.8	13.8	13.2	18.2	22.4	18.0	23.5	20.5	28.2	28.7
Côte d'Ivoire	9.7	10.8	9.7	9.3	8.7	10.1	8.9	9.0	8.2	12.1	13.9
Eritrea	15.9	20.3	20.3	13.7	12.7	12.7	9.3	9.3	10.0	9.5	8.7
Guinea	17.8	20.7	19.5	17.2	14.2	17.5	11.4	10.6	17.6	37.3	44.1
Guinea-Bissau	8.2	7.6	6.6	6.4	11.7	8.7	10.1	9.8	10.1	5.7	8.8
Liberia	...										
São Tomé & Príncipe	48.4	43.5	75.6	39.6	53.5	29.5	48.6	48.4	49.7	58.2	45.8
Togo	15.9	14.5	16.3	16.8	14.7	17.3	18.0	18.9	18.8	21.1	21.8
Zimbabwe[4]	...						15.1	24.3	23.0	25.1	25.5
Sub-Saharan Africa[1]	**21.0**	**20.2**	**19.8**	**20.8**	**22.1**	**22.3**	**22.9**	**22.0**	**21.9**	**22.7**	**22.9**
Median	21.2	20.3	20.6	21.6	21.5	21.7	21.0	23.0	22.1	23.8	23.3
Excluding Nigeria and South Africa	20.7	20.2	19.9	20.5	20.9	22.2	22.6	23.1	22.9	23.8	24.0
Oil-importing countries	**20.7**	**19.3**	**19.4**	**20.3**	**21.5**	**22.9**	**21.1**	**21.5**	**21.9**	**23.2**	**23.7**
Excluding South Africa	**21.4**	**20.3**	**20.7**	**20.9**	**21.7**	**23.2**	**22.3**	**23.1**	**23.5**	**24.9**	**25.0**
CFA franc zone	20.4	20.9	20.0	19.4	20.6	20.9	24.4	24.3	23.2	23.8	23.6
WAEMU	18.0	16.3	17.5	17.2	18.6	20.2	19.2	19.3	18.9	20.5	20.3
CEMAC	22.8	25.5	22.5	21.7	22.6	21.7	29.7	29.4	27.4	26.9	26.7
EAC-5	21.8	19.0	20.9	22.2	23.4	23.6	23.7	25.4	27.2	29.3	29.2
SADC	20.2	18.5	18.3	20.1	21.2	23.1	20.6	20.6	21.1	22.1	23.0
SACU	20.3	18.7	18.4	19.8	21.5	23.1	20.4	20.1	20.7	21.5	22.4
COMESA (SSA members)	21.4	20.2	20.7	21.3	21.8	23.1	22.0	23.4	23.1	24.5	24.8
MDRI countries	21.9	21.3	21.4	21.4	22.2	23.4	22.8	24.0	24.4	25.7	25.8
Countries with conventional exchange rate pegs	20.4	20.5	20.0	19.3	20.7	21.3	24.4	24.2	23.7	24.1	23.8
Countries without conventional exchange rate pegs	21.2	20.1	19.7	21.1	22.4	22.5	22.7	21.6	21.5	22.4	22.7
Sub-Saharan Africa	**21.0**	**20.2**	**19.8**	**20.8**	**22.1**	**22.3**	**22.9**	**21.9**	**21.7**	**22.6**	**22.8**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA7. Gross National Savings
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**33.3**	**23.7**	**29.2**	**42.8**	**38.1**	**32.4**	**28.6**	**27.2**	**25.3**	**24.7**	**23.7**
Excluding Nigeria	**26.3**	**14.7**	**26.1**	**33.4**	**30.5**	**26.8**	**15.8**	**24.4**	**24.6**	**23.1**	**22.1**
Angola	28.3	13.6	27.0	41.0	33.5	26.6	5.4	21.7	21.0	20.2	19.2
Cameroon	15.8	17.0	13.4	15.9	16.4	16.3	12.8	13.1	15.7	15.5	16.3
Chad	22.3	-20.8	25.1	32.8	38.1	36.0	32.9	38.9	39.6	22.5	21.3
Congo, Rep. of	20.4	16.8	23.9	25.2	15.3	20.6	15.1	25.5	26.0	34.8	33.5
Equatorial Guinea	31.8	20.2	33.7	39.9	38.6	26.7	40.7	34.1	29.5	28.7	27.5
Gabon	41.6	35.5	44.2	40.6	41.8	45.7	33.2	36.4	39.8	37.3	33.3
Nigeria	37.6	29.0	31.1	48.8	43.2	36.1	36.9	28.9	25.7	25.7	24.6
South Sudan	...							8.9	27.9	-7.9	14.1
Middle-income countries[2]	**16.4**	**16.7**	**16.3**	**16.3**	**16.3**	**16.5**	**16.9**	**17.6**	**17.0**	**16.4**	**17.2**
Excluding South Africa	**21.6**	**21.8**	**22.0**	**22.3**	**22.6**	**19.5**	**21.0**	**20.6**	**18.6**	**18.8**	**20.2**
Botswana	39.5	36.2	41.4	41.2	40.8	37.6	26.6	27.9	31.1	29.7	30.2
Cape Verde	30.6	25.1	32.5	32.6	32.3	30.5	23.4	25.3	24.1	22.4	25.4
Ghana	14.7	18.1	16.8	13.4	14.2	11.0	18.4	14.6	9.3	10.8	13.7
Lesotho	33.3	34.4	24.9	35.2	34.1	37.9	28.8	16.5	18.7	32.2	33.9
Mauritius	19.2	21.9	17.7	17.6	21.5	17.2	13.8	15.5	15.2	16.2	18.0
Namibia	30.1	26.0	24.4	36.1	32.9	31.0	29.1	28.4	33.8	28.6	25.6
Senegal	20.0	19.1	19.6	19.0	22.4	19.7	22.6	25.3	22.3	22.5	22.9
Seychelles	11.7	11.6	12.8	14.0	13.6	6.7	17.5	16.6	13.9	16.9	14.1
South Africa	14.7	15.0	14.5	14.4	14.3	15.5	15.6	16.6	16.4	15.5	16.0
Swaziland	6.4	4.5	11.8	-0.6	10.3	5.7	-0.1	1.7	0.1	10.6	5.6
Zambia	16.3	13.7	15.2	23.3	15.4	13.8	25.2	29.6	26.2	23.1	26.3
Low-income and fragile countries	**14.7**	**15.7**	**14.2**	**14.4**	**15.2**	**14.0**	**13.7**	**15.5**	**14.4**	**15.0**	**15.5**
Low-income excluding fragile countries	**15.9**	**16.6**	**15.6**	**15.4**	**16.6**	**15.2**	**14.9**	**17.1**	**15.7**	**16.3**	**16.5**
Benin	10.9	12.3	10.1	11.8	9.9	10.3	11.9	10.3	8.7	9.8	10.1
Burkina Faso	8.1	5.2	8.7	7.6	10.6	8.6	13.3	16.0	14.5	13.7	14.6
Ethiopia[3]	21.1	24.6	20.0	18.1	23.5	19.2	18.9	20.5	24.4	18.9	16.9
Gambia, The	12.4	19.7	11.5	17.4	10.8	2.7	7.2	5.7	3.6	5.5	6.2
Kenya	15.9	17.2	17.2	16.8	15.4	12.8	13.8	15.0	9.6	13.8	13.4
Madagascar	15.7	15.3	12.1	15.1	15.6	20.4	13.0	18.9	18.8	15.5	15.9
Malawi	15.1	7.0	10.7	14.4	27.4	16.0	20.7	24.7	9.6	12.4	20.3
Mali	9.1	8.6	7.0	12.9	10.0	6.9	13.0	5.8	10.2	8.3	9.2
Mozambique	6.3	7.7	6.1	6.3	5.6	5.7	2.7	10.2	11.6	13.4	13.0
Niger	14.1	7.3	14.2	15.0	14.6	19.3	7.9	17.7	10.9	15.1	14.7
Rwanda	19.1	21.8	21.9	15.4	18.0	18.6	15.0	15.8	14.8	14.0	13.3
Sierra Leone	4.7	5.6	6.0	5.7	5.4	0.7	2.8	5.0	-11.8	2.3	6.1
Tanzania	17.8	19.2	18.3	16.8	15.6	19.2	19.9	24.1	20.5	24.6	26.1
Uganda	19.2	20.6	19.3	19.2	20.2	16.7	13.3	14.1	14.1	15.8	16.2
Fragile countries	**10.1**	**12.3**	**9.3**	**10.3**	**9.5**	**9.1**	**9.2**	**8.7**	**8.7**	**9.5**	**11.2**
Burundi	11.9	14.6	14.6	-2.3	14.2	18.2	8.0	10.1	7.2	8.4	8.5
Central African Republic	4.5	5.1	3.2	7.1	4.5	2.8	4.0	4.1	3.6	7.3	9.5
Comoros	3.8	4.8	1.9	3.6	5.5	3.4	4.6	8.4	5.4	7.6	9.5
Congo, Dem. Rep. of	8.6	9.8	0.5	10.5	17.1	4.9	7.5	15.4	9.0	15.7	14.6
Côte d'Ivoire	10.9	12.4	10.0	12.1	8.0	12.1	15.9	10.1	14.9	9.1	12.4
Eritrea	12.7	18.9	20.8	10.2	6.4	7.2	1.7	3.7	10.8	12.6	11.4
Guinea	11.8	18.3	18.5	12.6	2.6	7.2	1.6	-1.8	1.3	-1.7	4.4
Guinea-Bissau	5.3	9.1	4.5	0.8	8.2	3.9	3.7	1.6	3.7	2.9	5.9
Liberia	...										
São Tomé & Príncipe	27.4	27.5	64.6	13.9	23.4	7.4	23.1	20.9	24.3	35.5	21.3
Togo	8.0	6.2	8.2	9.0	6.0	10.5	11.3	12.6	11.6	12.3	12.7
Zimbabwe[4]	...						-7.0	-4.5	-13.2	4.7	5.5
Sub-Saharan Africa[1]	**21.3**	**18.7**	**19.8**	**24.2**	**23.0**	**21.0**	**20.0**	**20.3**	**19.1**	**18.9**	**19.0**
Median	15.7	16.1	16.0	15.0	15.4	15.7	13.8	15.8	14.5	15.5	14.7
Excluding Nigeria and South Africa	19.2	16.8	18.9	20.7	20.8	18.6	15.5	18.6	17.6	17.7	17.9
Oil-importing countries	**15.7**	**16.3**	**15.5**	**15.6**	**15.8**	**15.5**	**15.6**	**16.6**	**16.1**	**15.6**	**16.4**
Excluding South Africa	**16.6**	**17.4**	**16.4**	**16.6**	**17.2**	**15.5**	**15.7**	**16.6**	**15.9**	**15.8**	**16.7**
CFA franc zone	18.1	13.2	18.1	20.0	19.7	19.4	19.6	20.0	20.7	19.1	19.2
WAEMU	12.0	11.4	11.4	12.7	12.0	12.5	14.9	13.9	14.3	12.9	14.2
CEMAC	24.3	15.0	25.0	27.5	27.5	26.4	24.4	26.1	27.0	25.2	24.2
EAC-5	17.3	18.8	18.3	16.8	16.7	16.3	15.6	17.7	14.5	17.8	18.2
SADC	17.3	15.9	16.4	18.5	18.0	17.7	14.6	18.4	17.6	17.5	18.0
SACU	16.3	16.4	16.1	16.2	16.1	17.0	16.3	17.3	17.4	16.6	17.0
COMESA (SSA members)	16.9	17.9	16.1	16.3	18.8	15.4	14.7	17.1	15.6	16.1	15.9
MDRI countries	15.5	16.2	14.9	15.3	16.4	14.8	15.5	17.5	16.1	16.7	17.3
Countries with conventional exchange rate pegs	18.6	14.0	18.5	20.4	20.2	19.8	19.5	19.8	20.8	19.5	19.4
Countries without conventional exchange rate pegs	21.9	19.6	20.1	24.9	23.6	21.3	20.1	20.5	18.9	18.8	18.9
Sub-Saharan Africa	**21.3**	**18.7**	**19.8**	**24.2**	**23.0**	**21.0**	**20.0**	**20.1**	**19.2**	**18.8**	**18.9**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA8. Overall Fiscal Balance, (Including Grants)
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**7.5**	**5.9**	**11.2**	**11.9**	**3.7**	**4.8**	**-7.1**	**-2.6**	**3.2**	**1.5**	**2.8**
Excluding Nigeria	**7.4**	**2.3**	**8.6**	**16.6**	**6.6**	**2.8**	**-4.3**	**3.6**	**6.9**	**4.1**	**2.9**
Angola	4.6	1.4	9.4	11.8	4.7	-4.5	-7.4	5.5	10.2	7.0	5.3
Cameroon	8.5	-0.7	3.2	33.1	4.5	2.3	-0.1	-1.1	-2.9	-3.3	-3.7
Chad	1.5	-2.7	-0.1	2.6	3.1	4.5	-9.9	-5.2	3.1	-0.7	-1.6
Congo, Rep. of	13.5	3.6	14.6	16.6	9.4	23.4	4.8	16.1	16.4	3.7	3.1
Equatorial Guinea	17.1	10.4	18.5	22.9	17.8	15.7	-8.0	-5.1	0.9	-1.2	-1.6
Gabon	9.2	7.6	8.7	9.2	8.7	11.7	7.5	3.0	2.1	4.8	3.1
Nigeria	7.6	8.1	13.0	8.9	1.6	6.3	-9.4	-6.7	0.2	-0.4	2.8
South Sudan	...							0.2	4.5	-15.0	9.8
Middle-income countries[2]	**-0.2**	**-1.4**	**-0.2**	**1.3**	**0.9**	**-1.5**	**-5.3**	**-5.1**	**-4.6**	**-4.8**	**-4.4**
Excluding South Africa	**-1.2**	**-2.2**	**-0.8**	**2.9**	**-1.4**	**-4.3**	**-5.2**	**-5.8**	**-4.7**	**-4.3**	**-3.3**
Botswana[3]	3.1	1.2	8.3	10.4	3.6	-8.2	-12.0	-6.8	-2.2	0.3	0.8
Cape Verde	-3.8	-4.1	-6.7	-5.7	-1.1	-1.4	-6.3	-10.6	-9.4	-12.3	-8.6
Ghana	-4.9	-3.0	-2.8	-4.7	-5.6	-8.5	-5.8	-7.2	-4.1	-5.6	-3.8
Lesotho[3]	9.3	7.6	4.5	14.3	11.1	8.9	-4.0	-5.2	-10.5	2.1	2.0
Mauritius	-3.9	-4.6	-4.7	-4.4	-3.3	-2.8	-3.6	-3.2	-3.2	-2.9	-2.8
Namibia[3]	1.1	-3.4	-0.8	2.3	4.5	2.9	-0.9	-4.6	-10.5	-6.3	-4.5
Senegal	-3.8	-2.3	-2.8	-5.4	-3.8	-4.7	-4.9	-5.2	-6.3	-6.5	-4.7
Seychelles	-2.5	-2.2	-0.3	-6.0	-9.5	5.5	2.8	-0.8	2.6	2.4	0.5
South Africa[3]	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.3	-4.8	-4.6	-5.0	-4.7
Swaziland[3]	1.6	-4.7	-2.0	10.1	4.8	-0.3	-6.4	-13.8	-6.4	2.9	-7.1
Zambia	2.5	-2.9	-2.8	20.2	-1.3	-0.9	-2.5	-3.1	-3.0	-5.8	-3.8
Low-income and fragile countries	**-1.7**	**-2.4**	**-2.9**	**0.9**	**-1.9**	**-2.3**	**-3.3**	**-2.9**	**-3.6**	**-3.5**	**-3.2**
Low-income excluding fragile countries	**-1.4**	**-2.2**	**-2.5**	**2.3**	**-2.0**	**-2.3**	**-3.4**	**-3.3**	**-3.4**	**-3.5**	**-3.1**
Benin	-0.7	-1.1	-2.3	-0.2	0.3	-0.1	-3.3	-0.4	-1.4	-0.7	-1.2
Burkina Faso	-1.0	-4.7	-5.5	16.1	-6.7	-4.3	-5.3	-4.7	-2.5	-3.8	-3.0
Ethiopia[3]	-3.4	-2.7	-4.2	-3.8	-3.6	-2.9	-0.9	-1.3	-1.6	-2.3	-2.9
Gambia, The	-3.2	-4.1	-5.8	-5.1	0.4	-1.4	-2.6	-5.4	-4.4	-3.9	-2.5
Kenya	-2.4	-0.1	-1.8	-2.5	-3.1	-4.3	-5.2	-5.1	-4.3	-4.5	-3.9
Madagascar	-2.5	-5.0	-3.0	-0.5	-2.7	-1.1	-3.1	-0.4	-4.8	-2.9	-2.5
Malawi	-3.8	-6.6	-3.3	0.2	-4.4	-5.1	-5.0	1.5	-5.0	-6.0	-2.3
Mali	6.9	-0.2	-0.7	33.7	-0.2	2.1	0.5	1.8	0.1	7.8	8.7
Mozambique	-3.3	-4.4	-2.8	-4.1	-2.9	-2.5	-5.5	-3.9	-5.0	-6.3	-7.0
Niger	7.1	-3.5	-2.0	40.3	-1.0	1.5	-5.5	-2.6	-2.8	-4.2	-3.9
Rwanda	0.2	0.9	0.9	0.2	-1.7	1.0	0.3	0.4	-1.8	-2.9	-3.2
Sierra Leone	2.3	-2.4	-1.4	-1.7	20.8	-3.7	-2.5	-5.1	-4.6	-2.2	-2.6
Tanzania	-3.3	-3.7	-4.0	-4.5	-1.9	-2.6	-6.0	-6.5	-5.0	-4.8	-4.9
Uganda	0.1	0.3	1.0	0.6	0.1	-1.6	-1.9	-6.3	-4.8	-6.0	-2.6
Fragile countries	**-2.6**	**-2.9**	**-3.8**	**-2.4**	**-1.7**	**-2.3**	**-3.1**	**-1.9**	**-3.9**	**-3.7**	**-3.3**
Burundi	-2.7	-3.6	-3.6	-1.0	-2.5	-2.7	-5.3	-3.6	-4.0	-2.7	-4.6
Central African Republic	0.5	-2.1	-4.5	9.0	1.2	-1.0	-0.1	-1.4	-2.4	0.0	0.5
Comoros	-1.7	-1.7	0.1	-2.6	-2.0	-2.5	0.6	7.0	1.4	0.6	-0.7
Congo, Dem. Rep. of	-3.8	-3.2	-4.3	-3.6	-3.8	-3.8	-2.6	4.9	-1.8	-2.6	-3.4
Côte d'Ivoire	-1.3	-1.7	-1.7	-1.8	-0.8	-0.6	-1.6	-2.3	-5.7	-3.7	-1.9
Eritrea	-17.9	-16.6	-22.2	-14.1	-15.7	-21.1	-14.7	-16.1	-16.2	-13.5	-12.5
Guinea	-2.2	-5.4	-1.6	-3.1	0.3	-1.3	-7.1	-14.0	-1.3	-5.2	-2.1
Guinea-Bissau	-4.9	-7.8	-6.2	-4.8	-5.0	-0.8	2.9	-0.2	-2.1	-1.6	-1.7
Liberia	-0.4	0.0	0.0	4.9	3.0	-9.8	-10.0	-6.2	-3.0	-5.8	-7.7
São Tomé & Príncipe	28.4	-16.1	30.9	-12.7	125.4	14.2	-18.4	-10.6	-12.0	-8.7	-12.3
Togo	-1.4	1.0	-2.4	-2.8	-1.9	-0.9	-2.8	-1.6	-2.9	-6.3	-5.2
Zimbabwe[4]	...		-8.1	-3.1	-3.7	-2.6	-2.8	0.1	-1.9	-1.7	-3.5
Sub-Saharan Africa[1]	**1.9**	**0.3**	**2.6**	**4.7**	**1.3**	**0.8**	**-5.4**	**-3.7**	**-1.6**	**-2.2**	**-1.4**
Median	-1.4	-2.4	-1.9	-0.4	-0.9	-1.2	-3.8	-3.8	-2.9	-2.9	-2.9
Excluding Nigeria and South Africa	1.1	-1.2	0.8	6.0	0.9	-0.9	-4.0	-1.5	-0.3	-1.2	-1.2
Oil-importing countries	**-0.7**	**-1.7**	**-1.0**	**1.1**	**0.0**	**-1.8**	**-4.6**	**-4.3**	**-4.1**	**-4.5**	**-3.6**
Excluding South Africa	**-1.5**	**-2.4**	**-2.2**	**1.6**	**-1.8**	**-2.9**	**-3.9**	**-3.7**	**-3.6**	**-4.1**	**-2.7**
CFA franc zone	5.0	0.2	2.7	13.8	3.4	5.0	-1.8	-0.6	-0.3	-1.1	-1.0
WAEMU	-0.1	-2.0	-2.4	7.1	-2.0	-1.3	-2.9	-2.4	-3.8	-2.7	-1.5
CEMAC	9.9	2.6	7.7	20.2	8.4	10.5	-0.6	1.2	2.7	0.2	-0.6
EAC-5	-2.0	-1.2	-1.8	-2.2	-2.0	-2.8	-4.3	-5.3	-4.4	-4.7	-3.9
SADC	0.2	-1.4	0.3	2.4	1.4	-1.6	-5.5	-3.0	-2.2	-2.6	-2.7
SACU	0.3	-1.2	0.3	1.4	1.8	-0.7	-5.4	-5.0	-4.7	-4.7	-4.5
COMESA (SSA members)	-2.1	-2.4	-3.1	0.3	-2.7	-2.8	-3.0	-2.6	-3.4	-3.7	-3.5
MDRI countries	0.1	-2.3	-1.3	6.5	-1.2	-1.2	-2.8	-2.1	-2.4	-3.5	-3.0
Countries with conventional exchange rate pegs	4.4	-0.4	2.0	12.4	3.4	4.5	-2.1	-1.5	-1.6	-1.7	-1.6
Countries without conventional exchange rate pegs	1.5	0.5	2.9	3.3	0.9	0.0	-6.1	-4.2	-1.6	-2.3	-1.3
Sub-Saharan Africa	**1.9**	**0.3**	**2.6**	**4.7**	**1.3**	**0.8**	**-5.4**	**-3.7**	**-1.5**	**-2.3**	**-1.3**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA9. Overall Fiscal Balance, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**7.0**	**5.7**	**11.1**	**9.7**	**3.6**	**4.7**	**-7.3**	**-2.6**	**3.1**	**1.4**	**2.8**
Excluding Nigeria	**6.0**	**1.9**	**8.2**	**11.0**	**6.3**	**2.6**	**-4.7**	**3.4**	**6.7**	**3.9**	**2.7**
Angola	4.4	1.0	9.1	11.8	4.6	-4.5	-7.4	5.5	10.2	7.0	5.3
Cameroon	2.4	-0.8	3.0	4.7	3.3	1.5	-0.9	-1.8	-3.4	-3.8	-4.1
Chad	-0.8	-5.7	-3.4	0.7	1.7	3.0	-13.4	-6.8	1.0	-2.8	-3.6
Congo, Rep. of	13.2	3.3	14.5	16.5	9.0	22.7	4.5	16.0	15.9	2.9	2.4
Equatorial Guinea	17.1	10.4	18.5	22.9	17.8	15.7	-8.0	-5.1	0.9	-1.2	-1.6
Gabon	9.2	7.5	8.7	9.2	8.7	11.7	7.5	3.0	2.1	4.8	3.1
Nigeria	7.6	8.1	13.0	8.9	1.6	6.3	-9.4	-6.7	0.2	-0.4	2.8
South Sudan	...							-3.9	1.6	-17.2	7.6
Middle-income countries[2]	**-0.8**	**-1.9**	**-0.6**	**0.1**	**0.3**	**-2.0**	**-5.8**	**-5.4**	**-5.0**	**-5.2**	**-4.7**
Excluding South Africa	**-4.0**	**-4.5**	**-2.8**	**-2.4**	**-3.7**	**-6.4**	**-7.5**	**-7.5**	**-6.2**	**-6.0**	**-4.6**
Botswana[3]	2.5	0.5	8.1	9.7	2.9	-8.8	-12.9	-7.1	-2.5	0.0	0.6
Cape Verde	-10.2	-13.0	-13.3	-11.6	-6.3	-6.8	-11.6	-16.9	-12.2	-13.2	-10.6
Ghana	-8.3	-6.9	-6.1	-8.1	-9.3	-11.2	-8.8	-9.6	-6.2	-7.7	-5.3
Lesotho[3]	7.5	5.3	2.5	13.4	9.5	6.7	-7.0	-12.7	-18.5	-6.7	-3.1
Mauritius	-4.2	-4.9	-4.9	-4.6	-3.4	-3.4	-5.2	-3.9	-3.9	-3.8	-3.5
Namibia[3]	1.0	-3.6	-0.8	2.2	4.4	2.8	-1.1	-4.7	-10.6	-6.3	-4.5
Senegal	-5.8	-4.4	-4.4	-6.9	-6.4	-7.0	-8.0	-7.8	-8.5	-9.2	-7.3
Seychelles	-3.5	-2.2	-0.5	-7.3	-9.7	2.0	-1.3	-1.7	0.1	-1.4	-2.0
South Africa[3]	0.1	-1.2	0.0	0.8	1.5	-0.5	-5.3	-4.8	-4.6	-5.0	-4.7
Swaziland[3]	0.9	-5.5	-3.0	9.3	4.5	-0.9	-6.9	-14.0	-6.6	2.2	-7.8
Zambia	-6.8	-8.4	-8.4	-6.3	-5.8	-5.0	-5.4	-4.9	-4.5	-7.5	-5.6
Low-income and fragile countries	**-6.6**	**-6.7**	**-7.2**	**-6.7**	**-6.3**	**-6.2**	**-7.3**	**-7.0**	**-7.2**	**-7.2**	**-6.4**
Low-income excluding fragile countries	**-7.1**	**-7.2**	**-7.5**	**-7.3**	**-7.1**	**-6.5**	**-7.6**	**-7.1**	**-7.0**	**-7.1**	**-6.2**
Benin	-3.0	-3.7	-4.4	-2.5	-2.7	-1.8	-6.5	-1.9	-4.0	-3.6	-3.4
Burkina Faso	-10.5	-9.3	-10.1	-11.7	-13.2	-8.2	-11.2	-9.3	-7.8	-10.8	-9.4
Ethiopia[3]	-7.6	-7.3	-8.4	-7.4	-8.0	-6.9	-5.2	-4.6	-4.8	-4.1	-4.3
Gambia, The	-4.7	-7.2	-7.0	-6.1	-0.5	-2.5	-6.9	-9.4	-9.1	-10.7	-7.8
Kenya	-3.5	-1.3	-3.1	-3.6	-4.2	-5.3	-6.0	-5.8	-5.4	-6.0	-5.4
Madagascar	-9.3	-13.2	-10.5	-10.3	-7.0	-5.4	-4.2	-0.4	-4.8	-3.7	-4.1
Malawi	-15.2	-15.0	-13.3	-14.4	-17.1	-16.2	-13.6	-10.3	-9.2	-15.5	-11.8
Mali	-4.0	-4.1	-4.7	-5.1	-4.9	-1.3	-4.1	-1.1	-3.4	4.6	5.5
Mozambique	-11.3	-11.7	-8.8	-12.0	-12.2	-11.9	-15.0	-12.9	-12.8	-13.4	-12.2
Niger	-7.6	-9.3	-9.6	-6.8	-8.1	-4.4	-9.9	-7.4	-6.8	-12.8	-11.5
Rwanda	-10.1	-9.2	-10.8	-9.6	-10.7	-10.0	-11.4	-13.2	-13.4	-14.9	-13.5
Sierra Leone	-7.5	-9.1	-8.9	-8.0	-4.3	-7.3	-8.6	-10.5	-10.2	-6.3	-5.7
Tanzania	-8.9	-8.4	-10.0	-9.7	-7.9	-8.5	-10.9	-11.2	-9.8	-9.3	-8.7
Uganda	-5.9	-8.4	-7.1	-5.2	-4.7	-4.4	-4.6	-9.2	-6.7	-8.3	-4.6
Fragile countries	**-5.3**	**-5.5**	**-6.4**	**-5.3**	**-4.0**	**-5.1**	**-6.3**	**-6.7**	**-7.6**	**-7.4**	**-6.9**
Burundi	-18.7	-14.3	-11.9	-13.9	-25.5	-27.7	-24.5	-26.4	-24.7	-18.5	-19.4
Central African Republic	-5.5	-5.5	-8.7	-4.4	-2.9	-5.8	-5.4	-7.0	-4.9	-4.8	-4.9
Comoros	-7.8	-4.5	-4.2	-7.6	-9.7	-13.0	-9.1	-7.8	-6.0	-10.7	-10.6
Congo, Dem. Rep. of	-8.2	-7.0	-11.1	-10.3	-6.1	-6.4	-10.1	-9.1	-10.3	-11.2	-10.1
Côte d'Ivoire	-2.3	-2.6	-2.8	-2.4	-1.3	-2.3	-2.2	-2.8	-6.1	-4.3	-3.4
Eritrea	-24.8	-31.7	-31.5	-18.2	-18.8	-24.0	-17.3	-21.3	-19.4	-14.7	-13.0
Guinea	-3.2	-6.5	-2.3	-4.6	-0.5	-1.8	-7.5	-14.4	-4.7	-9.0	-5.9
Guinea-Bissau	-13.8	-16.7	-12.9	-11.1	-13.2	-15.3	-12.9	-9.9	-9.6	-5.6	-8.8
Liberia	-0.6	-0.2	0.0	4.7	2.9	-10.4	-12.4	-8.0	-7.3	-6.6	-10.1
São Tomé & Príncipe	-13.0	-35.8	14.5	-28.4	-0.4	-14.7	-33.0	-30.4	-30.2	-32.2	-26.7
Togo	-2.7	0.2	-3.6	-4.2	-3.6	-2.3	-4.3	-3.7	-6.0	-10.1	-9.0
Zimbabwe[4]	...		-8.1	-3.1	-3.7	-2.6	-3.4	0.1	-1.9	-1.7	-3.5
Sub-Saharan Africa[1]	**0.4**	**-0.9**	**1.5**	**1.9**	**0.1**	**-0.3**	**-6.7**	**-4.8**	**-2.5**	**-3.2**	**-2.3**
Median	-4.8	-5.5	-4.6	-5.1	-3.9	-4.7	-7.4	-7.3	-6.1	-6.3	-5.3
Excluding Nigeria and South Africa	-2.3	-4.0	-2.0	-0.5	-1.7	-3.2	-6.5	-3.8	-2.3	-3.3	-3.1
Oil-importing countries	**-2.6**	**-3.3**	**-2.6**	**-2.0**	**-1.8**	**-3.5**	**-6.3**	**-5.9**	**-5.5**	**-6.1**	**-5.0**
Excluding South Africa	**-5.7**	**-5.9**	**-5.8**	**-5.3**	**-5.4**	**-6.2**	**-7.3**	**-7.0**	**-6.5**	**-7.1**	**-5.3**
CFA franc zone	1.4	-1.4	1.1	2.5	1.5	3.3	-3.8	-2.0	-1.8	-3.0	-2.9
WAEMU	-4.7	-4.5	-5.0	-5.2	-5.0	-4.1	-5.9	-4.7	-6.3	-5.9	-4.8
CEMAC	7.3	2.1	7.1	9.9	7.7	9.9	-1.5	0.6	2.2	-0.4	-1.2
EAC-5	-6.3	-5.7	-6.7	-6.2	-6.2	-6.8	-7.9	-9.1	-8.1	-8.3	-7.0
SADC	-0.8	-2.2	-0.5	0.9	0.6	-2.5	-6.4	-3.9	-2.8	-3.4	-3.3
SACU	0.3	-1.2	0.3	1.3	1.7	-0.7	-5.5	-5.1	-4.8	-4.8	-4.5
COMESA (SSA members)	-6.6	-6.9	-7.5	-6.2	-6.2	-6.2	-6.5	-6.5	-6.3	-6.6	-6.0
MDRI countries	-5.7	-6.5	-5.8	-5.5	-5.9	-5.1	-6.9	-6.1	-5.8	-7.1	-6.1
Countries with conventional exchange rate pegs	1.0	-2.1	0.4	2.4	1.6	2.8	-4.0	-3.0	-3.1	-3.5	-3.4
Countries without conventional exchange rate pegs	0.4	-0.6	1.8	1.8	-0.2	-1.0	-7.2	-5.1	-2.5	-3.1	-2.1
Sub-Saharan Africa	**0.4**	**-0.9**	**1.5**	**1.9**	**0.1**	**-0.3**	**-6.7**	**-4.8**	**-2.5**	**-3.3**	**-2.2**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA10. Government Revenue, Excluding Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**33.7**	**31.8**	**34.6**	**34.8**	**31.2**	**36.1**	**23.7**	**26.2**	**33.9**	**31.3**	**30.6**
Excluding Nigeria	**35.1**	**26.1**	**32.1**	**38.7**	**37.1**	**41.4**	**30.9**	**35.4**	**39.6**	**37.9**	**37.2**
Angola	45.5	36.7	43.9	50.2	45.8	50.9	34.5	43.5	48.8	45.5	44.4
Cameroon	18.2	15.2	17.6	19.3	19.1	20.0	17.6	16.8	18.4	18.1	18.2
Chad	16.9	8.8	9.6	17.2	22.8	26.4	16.1	23.6	30.2	24.3	22.1
Congo, Rep. of	39.6	30.0	38.6	44.3	38.9	46.4	29.1	37.4	42.0	42.0	41.2
Equatorial Guinea	35.5	27.9	32.5	41.9	38.3	37.0	41.3	30.2	30.8	30.0	29.1
Gabon	30.9	30.1	31.3	31.7	29.5	31.9	32.6	28.1	28.2	28.4	28.5
Nigeria	32.6	35.4	36.3	32.3	26.9	32.0	17.8	20.0	29.5	26.4	25.8
South Sudan	...							16.9	22.4	9.2	28.1
Middle-income countries[2]	**26.7**	**24.8**	**26.1**	**26.8**	**28.1**	**27.7**	**26.4**	**26.0**	**26.3**	**26.4**	**26.4**
Excluding South Africa	**22.9**	**22.8**	**23.2**	**23.6**	**22.9**	**21.9**	**21.7**	**21.0**	**22.4**	**23.5**	**22.9**
Botswana[3]	35.8	36.3	39.7	38.6	34.0	30.4	32.4	29.1	29.3	29.3	28.4
Cape Verde	25.6	22.8	24.3	25.6	27.3	27.8	23.4	21.7	22.3	20.0	21.2
Ghana	13.6	13.6	13.5	13.7	13.8	13.3	13.5	14.5	17.4	18.7	18.3
Lesotho[3]	58.8	50.9	51.3	65.1	61.5	65.0	61.0	46.1	45.2	57.8	54.4
Mauritius	19.4	18.9	19.4	18.9	19.4	20.5	21.2	21.2	20.7	20.8	20.2
Namibia[3]	28.4	25.3	26.4	28.6	30.6	31.0	31.0	28.3	28.4	32.8	31.6
Senegal	19.5	18.3	19.2	19.7	21.1	19.2	18.6	19.4	20.2	20.9	20.7
Seychelles	36.0	39.5	38.5	38.9	31.6	31.5	33.1	34.5	37.3	38.5	35.4
South Africa[3]	27.9	25.3	26.8	27.7	29.6	29.8	27.8	27.5	27.5	27.3	27.6
Swaziland[3]	36.5	31.4	32.2	41.9	36.8	40.2	35.7	25.0	24.6	39.3	28.4
Zambia	18.1	18.2	17.6	17.2	18.4	18.9	16.0	17.8	20.9	18.5	19.7
Low-income and fragile countries	**15.6**	**15.1**	**15.3**	**15.5**	**15.9**	**16.1**	**16.2**	**17.9**	**18.2**	**18.8**	**19.0**
Low-income excluding fragile countries	**15.7**	**15.2**	**15.3**	**15.7**	**16.2**	**16.1**	**15.9**	**17.3**	**17.5**	**17.8**	**18.1**
Benin	18.2	16.7	16.9	16.9	20.8	19.6	18.5	18.6	17.6	18.9	19.1
Burkina Faso	13.1	13.5	12.7	12.9	13.6	12.9	13.7	15.6	16.5	16.9	16.7
Ethiopia[3]	14.0	16.1	14.6	14.8	12.7	12.0	12.0	14.1	13.5	13.7	13.3
Gambia, The	15.8	14.5	14.5	16.4	17.3	16.1	16.1	14.9	14.9	15.8	17.0
Kenya	21.5	21.4	21.2	21.1	22.0	21.8	21.9	23.8	23.8	24.7	24.7
Madagascar	11.8	12.0	10.9	11.2	11.7	13.3	11.1	12.3	11.3	11.1	11.7
Malawi	18.4	16.8	19.2	17.7	18.4	19.9	21.2	24.9	25.2	21.5	22.1
Mali	19.3	19.6	19.9	19.7	19.2	17.9	19.7	19.7	19.7	19.7	20.0
Mozambique	14.8	13.1	14.1	15.0	15.9	15.9	17.6	20.5	22.2	23.1	23.1
Niger	13.7	11.4	10.6	13.0	15.0	18.4	14.7	14.4	15.1	17.8	18.4
Rwanda	12.8	12.2	12.5	12.1	12.3	14.9	12.8	13.2	14.2	13.9	14.3
Sierra Leone	9.2	9.4	9.4	9.3	8.8	9.1	9.1	9.9	11.5	10.7	9.7
Tanzania	13.7	11.4	12.2	13.6	15.2	16.0	16.1	16.3	17.2	18.2	18.7
Uganda	12.4	11.5	12.4	12.6	12.8	12.7	12.5	12.7	12.8	12.7	13.6
Fragile countries	**15.3**	**14.7**	**15.3**	**15.1**	**15.3**	**16.3**	**17.0**	**19.4**	**20.1**	**21.3**	**21.5**
Burundi	13.9	14.6	14.2	13.7	13.5	13.4	14.2	14.6	15.4	15.1	15.5
Central African Republic	9.4	8.3	8.2	9.5	10.3	10.4	10.8	11.6	10.8	11.4	11.7
Comoros	14.1	15.6	15.7	13.6	12.7	13.1	13.9	14.3	16.1	14.0	14.4
Congo, Dem. Rep. of	13.4	9.5	11.4	12.8	14.7	18.5	16.8	18.9	18.8	22.3	21.7
Côte d'Ivoire	18.2	17.5	17.0	18.4	19.2	18.9	18.9	19.2	19.9	18.7	19.4
Eritrea	22.3	23.2	25.9	23.0	21.2	18.2	13.3	13.3	14.2	16.0	16.6
Guinea	14.1	11.5	14.5	14.4	14.3	15.6	16.2	15.3	16.8	19.2	20.2
Guinea-Bissau	9.0	8.6	9.2	10.2	8.0	9.2	9.0	10.8	10.9	10.1	13.8
Liberia	15.1	11.8	11.5	15.3	18.4	18.4	20.3	25.0	24.8	25.5	24.5
São Tomé & Príncipe	28.7	15.0	55.1	18.2	38.6	16.5	16.6	19.0	18.8	21.4	18.4
Togo	16.4	16.8	15.7	17.0	16.8	15.6	16.9	18.9	18.2	19.0	19.5
Zimbabwe[4]	...		15.4	9.0	3.6	2.8	15.2	29.6	30.9	33.2	32.0
Sub-Saharan Africa[1]	**26.6**	**24.6**	**26.3**	**27.2**	**26.6**	**28.4**	**23.0**	**24.4**	**27.4**	**26.5**	**26.3**
Median	17.6	16.7	17.0	17.2	18.8	18.4	17.2	19.1	19.8	19.9	20.1
Excluding Nigeria and South Africa	23.2	19.7	21.7	24.3	24.2	26.1	21.9	24.1	26.4	26.1	25.7
Oil-importing countries	**23.2**	**22.0**	**22.9**	**23.4**	**24.2**	**23.5**	**22.6**	**23.2**	**23.7**	**23.5**	**23.8**
Excluding South Africa	**18.0**	**17.7**	**17.8**	**18.2**	**18.2**	**17.9**	**17.8**	**18.8**	**19.7**	**19.9**	**20.5**
CFA franc zone	22.0	18.6	20.5	23.3	23.3	24.6	21.7	22.0	23.6	23.3	23.1
WAEMU	17.5	16.8	16.6	17.5	18.5	17.9	17.7	18.3	18.7	18.9	19.2
CEMAC	26.4	20.5	24.2	28.8	27.8	30.6	26.0	25.6	28.0	27.2	26.6
EAC-5	16.6	15.6	16.0	16.5	17.5	17.6	17.4	18.3	18.7	19.4	20.0
SADC	28.3	24.9	26.8	28.6	29.8	31.4	27.2	28.5	29.8	29.6	29.6
SACU	28.4	25.9	27.5	28.5	30.0	30.1	28.3	27.6	27.7	27.9	27.9
COMESA (SSA members)	16.9	17.2	17.0	16.9	16.6	17.0	16.5	18.6	19.0	19.4	19.3
MDRI countries	16.2	14.7	15.6	16.6	16.6	17.3	15.7	17.2	18.5	18.5	18.5
Countries with conventional exchange rate pegs	23.2	19.9	21.6	24.6	24.5	25.5	22.9	22.7	24.0	24.5	24.0
Countries without conventional exchange rate pegs	27.5	25.6	27.4	27.8	27.2	29.2	23.1	24.6	28.0	26.8	26.6
Sub-Saharan Africa	**26.6**	**24.6**	**26.3**	**27.2**	**26.6**	**28.4**	**23.0**	**24.3**	**27.3**	**26.4**	**26.3**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA11. Government Expenditure
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**26.8**	**26.1**	**23.5**	**25.1**	**27.6**	**31.5**	**31.0**	**28.8**	**30.8**	**29.9**	**27.8**
Excluding Nigeria	**29.1**	**24.2**	**23.9**	**27.8**	**30.8**	**38.9**	**35.6**	**32.0**	**32.9**	**34.0**	**34.5**
Angola	41.1	35.7	34.7	38.4	41.2	55.4	41.9	37.9	38.6	38.6	39.1
Cameroon	15.9	16.0	14.6	14.5	15.7	18.5	18.4	18.6	21.7	21.9	22.4
Chad	17.7	14.4	13.1	16.5	21.1	23.4	29.5	30.5	29.2	27.2	25.7
Congo, Rep. of	26.4	26.7	24.2	27.8	29.9	23.6	24.7	21.4	26.1	39.1	38.8
Equatorial Guinea	18.5	17.5	14.1	19.0	20.5	21.3	49.3	35.3	29.9	31.3	30.8
Gabon	21.8	22.6	22.7	22.5	20.8	20.2	25.1	25.1	26.1	23.5	25.3
Nigeria	25.0	27.2	23.3	23.3	25.3	25.7	27.2	26.7	29.2	26.8	23.0
South Sudan	...							20.7	20.8	26.3	20.5
Middle-income countries[2]	**27.5**	**26.7**	**26.7**	**26.7**	**27.8**	**29.7**	**32.2**	**31.5**	**31.3**	**31.6**	**31.1**
Excluding South Africa	**26.8**	**27.3**	**26.0**	**26.0**	**26.6**	**28.3**	**29.2**	**28.5**	**28.6**	**29.5**	**27.5**
Botswana[3]	33.3	35.9	31.6	28.9	31.0	39.2	45.3	36.2	31.8	29.3	27.9
Cape Verde	35.8	35.9	37.6	37.2	33.6	34.6	35.0	38.6	34.5	33.3	31.7
Ghana	21.9	20.5	19.5	21.8	23.1	24.5	22.3	24.0	23.6	26.3	23.6
Lesotho[3]	51.3	45.6	48.8	51.7	52.0	58.3	68.0	58.8	63.7	64.5	57.5
Mauritius	23.7	23.8	24.4	23.5	22.8	23.8	26.4	25.1	24.6	24.6	23.7
Namibia[3]	27.4	28.8	27.3	26.4	26.2	28.3	32.1	32.9	38.9	39.1	36.1
Senegal	25.3	22.7	23.6	26.6	27.5	26.3	26.6	27.2	28.6	30.1	28.1
Seychelles	39.5	41.7	38.9	46.2	41.3	29.5	34.4	36.2	37.2	39.9	37.4
South Africa[3]	27.7	26.5	26.8	26.9	28.1	30.2	33.1	32.3	32.1	32.3	32.3
Swaziland[3]	35.6	36.9	35.2	32.6	32.2	41.1	42.6	39.0	31.1	37.1	36.2
Zambia	24.9	26.6	26.1	23.5	24.3	23.9	21.3	22.6	25.5	26.0	25.3
Low-income and fragile countries	**22.2**	**21.8**	**22.5**	**22.3**	**22.2**	**22.3**	**23.4**	**24.9**	**25.4**	**25.9**	**25.4**
Low-income excluding fragile countries	**22.8**	**22.4**	**22.8**	**23.0**	**23.3**	**22.6**	**23.5**	**24.4**	**24.5**	**25.0**	**24.3**
Benin	21.2	20.4	21.3	19.4	23.4	21.4	25.0	20.4	21.5	22.5	22.5
Burkina Faso	23.6	22.8	22.7	24.6	26.8	21.1	24.9	24.9	24.3	27.8	26.1
Ethiopia[3]	21.6	23.4	23.1	22.2	20.7	18.9	17.2	18.6	18.4	17.8	17.5
Gambia, The	20.4	21.7	21.5	22.6	17.9	18.6	23.0	24.3	24.0	26.5	24.9
Kenya	25.0	22.7	24.3	24.7	26.2	27.2	27.9	29.7	29.2	30.7	30.1
Madagascar	21.1	25.3	21.4	21.5	18.7	18.6	15.3	12.7	16.0	14.8	15.7
Malawi	33.6	31.8	32.5	32.1	35.5	36.2	34.8	35.2	34.4	37.0	33.9
Mali	23.3	23.8	24.6	24.9	24.1	19.3	23.7	20.8	23.2	15.1	14.5
Mozambique	26.1	24.8	22.9	27.0	28.1	27.8	32.6	33.4	35.1	36.4	35.3
Niger	21.3	20.7	20.2	19.7	23.1	22.8	24.6	21.8	21.9	30.6	29.9
Rwanda	22.9	21.3	23.4	21.7	23.1	24.8	24.3	26.4	27.7	28.8	27.8
Sierra Leone	16.8	18.6	18.3	17.3	13.1	16.5	17.7	20.4	21.7	17.1	15.5
Tanzania	22.6	19.9	22.2	23.2	23.1	24.5	27.0	27.5	27.1	27.5	27.4
Uganda	18.4	19.9	19.5	17.8	17.5	17.1	17.2	21.9	19.6	21.0	18.1
Fragile countries	**20.6**	**20.2**	**21.7**	**20.5**	**19.3**	**21.3**	**23.3**	**26.2**	**27.7**	**28.7**	**28.4**
Burundi	32.6	28.9	26.2	27.6	39.0	41.2	38.8	41.0	40.0	33.6	34.9
Central African Republic	14.8	13.8	16.9	13.9	13.2	16.2	16.2	18.6	15.7	16.2	16.6
Comoros	21.9	20.1	19.9	21.2	22.3	26.0	23.0	22.1	22.1	24.7	25.0
Congo, Dem. Rep. of	21.6	16.5	22.5	23.1	20.8	24.9	26.9	28.1	29.1	33.4	31.8
Côte d'Ivoire	20.5	20.1	19.9	20.8	20.5	21.1	21.1	22.0	25.9	23.1	22.8
Eritrea	47.1	54.8	57.5	41.2	39.9	42.1	30.6	34.7	33.6	30.7	29.7
Guinea	17.2	17.9	16.9	19.0	14.8	17.5	23.7	29.7	21.5	28.1	26.1
Guinea-Bissau	22.9	25.3	22.1	21.3	21.3	24.5	21.9	20.7	20.5	15.7	22.5
Liberia	15.7	12.0	11.5	10.6	15.6	28.7	32.8	33.0	32.1	32.0	34.6
São Tomé & Príncipe	41.7	50.9	40.6	46.5	39.0	31.2	49.6	49.4	49.0	53.6	45.1
Togo	19.1	16.6	19.3	21.2	20.4	17.9	21.2	22.5	24.2	29.2	28.5
Zimbabwe[4]	...		23.6	12.1	7.2	5.4	18.7	29.5	32.8	34.9	35.5
Sub-Saharan Africa[1]	**26.2**	**25.5**	**24.9**	**25.3**	**26.5**	**28.8**	**29.6**	**29.1**	**29.9**	**29.7**	**28.6**
Median	23.3	22.8	23.0	23.1	23.1	24.5	25.7	26.9	27.4	29.0	27.9
Excluding Nigeria and South Africa	25.5	23.8	23.7	24.8	25.9	29.3	28.4	27.9	28.7	29.3	28.8
Oil-importing countries	**25.8**	**25.2**	**25.4**	**25.4**	**26.0**	**27.1**	**29.0**	**29.1**	**29.2**	**29.6**	**28.8**
Excluding South Africa	**23.7**	**23.6**	**23.6**	**23.5**	**23.6**	**24.2**	**25.1**	**25.8**	**26.2**	**27.0**	**25.8**
CFA franc zone	20.6	20.0	19.4	20.8	21.8	21.3	25.5	24.0	25.4	26.3	26.0
WAEMU	22.2	21.3	21.6	22.7	23.5	21.9	23.6	23.0	25.0	24.8	24.0
CEMAC	19.1	18.5	17.1	19.0	20.1	20.7	27.5	25.0	25.7	27.6	27.7
EAC-5	22.9	21.3	22.6	22.8	23.6	24.4	25.3	27.4	26.8	27.7	27.0
SADC	29.0	27.1	27.3	27.8	29.2	33.9	33.6	32.4	32.6	33.0	32.9
SACU	28.1	27.2	27.2	27.2	28.3	30.8	33.8	32.7	32.4	32.6	32.5
COMESA (SSA members)	23.5	24.1	24.5	23.1	22.8	23.2	23.0	25.1	25.3	26.0	25.3
MDRI countries	21.9	21.3	21.4	22.0	22.5	22.4	22.7	23.4	24.3	25.6	24.6
Countries with conventional exchange rate pegs	22.2	21.9	21.2	22.2	22.9	22.7	26.9	25.7	27.1	28.0	27.4
Countries without conventional exchange rate pegs	27.1	26.2	25.6	26.0	27.4	30.2	30.3	29.8	30.4	30.0	28.7
Sub-Saharan Africa	**26.2**	**25.5**	**24.9**	**25.3**	**26.5**	**28.8**	**29.6**	**29.0**	**29.8**	**29.7**	**28.5**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA12. Government Debt
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**29.4**	**56.9**	**35.9**	**17.9**	**18.1**	**18.0**	**21.8**	**20.5**	**20.5**	**20.4**	**21.2**
Excluding Nigeria	**38.0**	**63.7**	**47.1**	**27.5**	**25.4**	**26.1**	**29.9**	**28.0**	**24.7**	**23.4**	**24.6**
Angola	34.7	54.1	44.8	21.6	21.4	31.6	36.4	37.6	31.5	28.0	29.2
Cameroon	30.1	61.6	51.5	15.9	12.0	9.5	10.6	12.1	13.7	17.8	20.5
Chad	29.4	34.2	33.6	29.6	26.0	23.6	30.5	25.8	27.0	23.4	24.2
Congo, Rep. of	114.4	198.7	108.3	98.8	98.0	68.1	57.2	23.9	22.5	23.0	21.6
Equatorial Guinea	2.5	6.2	3.0	1.6	1.1	0.7	5.1	5.0	6.8	9.1	9.8
Gabon	45.0	65.2	53.8	42.1	43.2	20.9	26.4	25.0	20.7	18.6	18.7
Nigeria	23.5	52.7	28.6	11.8	12.8	11.6	15.2	15.5	17.3	18.2	18.8
South Sudan	...	...	...	...	...	...	...	...	...	...	...
Middle-income countries[2]	**32.6**	**39.3**	**36.7**	**31.6**	**28.3**	**27.3**	**31.5**	**34.9**	**37.8**	**40.1**	**41.5**
Excluding South Africa	**36.1**	**52.7**	**44.7**	**27.8**	**28.2**	**27.0**	**31.3**	**33.8**	**34.4**	**36.5**	**36.2**
Botswana[3]	7.1	9.7	7.0	5.4	7.1	6.4	15.8	17.6	16.7	15.0	13.6
Cape Verde	83.4	92.6	95.7	86.8	73.9	67.9	68.8	75.0	78.1	86.7	90.5
Ghana	39.3	57.4	48.2	26.2	31.0	33.6	36.2	46.3	43.4	44.9	41.1
Lesotho[3]	49.7	56.9	61.6	64.4	60.4	5.1	3.5	4.9	5.9	5.2	4.7
Mauritius	49.5	51.6	53.5	51.0	47.3	44.0	50.7	50.6	50.9	52.0	51.4
Namibia[3]	22.8	27.5	26.0	23.8	19.1	17.7	15.9	15.7	23.9	27.2	34.5
Senegal	32.5	47.5	45.7	21.8	23.5	23.9	34.2	35.7	40.8	46.1	47.6
Seychelles	138.4	159.8	141.4	129.8	130.1	130.7	124.4	82.5	77.4	86.5	80.2
South Africa[3]	31.8	35.9	34.6	32.6	28.3	27.4	31.5	35.3	38.8	41.2	43.3
Swaziland[3]	17.5	18.5	16.5	17.3	18.4	16.6	12.6	15.9	15.4	22.0	29.4
Zambia	63.3	148.6	87.9	29.8	26.7	23.5	26.9	25.8	26.0	28.0	28.5
Low-income and fragile countries	**68.1**	**90.5**	**81.0**	**64.5**	**53.5**	**51.2**	**48.6**	**42.9**	**45.0**	**41.6**	**42.0**
Low-income excluding fragile countries	**50.6**	**72.9**	**67.1**	**44.3**	**35.0**	**33.8**	**34.8**	**37.2**	**37.3**	**37.1**	**37.4**
Benin	28.2	35.1	43.2	14.7	21.1	26.9	27.3	30.0	29.6	28.2	27.6
Burkina Faso	31.6	45.8	44.1	22.6	22.0	23.6	26.1	27.1	29.3	28.1	26.5
Ethiopia[3]	57.6	105.7	76.0	39.0	36.8	30.5	25.1	27.6	25.9	22.2	23.2
Gambia, The	107.9	132.9	130.8	142.3	62.5	70.7	65.9	67.4	68.8	73.4	67.6
Kenya	48.8	55.0	50.8	46.8	46.0	45.6	47.5	49.9	48.5	47.2	45.3
Madagascar	64.2	100.3	85.4	45.5	44.5	45.2	62.2	64.4	59.1	58.7	57.2
Malawi	73.8	131.0	132.4	32.2	32.4	41.2	40.1	35.1	40.5	49.0	43.6
Mali	32.5	46.2	52.9	20.3	21.7	21.6	24.2	29.5	30.6	30.1	27.9
Mozambique	57.9	70.7	81.0	53.6	41.9	42.1	41.6	41.1	36.8	42.0	46.2
Niger	31.2	58.8	51.6	15.8	15.9	14.0	20.1	17.6	16.6	20.4	23.6
Rwanda	47.3	90.8	70.7	26.6	26.9	21.4	23.0	23.2	24.0	25.8	24.3
Sierra Leone	95.3	153.4	132.7	104.4	43.1	42.8	47.8	48.9	41.1	34.4	34.2
Tanzania	49.7	63.3	62.9	49.8	36.3	36.0	39.0	42.7	45.4	46.8	48.8
Uganda	56.0	84.4	77.2	72.5	23.6	22.1	22.2	27.0	33.3	36.2	38.9
Fragile countries	**112.5**	**134.0**	**113.3**	**113.8**	**101.2**	**100.0**	**88.8**	**58.3**	**65.1**	**54.3**	**54.9**
Burundi	137.7	181.0	137.0	130.3	128.5	111.5	36.9	36.7	35.3	31.6	28.5
Central African Republic	94.1	109.2	103.9	97.7	82.6	77.4	37.0	39.8	37.5	36.4	32.2
Comoros	73.0	80.5	71.2	69.8	74.6	68.8	51.9	49.2	44.7	40.5	36.8
Congo, Dem. Rep. of	150.4	196.0	147.9	149.0	126.1	133.1	136.3	35.1	29.9	32.3	34.7
Côte d'Ivoire	81.3	84.9	86.3	84.2	75.6	75.3	66.5	66.4	90.5	62.6	61.6
Eritrea	156.0	140.8	156.2	151.6	156.7	174.9	145.7	144.8	133.8	125.8	123.7
Guinea	117.7	119.8	150.2	137.1	92.4	88.9	80.4	79.1	71.6	66.5	78.9
Guinea-Bissau	202.0	235.4	216.2	213.8	186.9	157.7	164.3	46.7	41.6	43.5	40.7
Liberia	609.7	829.9	734.8	673.9	494.9	315.1	171.1	31.6	27.2	28.5	33.5
São Tomé & Príncipe	211.8	328.2	300.9	265.9	104.0	60.0	69.2	78.2	80.9	83.5	76.6
Togo	94.0	99.6	82.2	91.3	107.8	89.0	73.4	48.6	47.2	46.1	45.2
Zimbabwe[4]	...		49.0	55.6	61.8	87.5	91.3	56.6	66.9	61.5	58.6
Sub-Saharan Africa[1]	**38.7**	**54.9**	**45.8**	**33.8**	**30.1**	**28.9**	**32.3**	**31.5**	**33.1**	**33.1**	**34.0**
Median	56.2	80.5	70.9	48.3	42.5	38.6	36.9	35.5	36.0	35.3	34.6
Excluding Nigeria and South Africa	51.8	74.4	63.3	45.0	38.9	37.6	39.4	36.2	35.8	34.5	35.2
Oil-importing countries	**43.6**	**54.2**	**50.0**	**41.7**	**36.4**	**35.9**	**37.8**	**37.5**	**40.1**	**40.6**	**41.7**
Excluding South Africa	**57.7**	**77.9**	**69.3**	**52.4**	**45.3**	**43.6**	**43.6**	**40.0**	**41.5**	**40.0**	**40.2**
CFA franc zone	47.2	67.2	57.3	40.7	38.1	32.5	33.6	29.8	32.8	29.5	29.9
WAEMU	53.6	65.0	64.6	47.7	45.7	44.9	44.1	42.6	50.8	42.9	42.6
CEMAC	41.3	69.7	50.1	34.2	30.9	21.6	22.3	17.4	16.9	17.8	18.4
EAC-5	52.5	68.4	63.3	53.8	39.4	37.7	37.7	40.7	42.2	42.9	43.2
SADC	37.1	45.6	42.2	35.1	30.6	32.0	36.3	35.7	37.1	38.2	39.9
SACU	30.5	34.5	33.3	31.3	27.3	25.9	30.2	33.7	37.2	39.4	41.5
COMESA (SSA members)	65.7	97.3	77.0	57.8	49.1	47.4	47.4	39.5	39.7	39.1	39.0
MDRI countries	59.4	90.8	75.7	50.0	41.7	38.7	38.0	33.2	33.0	34.2	34.4
Countries with conventional exchange rate pegs	46.6	64.6	56.0	41.3	38.4	32.9	33.7	30.2	33.5	31.2	32.2
Countries without conventional exchange rate pegs	36.9	52.9	43.7	32.1	28.2	27.8	31.6	31.5	32.7	33.2	34.1
Sub-Saharan Africa	**38.7**	**54.9**	**45.8**	**33.8**	**30.1**	**28.9**	**32.3**	**31.5**	**33.1**	**33.1**	**34.0**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA13. Broad Money
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**22.2**	**17.9**	**16.8**	**19.8**	**24.3**	**32.0**	**37.9**	**31.1**	**32.6**	**32.5**	**35.9**
Excluding Nigeria	**18.1**	**15.2**	**15.1**	**17.2**	**18.7**	**24.0**	**30.1**	**27.3**	**28.3**	**29.3**	**34.8**
Angola	22.2	17.7	17.5	20.5	22.2	33.2	42.5	36.0	37.4	37.8	47.2
Cameroon	19.3	18.1	17.9	18.3	20.8	21.7	23.5	24.7	25.5	25.3	25.1
Chad	7.7	5.8	5.7	8.6	9.5	9.2	10.1	9.8	10.6	15.2	16.4
Congo, Rep. of	16.0	13.4	14.0	16.4	17.7	18.3	22.5	23.8	27.9	39.3	49.4
Equatorial Guinea	7.0	7.5	6.4	6.3	7.5	7.1	12.1	14.5	11.9	12.9	13.0
Gabon	18.3	17.4	18.2	19.6	18.9	17.5	22.5	21.3	22.2	18.3	20.7
Nigeria	24.8	19.4	17.9	21.5	27.9	37.5	42.9	33.5	35.2	34.4	36.5
South Sudan	...										
Middle-income countries[2]	**66.6**	**57.6**	**62.0**	**67.0**	**72.2**	**74.0**	**71.7**	**69.4**	**67.1**	**66.9**	**67.1**
Excluding South Africa	**38.2**	**36.3**	**36.5**	**37.6**	**39.1**	**41.5**	**43.1**	**44.0**	**42.4**	**42.6**	**42.5**
Botswana	41.4	41.8	43.0	37.4	42.4	42.6	46.9	43.0	37.7	36.3	37.5
Cape Verde	84.5	76.2	84.0	87.7	88.2	86.6	82.9	80.4	75.3	72.0	70.5
Ghana	22.7	20.4	19.3	22.6	24.8	26.3	27.3	29.8	30.7	33.1	33.0
Lesotho	33.6	29.7	29.6	35.8	35.9	36.9	39.4	41.2	37.0	34.2	34.4
Mauritius	96.9	90.2	99.0	97.2	98.1	100.0	105.1	106.8	103.2	102.5	101.5
Namibia	44.4	37.1	37.6	41.7	40.0	65.6	65.5	65.3	62.5	62.5	62.5
Senegal	34.7	34.1	33.8	35.8	36.5	33.5	36.9	39.9	39.8	40.3	40.5
Seychelles	83.5	102.1	95.0	88.0	66.6	65.7	55.9	62.5	60.3	58.0	58.0
South Africa	75.7	64.6	70.1	76.3	82.7	84.6	81.2	78.3	76.1	76.0	76.6
Swaziland	23.7	21.5	21.6	24.0	25.4	26.0	30.9	30.8	29.2	29.4	28.6
Zambia	21.4	21.5	18.0	21.5	22.5	23.4	21.4	23.1	23.4	22.3	22.2
Low-income and fragile countries	**27.8**	**27.1**	**26.6**	**28.0**	**28.9**	**28.6**	**29.5**	**32.5**	**33.3**	**33.2**	**34.0**
Low-income excluding fragile countries	**28.5**	**27.8**	**27.5**	**28.8**	**29.5**	**28.8**	**29.3**	**32.1**	**32.8**	**32.5**	**33.4**
Benin	33.2	26.5	30.1	32.7	35.9	41.1	41.7	44.5	45.8	45.1	45.1
Burkina Faso	24.0	25.1	21.4	22.3	25.9	25.1	28.1	30.2	30.4	30.4	30.9
Ethiopia[3]	34.9	39.0	38.0	36.1	33.0	28.1	25.0	27.2	28.3	26.6	26.4
Gambia, The	38.8	31.3	34.2	42.2	41.5	45.0	48.5	49.9	51.5	53.5	53.2
Kenya	41.0	40.2	39.4	40.3	42.4	42.8	44.2	49.9	50.1	51.9	54.8
Madagascar	19.7	21.3	18.0	19.2	20.4	19.7	20.9	20.8	22.4	22.8	23.1
Malawi	20.4	19.8	20.2	18.1	20.5	23.2	24.4	28.5	35.7	34.8	35.9
Mali	28.8	29.1	29.6	29.1	29.7	26.2	28.1	27.7	29.8	29.9	28.2
Mozambique	19.7	17.7	18.4	19.5	20.6	22.4	27.2	27.1	28.5	31.6	33.3
Niger	15.7	15.2	14.0	15.2	17.3	16.6	19.0	21.6	22.1	22.1	22.1
Rwanda	16.8	15.6	15.2	16.7	18.3	18.2	17.8	18.9	20.5	20.9	21.1
Sierra Leone	16.9	14.8	16.1	16.3	17.9	19.6	22.9	23.8	23.3	20.9	21.8
Tanzania	26.4	21.2	22.2	28.8	29.7	30.1	31.1	34.1	34.7	33.2	34.0
Uganda	19.5	18.9	18.9	19.1	19.3	21.2	20.8	25.5	23.7	23.0	25.0
Fragile countries	**25.6**	**24.6**	**23.5**	**25.3**	**27.0**	**27.6**	**30.3**	**34.1**	**35.1**	**35.9**	**36.5**
Burundi	22.3	21.5	21.3	23.0	22.5	23.2	24.8	25.4	22.6	22.3	22.3
Central African Republic	16.1	16.4	18.0	16.0	14.6	15.5	16.8	18.2	19.9	20.9	20.2
Comoros	25.6	23.1	23.3	26.0	27.2	28.5	30.4	34.1	34.9	33.3	33.4
Congo, Dem. Rep. of	10.8	8.3	7.8	10.4	12.4	15.3	16.6	16.5	17.0	17.5	17.6
Côte d'Ivoire	26.3	23.7	24.1	25.3	29.9	28.6	32.3	36.8	40.5	42.2	43.5
Eritrea	130.2	129.0	129.3	123.9	127.7	141.3	121.6	122.1	119.0	119.2	122.5
Guinea	20.2	18.2	19.0	21.5	19.6	22.7	26.9	38.2	33.6	29.5	29.1
Guinea-Bissau	19.4	15.7	17.3	18.2	21.6	24.4	24.4	29.9	31.6	29.6	29.6
Liberia	18.6	14.6	16.6	19.0	19.6	23.3	27.9	33.3	37.0	36.6	36.6
São Tomé & Príncipe	34.2	27.2	33.2	32.9	39.1	38.8	35.5	38.0	34.9	35.2	33.8
Togo	33.4	29.9	28.1	33.4	38.0	37.5	41.3	45.6	47.7	49.4	49.6
Zimbabwe[4]	13.6	21.0	11.0	18.8	10.7	6.7	22.5	31.3	32.8	39.0	42.0
Sub-Saharan Africa[1]	**42.2**	**37.0**	**38.5**	**41.8**	**45.3**	**48.3**	**48.9**	**46.4**	**46.1**	**45.8**	**47.1**
Median	23.1	21.4	20.7	22.5	25.1	26.1	28.0	31.0	33.2	33.3	33.6
Excluding Nigeria and South Africa	27.7	26.3	26.1	27.4	28.5	30.1	32.6	33.7	34.1	34.4	36.2
Oil-importing countries	**51.4**	**45.8**	**48.3**	**51.8**	**55.3**	**56.1**	**54.4**	**54.2**	**53.1**	**52.7**	**53.0**
Excluding South Africa	**30.7**	**29.7**	**29.4**	**30.6**	**31.7**	**32.1**	**33.1**	**35.6**	**35.8**	**35.8**	**36.3**
CFA franc zone	21.4	20.1	20.0	21.3	23.2	22.6	25.7	27.4	28.4	29.4	30.5
WAEMU	27.9	26.3	26.1	27.5	30.4	29.3	32.2	35.0	36.5	37.0	37.3
CEMAC	14.9	14.0	13.9	14.9	15.9	15.9	19.0	19.8	20.4	22.0	23.8
EAC-5	29.6	27.6	27.5	30.0	31.2	31.7	32.3	36.4	36.2	36.2	37.9
SADC	58.7	51.4	54.7	59.0	62.9	65.4	64.6	62.0	60.6	60.2	61.7
SACU	72.4	62.1	67.2	72.8	78.9	81.3	78.5	75.5	73.1	73.0	73.6
COMESA (SSA members)	33.8	34.5	33.6	33.8	33.8	33.1	32.9	35.8	36.0	35.7	36.5
MDRI countries	24.0	22.8	22.5	24.3	25.3	25.2	26.0	28.1	29.0	29.2	29.8
Countries with conventional exchange rate pegs	24.8	23.2	23.1	24.5	26.2	27.0	29.5	31.1	31.8	32.6	33.6
Countries without conventional exchange rate pegs	45.8	40.0	41.9	45.4	49.3	52.5	52.8	49.4	48.9	48.2	49.6
Sub-Saharan Africa	**42.2**	**37.0**	**38.5**	**41.8**	**45.3**	**48.3**	**48.9**	**46.4**	**46.1**	**45.8**	**47.1**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA14. Broad Money Growth
(Percent)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**36.3**	**17.6**	**22.7**	**46.5**	**39.1**	**55.4**	**15.6**	**10.3**	**18.5**	**14.0**	**21.6**
Excluding Nigeria	**35.5**	**24.1**	**33.9**	**36.7**	**30.9**	**51.9**	**13.4**	**16.0**	**23.8**	**16.1**	**23.5**
Angola	64.5	49.8	59.7	59.6	49.3	104.1	21.5	7.1	34.0	14.7	38.9
Cameroon	10.5	7.3	4.2	9.3	18.6	13.4	6.9	11.3	10.6	5.9	7.1
Chad	23.0	3.3	32.0	59.2	13.3	7.3	-1.5	22.7	12.5	64.7	8.8
Congo, Rep. of	28.7	15.9	36.3	47.9	6.9	36.4	5.0	38.9	34.5	46.9	30.2
Equatorial Guinea	30.7	33.5	34.7	14.1	41.3	30.1	18.8	48.9	6.1	25.4	10.5
Gabon	14.2	11.6	26.0	17.4	7.2	8.8	2.2	19.2	26.5	-13.5	10.6
Nigeria	37.2	14.0	16.2	53.1	44.8	57.9	17.1	6.9	15.4	12.7	20.5
South Sudan	...										
Middle-income countries[2]	**19.5**	**14.5**	**18.2**	**23.1**	**23.8**	**17.9**	**4.5**	**10.6**	**10.4**	**10.5**	**11.0**
Excluding South Africa	**21.6**	**19.0**	**11.5**	**25.1**	**24.5**	**27.9**	**13.1**	**21.7**	**16.3**	**17.5**	**15.2**
Botswana	17.4	10.7	14.4	9.0	31.2	21.7	-1.3	12.4	4.3	11.1	14.2
Cape Verde	12.5	10.6	15.8	18.0	10.8	7.6	3.5	5.4	2.2	3.1	5.2
Ghana	30.6	25.9	14.3	38.8	35.9	38.1	25.7	37.5	32.5	34.5	22.7
Lesotho	16.8	3.4	9.1	35.3	16.4	19.7	17.7	14.5	1.6	4.7	12.4
Mauritius	14.7	18.3	15.8	9.5	15.3	14.6	8.1	7.6	4.6	6.5	9.0
Namibia	31.7	16.2	9.7	29.6	10.2	92.9	3.6	7.3	5.5	10.9	10.3
Senegal	9.5	12.9	7.4	12.7	12.7	1.7	10.9	14.1	6.7	7.3	7.7
Seychelles	7.9	14.0	1.7	3.0	-8.0	29.0	7.0	13.5	4.5	4.4	8.6
South Africa	18.9	13.1	20.5	22.5	23.6	14.8	1.8	6.9	8.3	8.0	9.4
Swaziland	16.4	10.4	9.7	25.1	21.5	15.4	26.8	7.9	1.2	4.6	0.0
Zambia	25.6	32.0	3.3	44.0	25.3	23.2	7.7	29.9	21.7	6.6	13.8
Low-income and fragile countries	**18.1**	**15.4**	**12.5**	**23.1**	**19.8**	**19.9**	**21.1**	**24.2**	**20.6**	**18.3**	**17.2**
Low-income excluding fragile countries	**17.4**	**11.5**	**13.5**	**21.6**	**20.4**	**20.2**	**18.0**	**23.0**	**21.7**	**19.0**	**18.1**
Benin	15.6	-6.7	21.8	16.5	17.6	28.8	6.2	11.6	9.0	7.4	7.0
Burkina Faso	6.9	-7.0	-3.9	10.0	23.8	11.7	18.2	19.1	10.6	10.9	11.0
Ethiopia[3]	18.0	10.3	19.6	17.4	19.7	22.9	19.9	24.3	39.2	33.5	19.2
Gambia, The	16.5	18.3	13.1	26.2	6.7	18.4	19.4	13.7	11.0	6.8	14.9
Kenya	14.9	13.4	9.1	17.0	19.1	15.9	16.0	21.6	19.2	19.8	24.4
Madagascar	17.1	19.4	4.6	24.9	24.2	12.6	10.5	8.6	18.2	11.6	11.4
Malawi	26.9	31.9	16.2	16.5	36.9	33.1	23.9	33.9	35.7	17.6	25.0
Mali	5.6	-2.4	11.7	8.8	9.3	0.5	16.0	9.0	15.3	-0.5	-0.6
Mozambique	22.2	14.7	22.7	26.0	21.6	26.0	34.6	17.6	21.9	26.0	22.8
Niger	15.7	20.3	6.6	16.2	23.0	12.2	18.3	22.6	8.1	19.6	8.6
Rwanda	23.0	12.1	16.7	31.3	30.8	24.1	13.0	16.9	26.8	17.8	16.2
Sierra Leone	24.5	18.6	32.8	18.7	26.1	26.1	31.3	28.5	22.6	20.4	16.9
Tanzania	24.8	18.5	19.6	45.4	20.5	19.8	17.7	25.4	18.2	13.9	19.4
Uganda	16.5	9.0	8.7	16.4	17.4	31.1	16.6	39.8	10.6	13.9	20.9
Fragile countries	**20.6**	**29.2**	**9.0**	**28.4**	**17.6**	**18.6**	**34.1**	**29.3**	**16.1**	**15.4**	**13.3**
Burundi	21.1	26.0	18.7	17.0	9.5	34.2	19.8	19.4	6.1	18.4	16.1
Central African Republic	7.9	14.2	16.5	-4.2	-3.6	16.5	13.7	14.2	15.0	13.8	2.6
Comoros	8.1	-4.4	7.4	15.0	11.0	11.5	13.3	19.4	9.6	1.0	7.4
Congo, Dem. Rep. of	52.5	72.9	24.2	60.4	49.5	55.7	50.4	30.8	24.6	17.5	16.2
Côte d'Ivoire	11.3	9.5	7.4	10.3	23.6	5.7	17.2	18.8	10.2	15.4	12.8
Eritrea	11.2	11.7	10.7	5.7	12.1	15.9	15.7	14.6	20.1	19.3	16.8
Guinea	35.5	37.0	37.2	59.4	4.7	39.0	25.9	74.4	9.4	5.3	10.2
Guinea-Bissau	25.7	44.0	20.3	5.3	30.2	28.6	4.4	28.6	16.7	-6.0	7.9
Liberia	33.2	36.1	30.8	27.7	31.6	39.6	24.1	33.5	32.7	13.2	8.6
São Tomé & Príncipe	29.8	1.0	45.1	27.9	38.1	36.8	8.2	25.1	8.0	16.7	9.9
Togo	15.7	18.2	2.3	22.7	19.7	15.6	16.2	16.3	15.9	11.8	8.4
Zimbabwe[4]	1.4	85.9	-47.9	61.3	-44.4	-48.0	340.0	68.6	33.1	35.7	22.7
Sub-Saharan Africa[1]	**24.1**	**15.7**	**18.0**	**30.0**	**27.4**	**29.5**	**12.5**	**14.1**	**15.8**	**13.8**	**16.3**
Median	17.8	14.1	15.8	18.4	19.7	20.8	16.1	19.0	13.7	12.9	11.2
Excluding Nigeria and South Africa	22.9	17.9	17.4	26.4	23.5	29.4	17.7	21.4	20.5	17.9	18.4
Oil-importing countries	**19.0**	**14.9**	**16.0**	**23.1**	**22.2**	**18.7**	**11.0**	**16.0**	**14.5**	**13.7**	**13.6**
Excluding South Africa	**19.1**	**16.4**	**12.2**	**23.6**	**21.0**	**22.0**	**18.9**	**23.5**	**19.4**	**18.1**	**16.6**
CFA franc zone	14.1	9.0	13.8	16.9	18.0	12.9	10.8	20.1	13.0	13.8	10.0
WAEMU	10.6	5.9	7.5	12.1	18.9	8.7	14.7	16.2	10.3	10.2	8.7
CEMAC	17.9	12.2	20.7	22.1	17.2	17.3	7.0	24.1	15.7	17.3	11.3
EAC-5	18.9	14.2	12.9	26.0	19.6	21.5	16.6	26.5	17.0	16.3	21.1
SADC	23.9	18.6	21.0	28.2	25.8	25.9	8.8	10.5	13.4	10.4	14.8
SACU	19.0	13.0	19.7	22.1	23.5	16.6	2.0	7.2	7.9	8.2	9.6
COMESA (SSA members)	18.9	19.3	10.4	22.7	20.0	21.9	21.0	24.7	23.1	19.9	18.5
MDRI countries	20.1	16.0	13.7	25.2	22.4	23.3	18.2	24.3	22.0	19.2	16.4
Countries with conventional exchange rate pegs	14.8	9.3	13.4	17.7	17.5	16.2	10.8	18.9	12.2	13.3	9.9
Countries without conventional exchange rate pegs	26.3	16.9	19.5	32.6	29.9	32.7	12.3	13.0	16.5	13.8	17.5
Sub-Saharan Africa	**24.1**	**15.7**	**18.0**	**30.0**	**27.4**	**29.5**	**12.5**	**14.1**	**15.8**	**13.8**	**16.3**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA15. Claims on Nonfinancial Private Sector
(Percent change)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries[1]	**42.7**	**25.5**	**29.6**	**34.6**	**66.5**	**57.5**	**25.6**	**4.4**	**12.9**
Excluding Nigeria	**37.2**	**23.8**	**30.4**	**40.4**	**39.4**	**51.7**	**30.9**	**21.9**	**31.4**
Angola	72.4	66.7	55.2	98.2	76.2	65.7	59.5	25.0	30.3
Cameroon	8.2	1.4	10.9	3.2	5.9	19.6	9.1	8.2	28.3
Chad	16.8	9.0	20.7	-3.6	15.4	42.7	19.2	27.7	23.9
Congo, Rep. of	...		5.6	9.0	8.2	83.4	30.4	49.3	42.3
Equatorial Guinea	50.6	22.3	48.8	34.8	41.1	106.2	11.0	33.7	30.8
Gabon	10.0	-11.2	14.5	22.5	18.0	6.0	-7.9	1.9	42.0
Nigeria	47.1	26.4	29.1	31.0	87.3	61.5	22.2	-5.2	3.0
South Sudan	...								-34.0
Middle-income countries[2]	**21.1**	**15.8**	**21.2**	**25.9**	**24.5**	**17.9**	**1.9**	**8.2**	**10.4**
Excluding South Africa	**28.3**	**22.1**	**26.9**	**26.0**	**34.1**	**32.3**	**8.4**	**16.4**	**22.9**
Botswana	21.2	24.1	8.8	20.7	25.7	26.6	10.3	11.1	21.8
Cape Verde	20.4	9.6	9.1	29.6	26.8	26.8	11.8	9.0	7.4
Ghana	44.3	19.7	50.6	42.7	60.0	48.6	15.4	25.7	29.0
Lesotho	30.7	31.1	50.8	15.9	32.0	23.6	27.1	18.0	22.5
Mauritius	15.4	11.9	8.8	9.7	19.6	27.0	0.5	12.5	15.7
Namibia	16.9	29.3	20.1	14.8	12.9	7.3	10.0	11.2	9.3
Senegal	13.1	9.2	24.6	4.0	10.7	17.1	3.8	10.1	19.0
Seychelles	21.9	17.2	7.6	1.6	34.5	48.5	-9.2	23.6	5.2
South Africa	18.9	13.8	19.5	25.8	21.5	13.6	-0.1	5.5	6.1
Swaziland	21.4	29.5	26.4	22.5	22.0	6.6	13.1	-0.5	26.0
Zambia	43.2	50.5	17.7	52.3	45.4	50.3	-5.7	15.4	28.2
Low-income and fragile countries	**24.1**	**17.6**	**17.5**	**28.5**	**22.0**	**35.1**	**17.5**	**22.6**	**22.6**
Low-income excluding fragile countries	**24.8**	**15.3**	**20.9**	**28.7**	**23.9**	**35.2**	**14.8**	**22.1**	**22.7**
Benin	16.4	8.6	17.6	11.3	24.6	20.1	11.9	8.5	-3.0
Burkina Faso	14.4	12.0	24.4	14.1	0.8	20.8	1.7	14.7	23.5
Ethiopia[3]	24.9	3.7	31.4	28.1	27.2	33.9	11.1	28.9	25.8
Gambia, The	13.2	-12.5	16.2	26.8	15.4	20.3	10.3	14.8	8.8
Kenya	19.9	24.7	9.3	14.3	22.6	28.6	13.9	20.3	30.9
Madagascar	24.6	35.0	23.7	18.5	17.4	28.6	6.1	11.5	3.4
Malawi	41.2	38.9	41.8	54.1	27.1	44.2	39.5	28.0	-3.0
Mali	7.2	6.9	-6.6	19.4	7.5	8.6	11.0	13.5	24.1
Mozambique	27.5	-4.4	46.9	32.6	16.6	45.9	58.6	18.3	19.4
Niger	26.1	21.7	20.0	31.7	20.2	36.8	18.4	11.7	16.0
Rwanda	30.2	10.7	21.8	23.7	21.0	73.6	5.7	9.9	28.5
Sierra Leone	35.5	45.2	17.8	18.5	39.4	56.8	45.4	31.5	21.8
Tanzania	35.4	17.9	23.6	60.1	36.5	39.0	9.4	20.7	26.8
Uganda	29.4	14.9	16.1	33.8	29.3	53.0	17.6	36.6	28.0
Fragile countries	**22.0**	**25.5**	**6.8**	**28.0**	**15.1**	**34.7**	**29.1**	**24.8**	**22.0**
Burundi	8.4	1.2	-1.6	17.0	12.1	13.4	25.5	30.2	39.3
Central African Republic	8.9	21.2	-2.4	5.8	7.1	13.0	-0.8	41.5	17.6
Comoros	11.4	-15.0	30.5	0.5	13.6	27.3	44.1	25.9	8.4
Congo, Dem. Rep. of	91.1	105.3	58.3	76.4	72.8	142.7	41.1	19.0	16.7
Côte d'Ivoire	9.4	7.4	1.3	8.5	17.8	12.1	10.4	9.7	0.1
Eritrea	6.3	15.2	13.8	4.6	-13.1	11.2	1.2	2.4	4.1
Guinea	19.2	8.9	47.1	37.3	-1.6	4.1	15.8	43.8	93.4
Guinea-Bissau	50.9	-15.1	49.7	87.8	60.4	71.5	24.9	58.2	31.3
Liberia	...		20.6	41.7	39.2	44.1	31.5	40.1	32.4
São Tomé & Príncipe	53.5	83.9	81.9	45.0	33.9	22.8	39.3	35.8	15.9
Togo	8.4	4.4	12.0	0.6	29.9	-4.6	21.3	21.6	41.1
Zimbabwe[4]	5.8	71.6	-73.8	56.1	-66.0	41.1	388.2	143.3	62.8
Sub-Saharan Africa[1]	**28.3**	**19.2**	**22.7**	**29.3**	**35.9**	**34.3**	**13.6**	**10.6**	**14.5**
Median	21.5	15.0	20.0	22.5	21.8	27.9	12.5	18.7	23.0
Excluding Nigeria and South Africa	28.1	19.9	22.5	30.9	28.7	38.7	19.0	21.1	24.8
Oil-importing countries	**22.2**	**16.5**	**19.8**	**26.9**	**23.5**	**24.4**	**8.0**	**13.9**	**14.2**
Excluding South Africa	**25.2**	**18.8**	**20.0**	**27.8**	**25.2**	**34.3**	**15.0**	**20.9**	**20.6**
CFA franc zone	14.9	6.4	14.4	11.4	14.8	27.5	9.5	15.9	22.4
WAEMU	12.7	9.0	11.7	12.3	14.3	16.5	9.3	12.1	13.3
CEMAC	17.3	3.5	17.2	10.6	15.3	39.7	9.8	19.8	31.9
EAC-5	26.8	18.8	15.6	32.4	27.9	39.4	13.0	23.6	28.9
SADC	26.5	21.7	22.1	35.0	27.9	25.9	11.1	11.2	12.5
SACU	19.0	14.9	19.2	25.2	21.6	14.0	0.8	5.9	7.2
COMESA (SSA members)	27.1	24.6	16.7	28.4	24.2	41.9	16.1	24.2	23.7
MDRI countries	27.7	16.4	25.3	29.7	27.4	39.7	14.7	21.7	23.7
Countries with conventional exchange rate pegs	15.2	8.4	15.3	11.9	14.7	25.6	9.9	15.1	21.3
Countries without conventional exchange rate pegs	31.5	21.3	25.5	33.0	41.4	36.1	13.7	9.4	13.1
Sub-Saharan Africa	**28.3**	**19.2**	**22.7**	**29.3**	**35.9**	**34.3**	**13.6**	**10.6**	**13.8**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA16. Exports of Goods and Services
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**52.2**	**49.4**	**54.2**	**51.6**	**51.9**	**54.1**	**42.6**	**44.5**	**49.4**	**47.4**	**45.2**
Excluding Nigeria	**65.8**	**58.1**	**67.1**	**68.0**	**66.8**	**68.8**	**52.0**	**58.5**	**62.0**	**59.7**	**56.9**
Angola	79.2	75.6	86.0	79.8	76.4	78.1	55.1	62.4	65.0	61.4	58.2
Cameroon	27.7	22.7	24.5	29.3	31.0	31.1	23.5	25.6	30.7	32.1	33.0
Chad	53.9	51.6	54.3	56.1	54.9	52.9	45.9	46.0	52.6	47.5	42.6
Congo, Rep. of	79.8	73.3	84.4	87.4	78.5	75.2	70.4	85.1	87.3	85.6	80.8
Equatorial Guinea	85.0	90.1	87.4	86.8	81.9	78.8	70.3	70.4	72.1	70.7	70.8
Gabon	63.7	62.2	64.7	62.2	62.1	67.3	56.5	60.4	62.9	60.7	54.5
Nigeria	42.9	44.0	45.7	41.1	41.0	42.8	35.0	35.2	39.6	38.3	36.7
South Sudan	...							65.9	70.9	19.0	54.5
Middle-income countries[2]	**31.8**	**28.8**	**29.5**	**31.9**	**33.1**	**35.9**	**29.3**	**29.7**	**31.8**	**32.1**	**31.9**
Excluding South Africa	**37.9**	**38.0**	**38.0**	**38.6**	**38.5**	**36.2**	**35.5**	**37.7**	**41.5**	**41.5**	**41.9**
Botswana	46.4	44.2	51.4	47.0	47.5	42.0	32.5	32.9	38.6	37.3	36.0
Cape Verde	40.6	32.0	37.8	45.1	42.8	45.3	35.6	38.6	43.0	44.2	44.7
Ghana	23.8	23.4	22.5	24.2	24.3	24.8	29.5	29.3	38.0	40.4	41.5
Lesotho	53.3	55.4	49.4	53.9	53.4	54.3	45.6	43.3	46.2	46.5	49.9
Mauritius	55.5	52.3	58.0	59.6	56.7	51.1	47.1	50.9	52.5	49.6	50.2
Namibia	38.2	34.7	34.1	39.9	39.9	42.2	42.1	44.1	42.4	44.1	45.0
Senegal	26.3	27.1	27.0	25.6	25.5	26.1	24.4	25.0	25.2	25.0	25.1
Seychelles	87.9	72.5	76.8	82.7	98.7	108.9	122.7	103.0	107.4	110.0	104.8
South Africa	30.2	26.4	27.4	30.0	31.5	35.8	27.4	27.3	28.8	29.1	28.6
Swaziland	75.4	90.1	76.0	72.9	74.6	63.2	63.1	55.8	66.7	57.4	61.2
Zambia	37.9	38.2	35.1	39.0	41.4	35.9	35.6	47.7	47.1	45.0	44.9
Low-income and fragile countries	**26.8**	**25.5**	**26.1**	**27.1**	**27.8**	**27.4**	**24.6**	**29.2**	**30.6**	**28.8**	**28.9**
Low-income excluding fragile countries	**21.2**	**20.4**	**20.7**	**21.7**	**21.6**	**21.4**	**19.6**	**22.8**	**24.1**	**23.4**	**23.2**
Benin	14.9	14.1	12.5	13.3	17.0	17.8	16.5	20.6	15.0	15.1	15.3
Burkina Faso	10.6	11.3	9.8	11.4	10.6	9.9	12.6	21.4	25.7	28.4	28.8
Ethiopia[3]	13.6	14.9	15.1	13.9	12.7	11.5	10.5	13.6	16.8	14.3	14.6
Gambia, The	30.5	34.2	32.5	33.8	28.8	23.1	25.2	23.8	27.0	27.8	27.2
Kenya	27.0	26.9	28.5	26.6	25.9	27.2	24.1	27.7	28.3	25.3	21.4
Madagascar	29.3	32.6	26.9	29.9	30.5	26.6	22.4	24.1	26.1	26.8	30.3
Malawi	21.8	20.6	20.2	19.3	24.5	24.4	20.9	25.2	25.1	31.2	36.5
Mali	27.1	24.3	24.5	29.9	27.4	29.2	23.7	26.0	25.7	29.4	30.2
Mozambique	33.7	30.9	31.7	38.4	35.4	32.3	27.7	31.2	27.5	25.7	26.2
Niger	17.7	18.3	16.8	16.4	17.4	19.4	20.9	21.4	23.3	28.3	29.3
Rwanda	12.5	13.1	12.6	11.2	11.1	14.6	11.0	10.9	14.1	12.8	12.4
Sierra Leone	16.3	17.4	18.0	17.0	15.4	13.7	13.5	16.6	15.3	34.8	36.0
Tanzania	22.6	18.0	21.3	24.2	25.5	24.0	25.3	27.9	31.4	30.5	31.8
Uganda	14.8	12.2	12.3	14.3	15.6	19.8	20.7	21.4	22.3	20.8	21.5
Fragile countries	**40.5**	**36.1**	**38.5**	**40.1**	**43.8**	**44.3**	**38.9**	**46.5**	**47.7**	**44.0**	**45.3**
Burundi	7.8	7.0	8.2	7.3	7.3	9.5	6.8	8.9	9.6	9.4	8.4
Central African Republic	13.2	13.8	12.7	14.2	14.1	11.0	9.5	10.6	11.9	11.8	12.0
Comoros	14.8	15.1	14.1	14.9	15.3	14.5	14.5	15.6	15.3	15.7	16.0
Congo, Dem. Rep. of	45.0	30.7	33.6	34.2	65.2	61.3	45.2	68.2	67.9	57.2	61.6
Côte d'Ivoire	49.8	48.6	51.1	52.7	47.8	48.7	50.9	51.2	51.2	47.7	49.2
Eritrea	5.8	5.8	6.2	6.9	5.8	4.4	4.5	4.8	14.4	19.4	19.6
Guinea	32.7	24.6	34.8	40.6	28.8	34.9	26.5	28.4	30.3	28.1	26.4
Guinea-Bissau	16.2	15.9	17.3	14.8	17.3	15.9	15.5	16.5	23.0	14.7	19.6
Liberia	57.3	55.5	48.7	66.9	58.4	57.0	40.4	42.4	46.6	41.5	38.6
São Tomé & Príncipe	11.6	13.6	12.9	12.7	9.4	9.5	10.0	12.1	11.7	12.6	12.3
Togo	38.3	38.6	40.1	38.2	39.2	35.5	36.7	40.2	40.0	39.5	40.1
Zimbabwe[4]	34.6	32.5	31.6	34.0	35.6	39.1	29.3	47.6	50.4	51.1	49.7
Sub-Saharan Africa[1]	**37.3**	**33.6**	**36.1**	**37.4**	**38.4**	**41.1**	**32.7**	**34.8**	**37.8**	**37.1**	**36.2**
Median	30.7	28.9	30.1	31.9	30.7	31.7	27.0	28.1	30.5	31.7	34.5
Excluding Nigeria and South Africa	40.9	36.4	40.1	41.9	42.5	43.5	35.3	40.3	43.6	41.6	40.6
Oil-importing countries	**30.2**	**27.8**	**28.5**	**30.4**	**31.4**	**32.8**	**27.6**	**30.2**	**32.3**	**30.8**	**31.3**
Excluding South Africa	**30.3**	**29.5**	**29.9**	**30.9**	**31.2**	**30.2**	**27.7**	**33.3**	**35.9**	**32.3**	**33.7**
CFA franc zone	43.2	39.4	42.9	45.1	43.7	45.0	38.8	43.0	45.8	45.4	44.5
WAEMU	31.4	31.3	31.5	32.5	30.7	31.1	31.0	33.1	33.0	33.1	34.0
CEMAC	54.6	48.4	54.2	57.1	55.9	57.3	47.1	52.6	57.1	56.3	54.1
EAC-5	21.9	19.9	21.5	22.0	22.4	23.5	22.4	24.7	26.3	24.6	23.3
SADC	37.4	31.5	34.2	37.3	40.0	44.1	33.5	35.4	37.7	37.5	37.1
SACU	31.6	28.2	29.1	31.5	32.9	36.6	28.5	28.4	30.0	30.2	29.8
COMESA (SSA members)	29.4	29.1	28.6	28.8	31.2	29.4	25.1	31.9	34.2	30.7	30.4
MDRI countries	26.7	24.2	25.0	27.6	28.7	28.0	25.1	30.4	33.4	32.4	32.9
Countries with conventional exchange rate pegs	43.2	39.9	42.6	45.0	43.7	44.8	39.0	42.7	45.4	45.0	44.4
Countries without conventional exchange rate pegs	36.1	32.2	34.8	36.0	37.4	40.3	31.5	33.3	36.3	35.5	34.6
Sub-Saharan Africa	**37.3**	**33.6**	**36.1**	**37.4**	**38.4**	**41.1**	**32.7**	**35.2**	**38.3**	**36.9**	**36.4**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA17. Imports of Goods and Services
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**33.7**	**35.4**	**33.5**	**29.8**	**33.1**	**37.0**	**38.7**	**35.1**	**39.1**	**38.1**	**36.8**
Excluding Nigeria	**41.4**	**43.6**	**42.0**	**37.4**	**39.6**	**44.4**	**49.8**	**42.8**	**43.7**	**43.3**	**42.6**
Angola	49.1	58.3	53.6	39.0	43.5	51.2	55.4	42.9	43.3	42.5	41.8
Cameroon	28.3	24.5	26.4	27.7	29.5	33.1	28.3	28.9	35.0	36.7	37.2
Chad	49.9	53.5	42.9	56.9	49.6	46.6	54.8	52.9	53.1	44.8	42.4
Congo, Rep. of	48.6	46.3	46.7	49.4	53.5	47.0	50.2	54.7	57.8	61.6	60.0
Equatorial Guinea	39.9	55.0	43.6	33.1	30.3	37.7	61.1	53.5	47.9	48.9	47.2
Gabon	30.0	32.0	28.3	30.5	30.5	28.5	38.6	36.1	36.3	35.7	36.7
Nigeria	28.5	30.2	28.0	24.9	28.3	31.2	29.7	29.9	35.6	34.2	32.5
South Sudan	...							30.8	29.9	26.1	32.5
Middle-income countries[2]	**35.2**	**30.5**	**31.5**	**35.1**	**37.2**	**41.6**	**32.9**	**32.0**	**34.4**	**36.2**	**35.8**
Excluding South Africa	**46.6**	**45.4**	**45.7**	**44.8**	**47.6**	**49.7**	**47.7**	**47.3**	**51.1**	**51.7**	**51.4**
Botswana	35.1	36.5	34.6	30.7	35.4	38.2	42.8	40.3	42.5	40.6	40.3
Cape Verde	73.0	69.6	66.6	72.7	77.8	78.4	67.9	67.1	71.4	66.6	65.8
Ghana	40.0	36.8	38.0	40.6	40.7	44.0	42.6	43.3	50.8	51.6	51.9
Lesotho	120.5	129.2	121.4	118.9	117.3	115.9	115.0	112.7	110.0	112.7	112.5
Mauritius	64.2	54.6	63.8	70.5	66.6	65.3	57.6	63.1	65.6	63.0	62.3
Namibia	40.8	38.2	37.2	37.5	40.8	50.4	55.0	50.3	50.5	57.6	60.2
Senegal	45.1	39.8	42.4	43.1	47.8	52.4	41.3	40.5	41.7	43.2	41.4
Seychelles	102.2	79.9	98.1	98.5	109.3	125.4	132.6	120.8	127.4	128.9	121.7
South Africa	32.0	26.7	27.9	32.5	34.2	38.8	28.3	27.5	29.4	31.3	30.7
Swaziland	86.5	91.7	91.0	85.7	85.5	78.6	79.5	71.0	75.5	68.7	71.1
Zambia	37.2	42.6	36.7	30.1	39.2	37.4	32.2	34.9	39.8	41.1	40.3
Low-income and fragile countries	**37.5**	**33.3**	**36.4**	**37.7**	**38.9**	**41.3**	**37.9**	**43.1**	**45.5**	**43.6**	**42.6**
Low-income excluding fragile countries	**33.9**	**30.3**	**32.8**	**34.5**	**34.8**	**37.1**	**34.9**	**38.3**	**40.8**	**39.1**	**37.7**
Benin	27.3	25.1	23.2	24.3	32.6	31.1	29.8	31.1	27.6	27.5	27.5
Burkina Faso	25.5	25.6	25.3	25.3	24.8	26.3	23.3	29.0	32.4	37.2	36.2
Ethiopia[3]	32.8	28.9	35.5	36.6	32.1	31.1	28.7	33.0	31.8	31.7	32.5
Gambia, The	45.3	48.8	49.2	47.2	41.9	39.3	41.5	42.1	43.7	49.1	45.0
Kenya	36.7	32.9	36.0	36.3	37.0	41.2	37.2	41.6	47.2	41.3	36.8
Madagascar	45.8	48.2	41.5	42.0	46.5	50.9	46.0	37.5	37.2	37.8	37.4
Malawi	44.3	41.1	46.3	44.8	40.3	48.9	39.0	44.9	39.5	50.2	52.5
Mali	35.9	32.6	33.4	35.1	35.6	43.0	31.4	39.9	36.4	34.3	34.0
Mozambique	44.9	41.8	43.9	47.2	45.2	46.4	45.1	48.9	45.0	40.1	39.6
Niger	31.3	29.4	31.1	29.5	29.9	36.3	48.1	50.3	53.3	55.5	49.0
Rwanda	25.9	24.6	24.7	25.1	25.2	29.9	29.2	29.4	34.5	35.1	32.3
Sierra Leone	25.0	25.8	27.8	24.4	22.4	24.3	23.9	41.2	70.9	48.8	47.2
Tanzania	33.2	23.3	30.2	36.2	39.3	37.2	38.0	40.1	48.1	47.9	46.4
Uganda	25.3	21.7	22.4	24.7	25.9	31.6	34.8	36.8	39.6	36.2	37.2
Fragile countries	**46.4**	**39.5**	**44.6**	**45.4**	**49.4**	**52.9**	**46.4**	**56.2**	**57.8**	**56.3**	**56.4**
Burundi	34.3	25.5	31.9	45.2	32.8	36.2	28.8	41.3	38.0	34.8	32.0
Central African Republic	22.0	20.3	20.8	21.9	23.5	23.5	21.5	24.6	23.3	23.6	23.0
Comoros	39.4	33.0	35.8	38.6	41.3	48.4	47.7	50.5	51.8	51.6	49.3
Congo, Dem. Rep. of	53.0	34.4	45.2	40.7	68.6	76.4	60.9	77.8	77.7	63.8	63.9
Côte d'Ivoire	41.7	39.4	43.6	42.4	41.9	41.2	39.0	43.9	39.0	45.2	46.6
Eritrea	41.6	59.8	54.9	38.4	28.8	26.1	23.4	23.3	23.1	23.1	22.4
Guinea	36.0	25.8	35.1	42.6	36.4	40.1	30.8	36.5	48.2	64.3	63.5
Guinea-Bissau	28.4	24.3	26.5	30.1	31.0	29.9	32.1	31.9	35.4	25.5	30.8
Liberia	190.0	173.6	174.0	230.3	184.1	188.0	141.1	140.7	139.5	133.5	134.8
São Tomé & Príncipe	57.0	50.4	49.3	65.6	57.9	61.9	52.3	64.3	58.6	61.0	53.2
Togo	56.6	57.9	58.7	56.2	58.1	52.0	52.3	57.3	57.1	58.4	59.0
Zimbabwe[4]	46.2	39.2	40.1	44.2	43.6	64.2	59.7	78.5	89.7	75.1	72.5
Sub-Saharan Africa[1]	**35.1**	**32.4**	**33.1**	**33.9**	**36.1**	**39.8**	**36.1**	**35.4**	**38.4**	**38.5**	**37.7**
Median	39.0	37.5	37.6	38.8	39.8	41.2	41.4	41.9	44.4	45.0	43.7
Excluding Nigeria and South Africa	40.6	38.7	40.1	39.3	41.0	44.1	43.5	43.9	46.1	45.2	44.4
Oil-importing countries	**35.9**	**31.4**	**33.0**	**35.9**	**37.8**	**41.5**	**34.7**	**35.5**	**37.8**	**38.6**	**38.2**
Excluding South Africa	**40.4**	**37.2**	**39.4**	**40.0**	**41.7**	**43.9**	**40.7**	**43.9**	**46.5**	**45.5**	**44.7**
CFA franc zone	36.8	35.8	36.0	36.6	37.1	38.6	39.5	41.3	41.5	43.0	42.4
WAEMU	38.2	35.7	37.7	37.4	39.1	40.8	36.9	40.6	39.1	41.9	41.4
CEMAC	35.6	35.9	34.3	35.7	35.2	36.6	42.3	42.1	43.6	43.9	43.3
EAC-5	32.5	26.9	30.6	33.4	34.5	37.2	36.1	39.3	44.7	41.5	39.1
SADC	36.8	32.0	33.4	35.7	38.7	44.0	37.4	35.1	37.2	38.2	37.8
SACU	33.4	28.6	29.4	33.5	35.4	39.9	30.6	29.5	31.4	33.2	32.8
COMESA (SSA members)	41.1	38.1	40.5	40.0	42.2	44.8	40.1	45.3	48.5	44.3	43.0
MDRI countries	37.0	32.9	35.2	36.7	39.2	41.1	37.5	41.1	44.3	43.6	43.1
Countries with conventional exchange rate pegs	39.6	39.2	39.0	39.2	39.7	41.0	42.2	43.7	43.8	45.3	45.0
Countries without conventional exchange rate pegs	34.0	30.9	31.8	32.8	35.4	39.3	34.6	33.6	36.9	37.0	36.1
Sub-Saharan Africa	**35.1**	**32.4**	**33.1**	**33.9**	**36.1**	**39.8**	**36.1**	**35.3**	**38.3**	**38.4**	**37.7**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA18. Trade Balance on Goods
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**30.1**	**24.8**	**31.1**	**31.8**	**31.4**	**31.4**	**17.9**	**21.3**	**23.2**	**20.6**	**19.1**
Excluding Nigeria	**40.6**	**31.6**	**41.6**	**43.7**	**43.0**	**43.2**	**21.1**	**33.0**	**36.6**	**33.8**	**30.9**
Angola	51.8	41.9	55.8	55.3	53.3	52.8	24.2	41.2	45.1	41.0	37.3
Cameroon	1.9	0.0	0.3	3.7	3.4	1.9	-1.5	-0.9	-1.7	-3.1	-2.6
Chad	30.9	35.0	36.3	30.9	26.9	25.7	11.2	14.6	20.5	20.3	15.2
Congo, Rep. of	52.7	48.2	59.4	59.7	49.0	47.2	41.0	52.2	48.9	42.2	38.5
Equatorial Guinea	60.0	59.0	60.7	65.3	62.7	52.1	23.9	31.2	37.8	34.9	36.4
Gabon	44.8	41.9	47.4	41.9	42.7	50.3	31.7	36.3	39.7	37.9	30.8
Nigeria	22.9	20.5	24.3	24.2	22.9	22.3	15.2	13.4	12.7	11.0	10.6
South Sudan	...							43.4	47.9	-3.7	32.1
Middle-income countries[2]	**-2.7**	**-1.4**	**-1.6**	**-2.6**	**-3.4**	**-4.4**	**-2.2**	**-0.8**	**-1.2**	**-2.5**	**-2.4**
Excluding South Africa	**-8.2**	**-6.5**	**-7.4**	**-5.8**	**-8.8**	**-12.6**	**-9.8**	**-7.0**	**-7.1**	**-8.0**	**-7.7**
Botswana	11.7	8.3	17.1	16.9	13.1	3.2	-4.9	-1.6	1.0	0.9	-0.4
Cape Verde	-43.4	-41.0	-35.9	-41.7	-49.6	-48.7	-42.3	-40.9	-44.6	-42.0	-41.6
Ghana	-14.9	-10.9	-14.6	-15.6	-15.7	-17.5	-8.6	-9.2	-8.0	-6.4	-5.9
Lesotho	-44.3	-46.4	-47.7	-43.0	-43.0	-41.3	-47.9	-47.6	-43.9	-47.0	-44.4
Mauritius	-15.2	-8.8	-12.3	-16.2	-18.0	-20.6	-17.6	-19.5	-20.2	-20.0	-19.5
Namibia	-3.3	-4.3	-3.7	1.2	-2.0	-7.7	-13.7	-8.0	-9.9	-17.0	-18.9
Senegal	-18.4	-12.3	-15.1	-17.1	-22.1	-25.4	-15.9	-14.9	-15.8	-17.3	-15.9
Seychelles	-31.4	-21.3	-35.6	-30.9	-27.2	-42.1	-35.8	-34.6	-39.3	-37.2	-33.8
South Africa	-1.0	-0.1	-0.1	-1.7	-1.8	-1.6	0.1	1.0	0.6	-0.8	-0.7
Swaziland	-5.0	4.0	-10.2	-9.4	-9.2	-0.3	-4.1	-4.1	2.8	-1.3	-1.4
Zambia	4.7	-0.5	1.2	12.2	7.8	2.8	7.1	16.7	11.6	8.0	8.5
Low-income and fragile countries	**-8.0**	**-5.2**	**-7.7**	**-8.0**	**-8.4**	**-10.8**	**-10.6**	**-10.8**	**-11.4**	**-11.9**	**-10.9**
Low-income excluding fragile countries	**-12.2**	**-9.4**	**-11.5**	**-12.3**	**-12.8**	**-14.9**	**-14.3**	**-14.6**	**-15.5**	**-14.7**	**-13.7**
Benin	-11.7	-9.7	-9.3	-11.3	-14.4	-13.7	-11.4	-9.5	-12.2	-11.9	-11.2
Burkina Faso	-9.5	-9.6	-10.2	-8.4	-8.9	-10.7	-5.8	-1.6	0.1	-1.1	-0.1
Ethiopia[3]	-20.7	-17.1	-22.6	-23.7	-20.2	-20.1	-19.5	-21.1	-17.4	-19.0	-20.0
Gambia, The	-21.2	-18.3	-22.6	-21.1	-21.4	-22.6	-22.3	-22.2	-22.6	-27.3	-23.6
Kenya	-14.1	-10.1	-11.4	-14.5	-15.7	-18.5	-16.8	-19.4	-23.9	-21.8	-19.9
Madagascar	-13.1	-10.2	-11.5	-9.9	-13.6	-20.2	-19.5	-12.3	-9.5	-8.6	-4.0
Malawi	-15.9	-14.1	-18.6	-18.9	-9.9	-18.2	-12.6	-13.8	-10.8	-13.6	-10.5
Mali	-2.9	-2.5	-3.1	0.7	-2.5	-7.3	-2.4	-7.2	-4.4	1.4	2.3
Mozambique	-6.4	-6.1	-7.6	-3.7	-4.9	-10.0	-12.8	-12.3	-11.2	-8.6	-7.7
Niger	-6.9	-5.3	-8.7	-6.6	-5.9	-8.1	-15.2	-14.1	-13.6	-10.5	-6.2
Rwanda	-10.2	-8.5	-8.8	-9.6	-10.8	-13.1	-14.7	-14.1	-17.4	-18.7	-16.7
Sierra Leone	-6.6	-6.2	-9.1	-5.0	-4.4	-8.0	-7.8	-14.6	-43.2	-4.8	-1.8
Tanzania	-12.2	-6.9	-9.8	-13.7	-16.1	-14.6	-13.4	-12.9	-17.2	-17.9	-15.5
Uganda	-8.4	-8.3	-8.5	-8.6	-7.7	-8.7	-11.1	-11.7	-13.1	-11.6	-11.6
Fragile countries	**2.2**	**3.5**	**1.1**	**2.6**	**3.1**	**0.7**	**0.2**	**-0.5**	**-0.8**	**-3.8**	**-2.9**
Burundi	-16.4	-11.0	-15.1	-24.9	-15.1	-16.1	-14.8	-28.1	-24.3	-21.5	-20.0
Central African Republic	-3.9	-1.4	-3.5	-3.1	-4.3	-7.6	-7.4	-8.3	-6.1	-6.4	-6.4
Comoros	-22.9	-16.4	-20.8	-21.7	-24.0	-31.5	-28.2	-29.4	-29.8	-29.9	-28.2
Congo, Dem. Rep. of	0.4	1.2	-5.6	-1.2	8.8	-1.1	-5.2	5.0	3.2	3.9	7.9
Côte d'Ivoire	15.2	16.6	14.6	17.5	12.9	14.2	18.4	14.5	20.4	10.6	10.9
Eritrea	-33.9	-49.6	-44.2	-29.2	-24.2	-22.0	-19.9	-19.6	-10.3	-4.7	-3.3
Guinea	3.3	4.2	6.3	5.5	-1.7	2.3	1.3	-1.4	-8.6	-24.9	-25.8
Guinea-Bissau	-6.2	-1.4	-2.9	-9.1	-8.7	-9.1	-10.2	-8.4	-5.5	-5.2	-5.6
Liberia	-31.6	-20.0	-29.1	-37.5	-30.6	-40.7	-36.4	-35.5	-40.8	-50.1	-58.7
São Tomé & Príncipe	-36.0	-27.6	-28.2	-38.1	-40.2	-46.0	-37.9	-46.0	-41.8	-40.8	-36.5
Togo	-15.0	-14.8	-15.1	-15.1	-16.1	-14.0	-13.0	-14.3	-14.1	-15.8	-16.0
Zimbabwe[4]	-9.2	-4.9	-6.7	-8.1	-5.5	-20.7	-26.1	-24.8	-32.4	-18.8	-17.8
Sub-Saharan Africa[1]	**7.0**	**4.7**	**6.8**	**7.7**	**7.5**	**8.1**	**2.6**	**4.9**	**5.4**	**4.0**	**3.7**
Median	-8.7	-6.5	-9.0	-8.8	-8.8	-10.3	-12.0	-12.0	-10.6	-9.5	-7.0
Excluding Nigeria and South Africa	6.5	3.3	5.8	7.9	7.9	7.5	-0.6	3.9	5.8	4.0	3.3
Oil-importing countries	**-4.4**	**-2.6**	**-3.4**	**-4.2**	**-5.0**	**-6.7**	**-5.3**	**-3.1**	**-3.3**	**-5.8**	**-4.8**
Excluding South Africa	**-8.1**	**-5.6**	**-7.6**	**-7.3**	**-8.5**	**-11.4**	**-10.3**	**-7.4**	**-7.4**	**-10.5**	**-8.3**
CFA franc zone	14.6	12.3	15.2	16.9	14.4	14.4	7.5	10.6	13.4	11.2	10.4
WAEMU	-2.0	0.4	-1.5	-0.3	-3.8	-5.0	-0.9	-1.9	-0.1	-2.6	-1.5
CEMAC	30.7	25.6	31.7	33.2	31.5	31.7	16.6	22.6	25.4	23.4	21.2
EAC-5	-12.1	-8.6	-10.3	-13.0	-13.8	-14.9	-14.4	-15.7	-19.3	-18.4	-16.9
SADC	4.0	1.4	3.2	4.1	5.2	6.2	1.3	5.0	5.6	4.6	4.5
SACU	-0.9	-0.1	0.1	-1.1	-1.5	-1.7	-0.8	0.4	0.1	-1.5	-1.5
COMESA (SSA members)	-11.2	-9.0	-11.8	-11.0	-10.4	-14.0	-14.0	-12.4	-13.1	-12.9	-12.0
MDRI countries	-6.6	-5.4	-6.9	-5.5	-6.6	-8.8	-8.4	-6.0	-6.2	-6.9	-6.3
Countries with conventional exchange rate pegs	11.1	8.8	11.2	13.3	11.0	11.3	4.4	7.1	9.8	7.4	6.6
Countries without conventional exchange rate pegs	6.3	4.0	6.0	6.8	7.0	7.6	2.5	4.8	5.0	3.7	3.4
Sub-Saharan Africa	**7.0**	**4.7**	**6.8**	**7.7**	**7.5**	**8.1**	**2.6**	**5.4**	**6.0**	**4.0**	**4.1**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA19. External Current Account[1]
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[2]	**11.8**	**2.7**	**8.8**	**21.3**	**15.0**	**11.4**	**1.1**	**4.9**	**4.3**	**3.8**	**3.0**
Excluding Nigeria	**8.3**	**-2.2**	**8.6**	**14.9**	**12.5**	**7.8**	**-7.8**	**3.5**	**5.2**	**4.2**	**2.8**
Angola	15.6	3.8	18.2	25.6	19.9	10.3	-9.9	9.0	9.6	8.5	6.6
Cameroon	-1.0	-3.4	-3.4	1.6	1.4	-1.2	-3.6	-3.0	-4.1	-4.1	-3.8
Chad	2.1	-17.1	1.2	5.9	11.6	9.0	-4.0	-3.5	2.0	-1.9	-2.0
Congo, Rep. of	-0.5	-5.7	3.7	3.6	-6.5	2.3	-7.4	5.1	0.8	-0.6	-0.4
Equatorial Guinea	-3.7	-21.6	-6.2	7.7	4.0	-2.3	-17.7	-20.5	-6.0	-7.7	-7.7
Gabon	18.2	11.2	22.9	15.6	17.0	24.2	6.3	9.1	10.6	9.1	4.1
Nigeria	14.2	5.7	8.9	25.3	16.8	14.1	8.3	5.9	3.6	3.5	3.1
South Sudan	...							4.8	21.6	-12.6	5.8
Middle-income countries[3]	**-4.7**	**-2.8**	**-3.2**	**-4.3**	**-6.0**	**-7.1**	**-4.1**	**-3.1**	**-3.8**	**-5.5**	**-5.6**
Excluding South Africa	**-2.9**	**-2.0**	**-2.1**	**-0.6**	**-2.7**	**-7.0**	**-4.3**	**-4.0**	**-5.4**	**-5.5**	**-4.7**
Botswana	11.6	3.5	15.2	17.2	15.0	6.9	-5.2	-2.0	1.6	3.9	3.4
Cape Verde	-10.7	-14.3	-3.5	-5.4	-14.7	-15.7	-15.6	-12.5	-12.5	-11.5	-8.9
Ghana	-8.1	-4.7	-7.0	-8.2	-8.7	-11.9	-5.4	-8.4	-9.2	-9.1	-7.0
Lesotho	7.8	8.1	1.4	11.5	8.2	10.0	0.2	-12.1	-17.3	-11.2	-10.6
Mauritius	-6.3	-1.8	-5.0	-9.1	-5.4	-10.1	-7.4	-8.2	-10.3	-10.5	-9.1
Namibia	7.5	7.0	4.7	13.8	9.1	2.8	-0.3	0.3	-1.7	-3.8	-4.5
Senegal	-10.1	-6.9	-8.9	-9.2	-11.6	-14.1	-6.7	-4.4	-6.4	-8.5	-6.9
Seychelles	-16.5	-9.1	-22.2	-15.8	-15.3	-20.2	-9.8	-20.1	-21.5	-19.8	-19.5
South Africa	-5.2	-3.0	-3.5	-5.3	-7.0	-7.2	-4.0	-2.8	-3.3	-5.5	-5.8
Swaziland	-3.7	3.1	-4.1	-7.4	-2.2	-8.2	-14.0	-10.5	-9.1	0.1	-5.4
Zambia	-6.6	-10.4	-8.5	-0.4	-6.5	-7.2	4.2	7.1	1.2	-1.8	-1.1
Low-income and fragile countries	**-5.8**	**-3.5**	**-5.8**	**-5.4**	**-5.7**	**-8.6**	**-7.5**	**-8.0**	**-9.2**	**-10.4**	**-10.4**
Low-income excluding fragile countries	**-6.4**	**-4.0**	**-6.0**	**-6.6**	**-6.4**	**-9.0**	**-8.6**	**-8.0**	**-9.4**	**-9.7**	**-9.5**
Benin	-7.4	-7.0	-6.3	-5.3	-10.2	-8.1	-8.9	-7.3	-10.0	-9.3	-9.1
Burkina Faso	-10.4	-11.0	-11.6	-9.5	-8.3	-11.5	-4.7	-2.3	-1.1	-4.2	-3.2
Ethiopia[4]	-5.4	-1.4	-6.3	-9.1	-4.5	-5.6	-5.0	-4.0	0.6	-6.1	-7.7
Gambia, The	-8.4	-4.5	-10.3	-6.9	-8.3	-12.1	-12.3	-15.7	-14.2	-15.9	-14.2
Kenya	-2.8	0.1	-1.5	-2.3	-4.0	-6.6	-5.8	-6.5	-10.6	-8.5	-8.6
Madagascar	-13.1	-10.6	-11.6	-9.9	-12.7	-20.6	-21.1	-9.7	-6.9	-7.9	-8.0
Malawi	-8.6	-11.2	-11.9	-11.3	1.0	-9.7	-4.8	-1.3	-5.9	-4.1	-1.4
Mali	-7.9	-7.9	-8.5	-4.1	-6.9	-12.2	-7.3	-12.6	-10.2	-5.4	-4.8
Mozambique	-10.9	-10.7	-11.6	-10.7	-9.7	-11.9	-12.2	-11.7	-12.8	-11.6	-12.4
Niger	-9.2	-7.3	-8.9	-8.6	-8.2	-13.0	-25.0	-21.1	-25.9	-26.3	-20.7
Rwanda	-1.7	1.8	1.0	-4.3	-2.2	-4.9	-7.3	-5.9	-7.3	-9.8	-9.9
Sierra Leone	-5.5	-4.4	-5.3	-4.3	-4.3	-9.1	-6.5	-19.3	-52.3	-13.1	-9.3
Tanzania	-7.9	-2.3	-6.6	-9.6	-11.0	-10.2	-9.8	-9.3	-13.7	-15.4	-13.4
Uganda	-2.6	0.1	-1.3	-3.1	-2.9	-5.7	-9.4	-10.2	-11.4	-11.0	-11.7
Fragile countries	**-4.4**	**-2.4**	**-5.4**	**-2.5**	**-3.9**	**-7.6**	**-4.3**	**-8.0**	**-8.6**	**-12.6**	**-12.9**
Burundi	-7.8	-6.3	-4.9	-21.5	-5.4	-1.0	1.8	-9.4	-11.4	-11.4	-10.7
Central African Republic	-5.5	-1.8	-6.5	-3.0	-6.2	-10.0	-9.2	-10.2	-8.7	-7.6	-6.3
Comoros	-6.9	-4.6	-7.4	-6.0	-5.7	-10.9	-7.8	-7.0	-9.5	-10.4	-9.6
Congo, Dem. Rep. of	-7.5	-3.0	-13.3	-2.7	-1.1	-17.5	-10.5	-8.1	-11.5	-12.5	-14.3
Côte d'Ivoire	1.2	1.6	0.2	2.8	-0.7	1.9	7.0	1.1	6.7	-3.1	-1.6
Eritrea	-3.1	-0.7	0.3	-3.6	-6.1	-5.5	-7.6	-5.6	0.5	2.1	2.0
Guinea	-6.0	-2.5	-1.0	-4.6	-11.7	-10.3	-9.9	-12.4	-16.3	-38.8	-39.2
Guinea-Bissau	-2.9	1.4	-2.1	-5.6	-3.5	-4.9	-6.4	-8.3	-6.4	-3.5	-2.9
Liberia	-24.8	-16.3	-30.3	-11.2	-22.4	-43.7	-29.2	-33.2	-34.6	-55.8	-71.0
São Tomé & Príncipe	-21.0	-16.0	-11.0	-25.8	-30.1	-22.0	-25.5	-27.6	-25.4	-22.8	-24.5
Togo	-8.8	-10.0	-9.9	-8.4	-8.7	-6.8	-6.6	-6.7	-7.2	-8.8	-9.1
Zimbabwe[5]	-10.9	-8.0	-10.3	-8.0	-6.7	-21.6	-22.2	-28.8	-36.2	-20.4	-20.0
Sub-Saharan Africa[2]	**0.7**	**-1.5**	**-0.2**	**4.0**	**1.3**	**-0.3**	**-3.2**	**-1.3**	**-2.0**	**-3.1**	**-3.5**
Median	-5.9	-4.5	-5.8	-5.3	-5.9	-8.1	-7.4	-8.1	-8.9	-8.5	-7.9
Excluding Nigeria and South Africa	-0.8	-2.8	-1.0	1.8	0.8	-2.6	-6.9	-3.5	-3.5	-4.6	-4.9
Oil-importing countries	**-5.0**	**-3.0**	**-4.0**	**-4.6**	**-5.9**	**-7.7**	**-5.3**	**-4.5**	**-4.9**	**-7.3**	**-7.0**
Excluding South Africa	**-4.9**	**-3.0**	**-4.6**	**-3.8**	**-4.7**	**-8.1**	**-6.6**	**-6.2**	**-6.6**	**-9.0**	**-8.1**
CFA franc zone	-1.3	-4.7	-1.6	1.1	-0.6	-0.9	-4.5	-4.2	-2.2	-4.3	-4.2
WAEMU	-5.5	-4.5	-5.7	-4.0	-6.3	-7.1	-3.6	-5.2	-4.0	-7.4	-5.9
CEMAC	2.5	-5.0	2.4	5.9	4.7	4.6	-5.4	-3.2	-0.5	-1.7	-2.7
EAC-5	-4.3	-0.7	-2.9	-5.0	-5.5	-7.2	-7.7	-8.1	-11.4	-11.1	-10.6
SADC	-2.5	-2.6	-2.0	-1.2	-2.4	-4.4	-6.0	-1.9	-2.5	-3.8	-4.3
SACU	-4.1	-2.4	-2.5	-3.8	-5.5	-6.1	-4.1	-2.8	-3.2	-5.0	-5.5
COMESA (SSA members)	-5.6	-3.1	-5.9	-5.4	-4.6	-9.1	-7.4	-6.5	-8.1	-8.3	-8.8
MDRI countries	-6.6	-5.1	-6.8	-5.7	-6.4	-9.0	-7.4	-6.2	-7.6	-8.7	-8.4
Countries with conventional exchange rate pegs	-0.8	-3.6	-1.2	1.7	-0.2	-0.9	-4.6	-4.2	-2.6	-4.3	-4.3
Countries without conventional exchange rate pegs	1.1	-1.0	0.1	4.5	1.7	0.0	-2.7	-0.5	-1.6	-2.7	-3.1
Sub-Saharan Africa	**0.7**	**-1.5**	**-0.2**	**4.0**	**1.3**	**-0.3**	**-3.2**	**-1.2**	**-1.7**	**-3.2**	**-3.3**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Including grants.

[2] Excluding South Sudan.

[3] Excluding fragile countries.

[4] Fiscal year data.

[5] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA20. Official Grants
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**0.4**	**0.1**	**0.2**	**0.5**	**0.4**	**0.6**	**0.6**	**0.5**	**0.5**	**0.1**	**0.1**
Excluding Nigeria	**0.4**	**0.4**	**0.6**	**0.3**	**0.4**	**0.3**	**0.3**	**0.2**	**0.3**	**0.3**	**0.2**
Angola	...		0.5	0.1	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0
Cameroon	1.1	0.3	0.9	1.2	1.6	1.4	1.3	1.6	1.5	1.4	1.3
Chad	1.6	3.2	1.8	0.9	1.0	1.0	1.0	0.5	0.4	0.4	0.4
Congo, Rep. of	0.2	0.1	0.0	0.0	0.3	0.6	0.2	0.0	0.4	0.8	0.7
Equatorial Guinea	0.1	0.4	0.2	0.0	0.0	0.0	-0.1	-0.1	-0.1	-0.1	0.0
Gabon	-0.2	-0.7	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nigeria	0.4	-0.1	-0.1	0.7	0.5	0.8	0.9	0.6	0.7	0.0	0.0
South Sudan	...										
Middle-income countries[2]	**0.1**	**0.1**	**-0.2**	**0.0**	**0.2**	**0.2**	**0.1**	**0.3**	**0.3**	**0.2**	**0.1**
Excluding South Africa	**3.9**	**3.6**	**3.5**	**4.1**	**4.3**	**3.9**	**3.9**	**3.6**	**3.0**	**4.1**	**3.7**
Botswana	7.2	5.2	6.6	7.7	8.9	7.7	5.5	6.8	6.9	9.5	9.6
Cape Verde	5.3	5.7	4.7	4.4	5.1	6.7	5.4	6.4	3.7	0.9	1.9
Ghana	0.9	1.3	0.8	0.7	0.8	0.8	1.1	0.6	0.6	0.6	0.4
Lesotho	33.1	26.4	27.3	37.4	37.2	37.0	35.0	24.9	19.7	33.2	31.7
Mauritius	0.3	0.3	0.2	0.2	0.2	0.9	1.1	0.6	0.8	0.9	0.7
Namibia	10.8	9.7	8.9	11.6	11.1	12.5	13.9	10.9	10.4	13.4	12.6
Senegal	0.7	1.0	0.2	0.6	1.0	0.5	0.4	0.5	0.3	0.2	0.2
Seychelles	1.6	0.4	1.5	1.1	1.4	3.7	5.4	2.7	2.8	0.8	0.8
South Africa	-1.0	-0.8	-1.1	-1.1	-1.0	-1.1	-1.1	-0.7	-0.6	-1.1	-1.0
Swaziland	5.3	6.8	5.2	5.6	5.7	3.4	4.0	10.3	2.2	12.5	4.1
Zambia	1.9	0.8	1.8	1.9	2.6	2.2	2.4	1.5	0.8	0.6	0.7
Low-income and fragile countries	**4.0**	**4.0**	**3.9**	**4.3**	**4.2**	**3.9**	**4.1**	**4.2**	**3.7**	**3.0**	**2.7**
Low-income excluding fragile countries	**3.6**	**4.0**	**3.9**	**3.5**	**3.6**	**3.2**	**3.1**	**3.9**	**3.4**	**2.8**	**2.5**
Benin	2.8	3.2	2.1	3.1	2.8	3.0	3.9	3.0	1.8	2.3	2.1
Burkina Faso	3.4	3.2	3.3	3.0	4.3	3.4	4.4	3.9	4.2	3.3	2.9
Ethiopia[3]	5.7	5.6	6.1	5.7	6.1	4.9	4.9	6.4	5.9	4.1	4.0
Gambia, The	1.2	3.1	1.2	1.0	0.1	0.4	1.3	0.0	0.0	2.2	0.5
Kenya	0.0	0.0	0.0	0.2	0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0
Madagascar	1.5	3.3	1.4	1.3	0.6	0.8	0.1	0.0	0.7	0.3	0.3
Malawi	10.4	6.8	9.0	11.2	13.8	11.1	9.4	15.7	5.9	12.0	11.8
Mali	2.0	2.0	2.1	2.7	1.8	1.2	1.9	2.1	2.0	0.9	0.9
Mozambique	6.4	5.9	5.7	6.3	6.3	7.7	6.8	7.4	6.5	6.1	6.2
Niger	2.6	3.2	3.3	2.3	2.2	2.2	0.7	5.7	3.4	2.6	1.9
Rwanda	10.6	13.3	12.3	8.0	9.7	9.5	10.0	11.7	11.8	11.6	9.3
Sierra Leone	4.2	5.5	5.3	4.1	2.8	3.2	3.5	5.2	2.4	1.1	1.0
Tanzania	3.5	3.8	3.7	3.3	3.4	3.3	3.1	3.0	2.9	2.1	1.9
Uganda	5.3	8.2	7.5	4.3	4.2	2.2	1.6	2.7	3.0	2.0	1.4
Fragile countries	**5.1**	**3.9**	**3.8**	**6.3**	**5.7**	**5.9**	**6.9**	**4.9**	**4.4**	**3.7**	**3.3**
Burundi	17.2	14.2	19.8	15.7	15.6	20.5	15.7	18.0	11.0	8.0	7.5
Central African Republic	3.9	5.2	2.0	5.3	3.5	3.4	3.6	3.7	2.2	3.1	3.7
Comoros	0.8	-0.3	-0.5	1.1	2.0	1.6	2.2	9.2	0.0	2.3	1.0
Congo, Dem. Rep. of	6.4	5.0	3.9	8.7	7.4	7.2	11.1	6.7	5.1	4.4	4.3
Côte d'Ivoire	0.3	-0.1	-0.1	-0.2	0.8	1.1	2.2	0.8	1.4	0.4	0.4
Eritrea	6.9	15.1	9.3	4.1	3.1	2.8	2.6	5.2	3.2	1.2	0.5
Guinea	0.1	-0.1	0.0	0.1	0.2	0.4	0.0	0.0	2.2	0.8	1.0
Guinea-Bissau	5.8	6.1	4.0	7.1	5.1	6.4	8.0	3.5	2.8	3.3	4.7
Liberia	119.5	119.3	113.1	152.7	115.3	97.4	79.7	75.7	63.2	47.5	38.9
São Tomé & Príncipe	23.4	20.9	25.7	24.2	15.5	30.5	17.5	22.9	20.3	24.3	15.1
Togo	1.3	0.8	1.2	1.4	1.7	1.4	1.5	2.0	3.2	3.8	3.8
Zimbabwe[4]	5.1	1.5	1.5	6.5	6.0	10.2	10.6	3.0	2.6	3.5	3.0
Sub-Saharan Africa[1]	**1.0**	**1.0**	**0.8**	**1.1**	**1.1**	**1.2**	**1.2**	**1.2**	**1.1**	**0.8**	**0.7**
Median	2.7	3.2	2.1	2.8	2.7	2.5	2.5	3.0	2.3	2.1	1.4
Excluding Nigeria and South Africa	3.0	3.3	2.9	3.1	3.0	2.6	2.9	2.8	2.4	2.3	2.1
Oil-importing countries	**1.3**	**1.3**	**1.0**	**1.3**	**1.4**	**1.5**	**1.6**	**1.5**	**1.4**	**1.2**	**1.1**
Excluding South Africa	**4.0**	**3.9**	**3.7**	**4.2**	**4.2**	**3.9**	**4.1**	**4.0**	**3.5**	**3.4**	**3.0**
CFA franc zone	1.0	1.0	0.9	1.0	1.3	1.1	1.4	1.3	1.2	1.0	0.9
WAEMU	1.4	1.4	1.2	1.3	1.8	1.6	2.2	2.0	2.0	1.4	1.3
CEMAC	0.7	0.6	0.6	0.6	0.8	0.7	0.7	0.6	0.6	0.6	0.6
EAC-5	3.1	3.9	3.9	2.7	2.8	2.4	2.3	2.7	2.6	2.0	1.6
SADC	0.6	0.5	0.3	0.6	0.7	0.7	0.8	0.7	0.6	0.6	0.5
SACU	-0.1	-0.1	-0.4	-0.1	0.0	-0.1	-0.2	0.1	0.2	0.1	0.0
COMESA (SSA members)	3.7	3.8	3.7	3.9	3.9	3.5	3.9	4.0	3.1	2.8	2.4
MDRI countries	3.8	3.9	3.8	4.0	4.0	3.5	3.7	3.9	3.2	2.9	2.6
Countries with conventional exchange rate pegs	2.3	2.3	2.0	2.3	2.5	2.2	2.7	2.6	2.2	2.5	2.2
Countries without conventional exchange rate pegs	0.7	0.7	0.5	0.8	0.8	0.9	0.9	0.9	0.8	0.5	0.4
Sub-Saharan Africa	**1.0**	**1.0**	**0.8**	**1.1**	**1.1**	**1.2**	**1.2**	**1.2**	**1.1**	**0.8**	**0.7**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA21. Real Effective Exchange Rates[1]
(Annual average; index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries[2]	**130**	**112**	**124**	**133**	**134**	**147**	**145**	**149**	**152**
Excluding Nigeria	**136**	**122**	**127**	**137**	**143**	**154**	**166**	**157**	**161**
Angola	179	138	153	182	200	221	249	235	248
Cameroon	110	110	107	109	110	113	116	108	108
Chad	119	114	120	125	114	123	134	124	115
Congo, Rep. of	118	116	115	117	119	125	129	125	124
Equatorial Guinea	154	144	147	150	157	170	176	178	188
Gabon	106	105	106	102	107	111	111	107	106
Nigeria	127	108	123	131	129	143	134	145	147
South Sudan	...								
Middle-income countries[3]	**101**	**106**	**107**	**104**	**99**	**91**	**96**	**108**	**106**
Excluding South Africa	**107**	**103**	**107**	**109**	**107**	**107**	**104**	**109**	**108**
Botswana	99	109	104	99	90	90	101	110	109
Cape Verde	100	100	97	98	101	105	106	102	105
Ghana	109	100	109	114	114	108	100	106	101
Lesotho[3]	93	94	97	95	93	85	90	103	103
Mauritius	89	92	87	85	85	96	92	95	100
Namibia	105	112	111	107	101	93	102	114	113
Senegal	107	107	104	103	108	113	110	103	104
Seychelles	82	94	92	88	71	65	61	64	59
South Africa	100	107	107	103	97	86	94	109	106
Swaziland	107	112	111	108	105	100	105	114	114
Zambia	149	106	130	171	157	181	155	164	160
Low-income and fragile countries	**96**	**91**	**93**	**94**	**97**	**105**	**105**	**98**	**98**
Low-income excluding fragile countries	**94**	**88**	**92**	**93**	**95**	**104**	**103**	**96**	**96**
Benin	119	118	118	118	119	124	123	115	114
Burkina Faso	112	111	111	110	109	118	120	110	112
Ethiopia[4]	99	85	90	97	100	123	114	97	102
Gambia, The	56	51	54	54	59	62	57	55	51
Kenya	121	104	115	124	127	133	133	129	124
Madagascar	91	80	84	84	98	109	107	106	112
Malawi	71	72	73	71	69	71	78	73	71
Mali	110	107	109	108	109	116	117	111	111
Mozambique	84	84	84	83	82	91	85	72	86
Niger	111	109	112	108	108	119	122	114	114
Rwanda	77	69	75	79	79	83	90	87	84
Sierra Leone	72	69	69	72	73	78	79	76	77
Tanzania	69	72	70	66	65	69	72	68	63
Uganda	90	85	89	89	91	94	93	99	94
Fragile countries	**103**	**102**	**100**	**99**	**105**	**109**	**112**	**107**	**108**
Burundi	70	64	71	74	69	71	78	80	80
Central African Republic	112	108	107	112	113	122	124	118	117
Comoros	120	120	117	118	122	122	122	115	115
Congo, Dem. Rep. of	...								
Côte d'Ivoire	117	116	116	115	117	122	122	115	117
Eritrea	107	83	103	115	113	121	164	182	186
Guinea	73	82	65	57	81	79	82	76	73
Guinea-Bissau	112	109	110	109	112	121	119	115	118
Liberia	82	81	81	82	80	84	89	89	84
São Tomé & Príncipe	94	88	92	93	93	105	117	114	127
Togo	112	111	112	110	111	117	117	110	111
Zimbabwe[5]	...								
Sub-Saharan Africa[2]	**107**	**103**	**107**	**109**	**108**	**109**	**111**	**116**	**116**
Median	107	106	107	105	106	110	111	109	110
Excluding Nigeria and South Africa	125	101	124	128	131	140	143	137	115
Oil-importing countries	**99**	**100**	**102**	**100**	**98**	**96**	**99**	**104**	**103**
Excluding South Africa	**99**	**94**	**97**	**98**	**99**	**106**	**105**	**101**	**101**
CFA franc zone	115	113	113	113	114	120	122	116	116
WAEMU	113	112	112	111	112	119	119	112	113
CEMAC	116	114	114	115	116	122	126	120	120
EAC-5	91	86	90	91	92	97	98	97	92
SADC	102	104	105	104	101	96	103	112	111
SACU	100	107	107	103	97	87	94	109	106
COMESA (SSA members)	101	90	96	102	104	115	112	108	108
MDRI countries	97	92	95	97	98	105	103	98	98
Countries with conventional exchange rate pegs	113	112	112	112	113	118	121	116	116
Countries without conventional exchange rate pegs	106	101	106	108	107	108	109	116	115
Sub-Saharan Africa	**107**	**103**	**107**	**109**	**108**	**109**	**111**	**116**	**116**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] An increase indicates appreciation.

[2] Excluding South Sudan.

[3] Excluding fragile countries.

[4] Fiscal year data.

[5] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA22. Nominal Effective Exchange Rates[1]
(Annual average; index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011
Oil-exporting countries[2]	**58**	**58**	**57**	**59**	**58**	**60**	**54**	**51**	**49**
Excluding Nigeria	**47**	**46**	**45**	**46**	**47**	**48**	**49**	**44**	**43**
Angola	9	9	8	9	9	9	9	8	7
Cameroon	111	111	109	108	111	114	115	110	112
Chad	115	113	113	113	116	119	120	117	118
Congo, Rep. of	117	116	115	115	118	122	122	115	117
Equatorial Guinea	123	120	119	119	125	132	130	124	127
Gabon	109	108	108	108	110	112	111	107	108
Nigeria	68	68	67	69	66	69	58	57	53
South Sudan	...								
Middle-income countries[3]	**80**	**89**	**88**	**83**	**76**	**65**	**64**	**70**	**68**
Excluding South Africa	**69**	**75**	**73**	**71**	**66**	**62**	**55**	**56**	**53**
Botswana	78	97	88	76	67	62	65	68	65
Cape Verde	109	109	107	107	108	110	110	107	108
Ghana	45	49	48	47	44	38	29	29	26
Lesotho[3]	99	106	108	102	97	83	83	93	92
Mauritius	74	83	76	71	68	73	69	71	73
Namibia	86	94	94	89	82	72	75	83	81
Senegal	112	111	110	110	112	116	117	111	113
Seychelles	80	93	92	92	72	52	37	40	37
South Africa	84	94	93	88	79	66	67	76	73
Swaziland	91	99	97	93	88	80	81	86	85
Zambia	66	57	61	75	65	71	55	55	52
Low-income and fragile countries	**79**	**83**	**80**	**78**	**77**	**76**	**72**	**66**	**60**
Low-income excluding fragile countries	**77**	**80**	**79**	**77**	**76**	**75**	**70**	**63**	**57**
Benin	116	117	114	113	117	120	118	112	113
Burkina Faso	120	118	116	116	121	128	135	130	136
Ethiopia[4]	79	85	83	82	76	68	59	48	39
Gambia, The	41	37	39	39	42	45	40	38	35
Kenya	93	88	91	96	98	94	89	87	77
Madagascar	59	64	57	54	58	62	56	52	52
Malawi	40	47	43	38	36	37	38	35	33
Mali	113	112	111	111	114	117	118	114	115
Mozambique	54	59	57	51	49	52	48	37	42
Niger	115	115	113	113	116	120	121	116	117
Rwanda	61	61	62	63	60	59	60	59	58
Sierra Leone	56	63	57	56	52	51	48	40	35
Tanzania	59	66	63	57	55	56	53	49	43
Uganda	82	84	84	81	82	81	73	67	57
Fragile countries	**86**	**94**	**87**	**81**	**84**	**83**	**83**	**78**	**76**
Burundi	56	57	58	61	55	49	51	51	49
Central African Republic	108	108	106	106	109	112	111	107	108
Comoros	115	114	112	113	117	121	121	116	119
Congo, Dem. Rep. of	...								
Côte d'Ivoire	115	115	113	112	115	119	119	113	114
Eritrea	49	45	52	51	49	47	49	50	50
Guinea	40	67	42	28	33	29	29	24	20
Guinea-Bissau	117	116	116	115	118	120	120	116	116
Liberia	54	61	59	57	50	46	46	44	42
São Tomé & Príncipe	53	66	61	51	45	40	38	34	34
Togo	121	120	118	118	121	125	126	120	122
Zimbabwe[5]	...								
Sub-Saharan Africa[2]	**72**	**77**	**75**	**74**	**70**	**66**	**63**	**63**	**59**
Median	85	93	92	88	81	72	71	73	73
Excluding Nigeria and South Africa	61	65	64	59	58	57	54	50	47
Oil-importing countries	**80**	**87**	**85**	**81**	**76**	**69**	**67**	**68**	**64**
Excluding South Africa	**76**	**80**	**78**	**76**	**74**	**72**	**67**	**63**	**58**
CFA franc zone	114	114	112	112	115	119	120	114	116
WAEMU	115	115	113	113	116	120	121	116	118
CEMAC	113	112	111	111	114	118	118	113	114
EAC-5	76	77	77	76	75	75	70	66	59
SADC	66	73	71	68	62	56	56	58	56
SACU	84	94	93	87	79	66	67	76	73
COMESA (SSA members)	75	77	77	77	75	72	66	61	54
MDRI countries	76	79	77	76	74	73	67	62	57
Countries with conventional exchange rate pegs	110	110	109	108	111	113	113	110	111
Countries without conventional exchange rate pegs	66	71	69	68	64	59	55	55	52
Sub-Saharan Africa	**72**	**77**	**75**	**74**	**70**	**66**	**63**	**63**	**59**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] An increase indicates appreciation.

[2] Excluding South Sudan.

[3] Excluding fragile countries.

[4] Fiscal year data.

[5] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA23. External Debt to Official Creditors
(Percent of GDP)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**15.5**	**38.8**	**20.2**	**6.7**	**6.5**	**5.1**	**6.1**	**4.9**	**5.0**	**5.2**	**5.2**
Excluding Nigeria	**20.1**	**39.5**	**26.0**	**13.9**	**12.2**	**8.8**	**10.8**	**8.8**	**8.4**	**8.9**	**9.0**
Angola	14.5	36.2	15.9	7.9	6.5	5.8	8.3	8.7	7.5	7.2	6.8
Cameroon	18.0	40.4	33.4	5.6	5.3	5.1	5.5	6.5	7.6	9.2	10.3
Chad	27.0	34.2	27.6	28.6	25.1	19.4	24.1	20.0	20.6	21.2	24.4
Congo, Rep. of	57.2	77.3	64.0	46.6	55.4	42.5	39.1	8.7	10.6	15.9	17.8
Equatorial Guinea	2.5	6.1	3.0	1.6	1.1	0.6	5.0	4.9	6.7	8.2	8.8
Gabon	31.0	48.9	38.6	32.3	26.5	8.9	11.0	10.6	8.8	8.0	8.1
Nigeria	12.3	38.4	16.4	2.1	2.4	2.2	2.3	2.2	2.4	2.5	2.5
South Sudan	...										
Middle-income countries[2]	**5.6**	**9.0**	**7.1**	**3.7**	**4.0**	**4.2**	**5.2**	**5.0**	**5.0**	**5.9**	**6.1**
Excluding South Africa	**19.4**	**36.1**	**27.5**	**10.3**	**12.1**	**11.3**	**16.7**	**16.1**	**15.4**	**18.1**	**18.8**
Botswana	3.2	4.6	3.8	3.1	2.6	2.1	12.0	13.1	10.2	9.7	8.9
Cape Verde	49.8	58.6	50.8	52.3	47.2	40.3	47.3	50.0	52.2	62.3	68.9
Ghana	24.0	44.3	36.5	10.7	14.5	14.1	19.4	19.4	18.5	21.5	23.0
Lesotho	49.3	57.8	52.2	53.5	41.7	41.2	40.9	33.5	31.6	33.1	34.8
Mauritius	7.7	13.1	7.3	6.8	6.0	5.5	7.4	8.3	8.6	9.6	11.2
Namibia	4.7	5.1	4.4	4.5	5.1	4.3	4.8	4.3	6.5	8.4	7.9
Senegal	28.4	46.3	40.2	18.5	19.0	18.1	26.7	25.8	24.5	32.5	33.7
Seychelles	29.0	32.4	34.6	21.8	24.6	31.4	30.0	24.9	25.6	29.3	28.4
South Africa	2.0	2.3	2.0	1.9	1.8	1.9	1.8	2.0	2.0	2.1	2.0
Swaziland	...										
Zambia	39.2	114.4	57.5	5.0	10.3	8.6	12.3	10.8	10.9	13.1	12.9
Low-income and fragile countries	**51.5**	**72.0**	**63.6**	**50.1**	**38.2**	**33.4**	**32.8**	**27.7**	**27.7**	**24.9**	**25.0**
Low-income excluding fragile countries	**35.3**	**57.8**	**49.2**	**31.4**	**19.4**	**18.6**	**20.7**	**22.8**	**23.6**	**23.1**	**23.5**
Benin	22.2	33.8	37.3	11.6	12.7	15.7	16.3	18.1	16.5	17.0	17.3
Burkina Faso	28.5	43.5	38.6	20.9	19.8	19.5	23.1	24.0	22.8	26.7	26.7
Ethiopia[3]	36.2	71.6	48.1	39.6	11.2	10.5	12.8	18.1	20.9	18.2	19.0
Gambia, The	83.8	113.7	110.5	115.7	41.8	37.2	40.4	39.1	39.5	42.6	40.5
Kenya	26.1	35.5	28.9	24.4	21.4	20.4	22.3	23.3	24.6	22.8	21.8
Madagascar	44.6	78.4	66.5	28.8	26.0	23.4	29.4	28.7	25.9	25.7	25.3
Malawi	53.8	112.6	107.2	16.9	15.8	16.6	15.9	16.0	16.2	21.4	22.3
Mali	30.8	48.4	48.3	19.9	18.7	18.9	20.7	28.4	25.6	27.7	24.8
Mozambique	54.2	77.5	70.7	45.5	40.8	36.6	37.3	37.6	33.2	32.6	33.8
Niger	31.2	58.9	51.6	15.8	15.9	14.0	20.1	17.6	16.6	20.4	23.6
Rwanda	36.8	80.2	58.3	15.6	15.3	14.4	14.1	13.9	15.9	16.4	15.8
Sierra Leone	72.4	120.4	107.8	83.9	24.8	24.8	28.8	30.7	29.7	24.8	24.9
Tanzania	36.3	52.8	49.1	35.5	22.0	22.2	25.5	27.7	30.0	28.8	30.1
Uganda	32.9	55.1	44.9	41.3	11.4	12.0	13.8	14.9	18.0	19.0	21.1
Fragile countries	**91.2**	**101.7**	**96.8**	**95.9**	**86.8**	**74.8**	**67.8**	**41.0**	**38.3**	**29.8**	**29.5**
Burundi	119.8	151.0	130.4	115.2	108.2	94.2	21.6	22.5	21.2	21.9	21.8
Central African Republic	66.3	80.7	75.3	70.1	54.6	50.7	16.7	18.6	16.2	17.9	16.6
Comoros	74.2	86.8	67.7	73.4	79.4	63.7	53.1	47.9	41.2	40.1	36.4
Congo, Dem. Rep. of	144.7	175.6	162.7	138.6	129.4	117.2	123.4	34.8	30.1	31.6	33.5
Côte d'Ivoire	54.7	61.8	55.4	59.2	53.7	43.6	40.6	39.0	40.9	15.6	13.6
Eritrea	58.9	54.0	62.5	58.0	58.0	61.9	49.1	45.8	35.8	29.0	25.0
Guinea	91.3	89.7	110.1	109.8	78.0	68.6	69.6	64.0	61.8	62.2	63.8
Guinea-Bissau	164.6	195.4	179.2	176.8	149.0	122.7	127.8	19.0	17.9	21.0	20.9
Liberia	572.8	784.5	693.6	635.1	463.6	287.0	145.4	8.8	8.3	12.1	18.4
São Tomé & Príncipe	194.7	287.2	256.6	266.0	103.8	60.0	33.6	78.2	80.9	83.5	76.6
Togo	79.6	93.1	76.9	85.4	86.5	56.0	55.1	17.2	15.5	18.3	21.0
Zimbabwe[4]	72.8	64.9	61.4	68.1	74.6	94.8	87.1	69.5	57.4	51.8	48.8
Sub-Saharan Africa[1]	**18.3**	**31.0**	**23.0**	**14.2**	**12.1**	**11.0**	**12.2**	**9.8**	**9.7**	**9.8**	**10.1**
Median	37.5	58.6	51.6	32.3	24.6	20.4	23.1	19.4	20.6	21.2	21.8
Excluding Nigeria and South Africa	35.1	55.6	45.0	30.3	24.3	20.4	22.8	19.2	18.5	18.2	18.6
Oil-importing countries	**20.0**	**28.1**	**24.1**	**18.0**	**15.1**	**14.8**	**15.4**	**12.4**	**12.3**	**12.6**	**13.1**
Excluding South Africa	**41.4**	**60.8**	**52.3**	**37.3**	**30.0**	**26.6**	**28.3**	**24.1**	**23.7**	**22.8**	**23.2**
CFA franc zone	33.4	49.3	41.9	28.5	26.5	20.7	22.7	18.6	18.2	16.5	16.9
WAEMU	41.3	55.5	50.3	37.1	34.5	29.3	31.1	28.4	27.7	22.4	22.0
CEMAC	25.6	42.4	33.5	20.3	18.9	13.1	13.8	9.2	9.7	11.4	12.3
EAC-5	33.3	50.0	42.5	32.6	21.0	20.3	20.8	22.1	24.0	23.2	23.5
SADC	11.8	17.5	14.0	9.7	8.9	9.1	10.3	7.6	7.3	7.9	8.0
SACU	2.4	2.8	2.4	2.3	2.1	2.1	2.5	2.6	2.6	2.8	2.7
COMESA (SSA members)	45.0	70.9	56.7	39.9	30.1	27.4	28.5	22.4	22.6	22.0	22.2
MDRI countries	44.0	71.1	59.7	36.1	28.3	24.8	25.8	20.0	20.0	21.7	22.6
Countries with conventional exchange rate pegs	32.3	46.8	40.0	28.1	26.0	20.7	22.6	18.7	18.3	17.1	17.4
Countries without conventional exchange rate pegs	14.9	27.2	19.0	11.1	8.9	8.5	9.6	7.7	7.7	8.2	8.5
Sub-Saharan Africa	**18.3**	**31.0**	**23.0**	**14.2**	**12.1**	**11.0**	**12.2**	**9.8**	**9.7**	**9.8**	**10.1**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA24. Terms of Trade on Goods
(Index, 2000 = 100)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**131**	**104**	**125**	**133**	**137**	**154**	**123**	**138**	**156**	**157**	**157**
Excluding Nigeria	**128**	**96**	**121**	**130**	**137**	**155**	**119**	**137**	**161**	**161**	**162**
Angola	143	98	130	146	158	182	130	155	193	194	194
Cameroon	110	88	106	119	118	119	101	117	120	112	115
Chad	148	100	135	145	157	204	160	201	261	267	262
Congo, Rep. of	110	106	117	108	116	105	101	120	120	115	116
Equatorial Guinea	138	115	144	129	126	175	139	127	142	165	166
Gabon	130	95	117	132	141	166	121	140	162	161	152
Nigeria	133	110	127	135	137	153	128	140	153	155	155
South Sudan	...										
Middle-income countries[2]	**113**	**107**	**108**	**115**	**117**	**119**	**124**	**131**	**130**	**125**	**122**
Excluding South Africa	**102**	**100**	**99**	**105**	**104**	**104**	**99**	**100**	**92**	**87**	**85**
Botswana	99	100	100	100	99	99	91	94	91	87	88
Cape Verde	123	115	131	137	83	148	124	132	140	137	141
Ghana	80	93	85	78	75	68	67	60	42	39	36
Lesotho	65	74	64	64	62	60	54	51	51	50	53
Mauritius	106	106	104	102	112	104	104	100	96	94	93
Namibia	105	96	104	109	111	105	98	97	97	93	91
Senegal	107	100	98	106	97	133	125	122	127	127	129
Seychelles	82	94	85	79	78	72	80	74	69	70	71
South Africa	116	108	111	118	121	124	132	141	143	138	135
Swaziland	83	100	89	76	74	75	91	81	79	66	64
Zambia	182	127	140	215	228	200	167	226	236	219	210
Low-income and fragile countries	**96**	**94**	**89**	**94**	**101**	**102**	**100**	**107**	**121**	**118**	**112**
Low-income excluding fragile countries	**83**	**80**	**78**	**81**	**87**	**89**	**87**	**94**	**102**	**100**	**93**
Benin	156	116	98	160	215	193	293	375	394	353	318
Burkina Faso	63	70	59	56	62	70	56	39	40	44	42
Ethiopia[3]	46	45	43	44	46	51	37	51	74	69	54
Gambia, The	103	141	97	112	90	75	76	67	59	59	67
Kenya	84	87	84	87	84	78	96	102	101	91	82
Madagascar	142	102	105	108	191	205	153	144	148	147	147
Malawi	36	47	37	33	31	31	37	41	42	35	44
Mali	115	118	142	127	98	91	87	63	57	62	68
Mozambique	111	101	106	118	118	111	110	129	152	171	183
Niger	121	102	106	107	131	161	158	146	160	181	173
Rwanda	101	87	94	99	120	105	109	118	126	117	114
Sierra Leone	104	104	109	103	102	101	98	105	105	113	104
Tanzania	55	57	51	51	55	60	65	69	69	71	73
Uganda	86	75	76	83	95	100	102	105	105	108	110
Fragile countries	**131**	**137**	**118**	**128**	**138**	**134**	**136**	**142**	**177**	**166**	**166**
Burundi	116	111	139	113	105	112	111	169	154	128	127
Central African Republic	61	68	67	63	58	47	62	59	57	60	63
Comoros	106	195	102	96	79	59	91	96	130	126	134
Congo, Dem. Rep. of	643	530	435	675	843	732	592	709	610	533	531
Côte d'Ivoire	92	94	85	90	92	100	111	110	109	97	97
Eritrea	58	62	87	66	46	29	23	24	202	309	312
Guinea	46	79	45	34	39	31	32	29	21	20	20
Guinea-Bissau	83	105	95	68	79	67	67	80	104	79	81
Liberia	...										
São Tomé & Príncipe	63	63	70	67	58	55	67	68	62	66	61
Togo	69	83	75	58	60	70	69	65	66	68	68
Zimbabwe[4]	...										
Sub-Saharan Africa[1]	**115**	**103**	**109**	**116**	**120**	**127**	**121**	**131**	**140**	**137**	**134**
Median	100	100	99	102	98	101	99	103	107	110	107
Excluding Nigeria and South Africa	107	97	100	107	112	118	108	117	128	125	122
Oil-importing countries	**108**	**103**	**102**	**108**	**112**	**113**	**116**	**123**	**127**	**122**	**118**
Excluding South Africa	**98**	**96**	**92**	**97**	**102**	**102**	**100**	**105**	**111**	**107**	**102**
CFA franc zone	109	96	104	108	111	124	117	120	126	126	126
WAEMU	100	97	92	97	100	112	116	109	110	109	108
CEMAC	115	93	113	116	119	133	112	123	134	136	135
EAC-5	75	74	72	74	78	77	86	91	91	88	85
SADC	121	109	113	122	129	133	131	143	150	146	144
SACU	114	107	110	116	119	121	128	136	137	132	129
COMESA (SSA members)	117	108	106	118	129	125	117	134	159	150	138
MDRI countries	105	97	97	105	111	113	105	115	117	113	109
Countries with conventional exchange rate pegs	106	96	103	106	108	119	113	115	132	132	132
Countries without conventional exchange rate pegs	117	105	111	118	123	128	122	134	141	138	135
Sub-Saharan Africa	**115**	**103**	**109**	**116**	**120**	**127**	**121**	**131**	**140**	**137**	**134**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

Table SA25. Reserves
(Months of imports of goods and services)

	2004-08	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Oil-exporting countries[1]	**7.3**	**4.6**	**6.8**	**8.3**	**7.1**	**9.7**	**6.6**	**4.8**	**5.2**	**5.9**	**6.6**
Excluding Nigeria	**3.7**	**1.7**	**2.9**	**4.4**	**3.8**	**5.8**	**5.1**	**4.7**	**6.0**	**6.6**	**7.6**
Angola	3.1	1.1	2.4	3.9	3.1	5.1	4.6	5.2	7.1	7.8	9.2
Cameroon	3.7	2.3	2.3	3.4	4.4	5.9	6.8	4.9	4.3	3.2	2.0
Chad	2.2	1.1	0.8	2.2	2.9	4.1	1.6	1.5	2.6	3.3	4.7
Congo, Rep. of	4.4	0.5	2.3	4.9	4.7	9.6	6.9	6.4	8.0	11.0	13.3
Equatorial Guinea	6.9	3.2	7.9	9.7	6.6	7.2	5.1	3.0	3.6	4.1	4.1
Gabon	3.5	2.2	2.8	3.8	3.6	5.5	5.0	3.6	4.3	4.7	5.3
Nigeria	9.8	6.5	9.4	10.8	9.5	12.7	7.9	4.8	4.5	5.5	6.0
South Sudan	...										
Middle-income countries[2]	**3.7**	**3.0**	**3.3**	**3.4**	**3.8**	**4.9**	**4.6**	**4.0**	**4.3**	**4.3**	**4.3**
Excluding South Africa	**5.6**	**5.8**	**5.7**	**5.4**	**5.5**	**5.7**	**5.7**	**4.6**	**4.8**	**5.0**	**5.1**
Botswana	21.5	19.0	21.9	21.9	22.7	22.1	17.4	12.6	13.5	15.1	16.2
Cape Verde	3.1	2.6	2.6	2.9	3.6	4.0	4.3	3.4	3.3	3.0	3.1
Ghana	2.4	2.9	2.5	2.5	1.9	1.9	2.9	2.9	3.2	2.9	3.1
Lesotho	4.7	3.6	3.6	4.2	5.8	6.5	5.3	3.9	3.4	3.7	4.2
Mauritius	3.7	4.7	3.4	2.9	3.4	4.1	4.3	4.0	4.1	3.9	4.1
Namibia	2.0	1.5	1.3	1.5	2.4	3.2	4.4	3.2	3.1	2.9	2.7
Senegal	3.5	4.4	3.5	3.0	2.8	3.6	4.9	4.1	3.9	3.9	3.7
Seychelles	0.7	0.5	0.7	1.2	0.4	0.7	2.0	2.2	2.4	2.7	2.8
South Africa	3.1	2.3	2.6	2.8	3.3	4.6	4.2	3.8	4.2	4.1	4.0
Swaziland	2.5	1.7	1.3	1.8	4.2	3.8	4.4	3.0	2.9	3.2	2.6
Zambia	2.2	1.5	2.1	1.9	2.4	3.2	4.0	3.3	3.3	3.5	3.7
Low-income and fragile countries	**3.3**	**3.9**	**3.2**	**3.1**	**3.3**	**3.3**	**3.8**	**3.5**	**3.4**	**3.2**	**3.2**
Low-income excluding fragile countries	**3.9**	**4.7**	**3.8**	**3.7**	**3.8**	**3.6**	**4.1**	**3.7**	**3.5**	**3.3**	**3.2**
Benin	7.0	7.5	6.9	6.1	7.0	7.7	7.2	7.1	5.1	4.2	3.7
Burkina Faso	4.9	5.7	3.6	4.0	5.6	5.7	6.0	3.9	3.0	2.8	2.4
Ethiopia[3]	2.2	4.1	2.3	1.7	1.9	1.1	2.2	2.5	2.8	1.7	1.5
Gambia, The	3.9	3.2	3.8	4.3	4.5	3.7	6.6	5.7	5.8	5.9	5.8
Kenya	2.9	2.7	2.6	2.9	3.2	3.0	3.4	3.2	3.0	3.5	3.7
Madagascar	2.5	2.9	2.5	2.0	2.1	3.0	4.2	3.8	4.0	3.7	3.0
Malawi	1.3	1.2	1.4	1.1	1.2	1.5	0.7	1.7	1.1	1.1	2.1
Mali	4.6	5.6	4.8	4.6	3.5	4.6	5.1	4.2	5.0	3.9	2.6
Mozambique	4.0	4.7	3.7	3.8	3.8	4.2	5.4	4.6	5.0	5.3	5.4
Niger	3.2	2.9	2.8	3.5	3.6	3.3	2.9	2.8	2.2	2.8	2.9
Rwanda	5.4	5.9	6.2	5.6	4.7	4.7	5.4	4.5	5.2	5.0	4.4
Sierra Leone	4.3	3.3	4.5	4.6	4.4	4.6	4.6	2.4	2.8	2.9	2.8
Tanzania	4.8	6.5	4.7	4.1	4.5	4.2	4.5	4.1	3.3	3.3	3.4
Uganda	6.2	7.1	6.0	6.5	6.1	5.0	5.8	4.7	4.2	4.3	4.3
Fragile countries	**1.9**	**2.1**	**1.6**	**1.8**	**2.0**	**2.2**	**3.0**	**3.0**	**3.1**	**3.0**	**3.0**
Burundi	3.6	2.2	2.1	3.5	3.6	6.4	4.6	4.4	4.0	3.8	4.1
Central African Republic	4.2	6.3	5.2	3.8	2.1	3.4	5.2	4.3	3.6	3.8	3.9
Comoros	6.4	9.0	6.6	5.8	5.5	5.3	6.6	5.5	6.1	5.8	5.7
Congo, Dem. Rep. of	0.4	0.9	0.4	0.3	0.2	0.1	1.2	1.3	1.3	1.4	1.5
Côte d'Ivoire	2.8	2.8	2.2	2.6	3.1	3.1	3.9	4.6	4.7	4.9	5.0
Eritrea	1.0	0.7	0.7	0.8	1.1	1.6	2.2	2.3	2.6	3.8	4.4
Guinea	0.9	1.3	0.9	0.8	0.7	1.0	2.7	1.5	3.0	1.8	1.8
Guinea-Bissau	5.3	5.6	5.5	4.6	5.3	5.6	7.6	5.5	11.7	8.8	7.9
Liberia	0.5	0.2	0.2	0.5	0.7	1.2	2.5	2.5	2.4	2.0	2.2
São Tomé & Príncipe	4.7	3.9	3.6	4.9	4.2	7.2	6.2	4.1	3.9	4.6	4.4
Togo	3.2	3.5	1.9	3.1	3.2	4.2	4.6	4.1	4.4	4.5	4.4
Zimbabwe[4]	0.5	0.5	0.5	0.6	0.5	0.2	0.8	0.4	0.4	0.3	0.3
Sub-Saharan Africa[1]	**4.8**	**3.6**	**4.3**	**5.0**	**4.9**	**6.4**	**5.1**	**4.2**	**4.4**	**4.7**	**4.9**
Median	3.3	2.9	2.6	3.4	3.5	4.2	4.6	3.9	3.8	3.8	3.8
Excluding Nigeria and South Africa	4.0	3.8	3.7	4.0	4.0	4.6	4.6	4.1	4.6	4.7	5.0
Oil-importing countries	**3.5**	**3.3**	**3.2**	**3.3**	**3.7**	**4.3**	**4.3**	**3.8**	**4.0**	**3.9**	**3.9**
Excluding South Africa	**4.1**	**4.5**	**4.0**	**3.9**	**4.0**	**4.0**	**4.4**	**3.9**	**3.9**	**3.8**	**3.7**
CFA franc zone	4.1	3.3	3.3	4.1	4.2	5.4	5.2	4.3	4.4	4.5	4.5
WAEMU	3.9	4.3	3.4	3.5	3.8	4.2	4.8	4.5	4.3	4.1	3.8
CEMAC	4.2	2.2	3.3	4.7	4.5	6.4	5.6	4.1	4.6	4.9	5.2
EAC-5	4.3	5.0	4.2	4.2	4.3	4.0	4.4	3.9	3.5	3.7	3.8
SADC	3.6	2.9	3.1	3.4	3.7	4.9	4.5	4.1	4.7	4.8	5.1
SACU	3.9	3.0	3.3	3.5	4.1	5.3	4.7	4.1	4.5	4.5	4.5
COMESA (SSA members)	2.7	3.1	2.6	2.6	2.8	2.7	3.3	3.0	3.0	2.9	2.9
MDRI countries	3.5	3.9	3.3	3.3	3.4	3.8	4.4	3.8	3.8	3.5	3.4
Countries with conventional exchange rate pegs	3.9	3.1	3.1	3.9	4.1	5.2	5.1	4.1	4.3	4.4	4.4
Countries without conventional exchange rate pegs	5.0	3.7	4.5	5.2	5.0	6.6	5.1	4.2	4.5	4.7	5.0
Sub-Saharan Africa	**4.8**	**3.6**	**4.3**	**5.0**	**4.9**	**6.4**	**5.1**	**4.2**	**4.4**	**4.7**	**4.9**

Sources: IMF, African Department database, September 19, 2012; and IMF, World Economic Outlook (WEO) database, September 19, 2012.

[1] Excluding South Sudan.

[2] Excluding fragile countries.

[3] Fiscal year data.

[4] In constant 2009 U.S. dollars. The Zimbabwe dollar ceased circulating in early 2009. Data are based on IMF staff estimates of price and exchange rate developments in U.S. dollars. Staff estimates of U.S. dollar values may differ from authorities' estimates.

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09/20
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Wakeman-Linn, John, Rafael A. Portillo, Plamen Iossifov, and Dimitre Milkov

09/16
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WORKING PAPERS

12/208
Exchange Rate and Foreign Interest Rate Linkages for Sub-Saharan Africa Floaters
Thomas, Alun

12/196
A Financial Conditions Index for South Africa
Gumata, Nombulelo, Nir Klein, and Eliphas Ndou

12/177
Estimating the Implicit Inflation Target of the South African Reserve Bank
Klein, Nir

12/160
Monetization in Low- and Middle-Income Countries
McLoughlin, Cameron, and Noriaki Kinoshita

12/148
The Relationship between the Foreign Exchange Regime and Macroeconomic Performance in Eastern Africa
Stotsky, Janet Gale, Manuk Ghazanchyan, Olumuyiwa Adedeji, and Nils O. Maehle

12/141
Exchange Rate Pass-Through in Sub-Saharan African Economies and its Determinants
Razafimahefa, Ivohasina Fizara

12/136
Welfare Effects of Monetary Integration: The Common Monetary Area and Beyond
Asonuma, Tamon, Xavier Debrun, and Paul R. Masson

12/127
As You Sow So Shall You Reap: Public Investment Surges, Growth, and Debt Sustainability in Togo
Andrle, Michal, Antonio David, Raphael A. Espinoza, Marshall Mills, and Luis-Felipe Zanna

12/119
Tracking Short-Term Dynamics of Economic Activity in Low-Income Countries in the Absence of High-Frequency GDP Data
Opoku-Afari, Maxwell, and Shiv Dixit

12/108
Mobilizing Revenue in Sub-Saharan Africa: Empirical Norms and Key Determinants
Drummond, Paulo,Wendell Daal, Nandini Srivastava, and Luiz E. Oliveira

12/94
Monetary Policy in Low-Income Countries in the Face of the Global Crisis: The Case of Zambia
Baldini, Alfredo, Jaromir Benes, Andrew Berg, Mai Dao, and Rafael Portillo

12/93
Fiscal Policies and Rules in the Face of Revenue Volatility Within Southern Africa Customs Union Countries (SACU)
Basdevant, Olivier

12/92
Real Wage, Labor Productivity, and Employment Trends in South Africa: A Closer Look
Klein, Nir

12/73
Exchange Rate Volatility Under Peg: Do Trade Patterns Matter?
Lonkeng Ngouana, Constant

12/32
Assessing Bank Competition within the East African Community
Sanya, Sarah and Matthew Gaertner,

12/20
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12/18
Capital Market Integration: Progress Ahead of the East African Community Monetary Union
Yabara, Masafumi

12/7
International Reserves in Low-Income Countries: Have They Served as Buffers?
Cripolti,Valerio and George Tsibouris

11/294
Inflation Differentials in the GCC: Does the Oil Cycle Matter?
Mohaddes, Kamiar and Oral Williams

11/281
Effectiveness of Capital Controls in Selected Emerging Markets in the 2000s
Baba, Chikako and Annamaria Kokenyne

11/280
How Costly Are Debt Crises?
Furceri, Davide and Aleksandra Zdzienicka

11/275
Monetary Policy Transmission in Ghana: Does the Interest Rate Channel Work?
Kovanen, Arto

11/274
Does Money Matter for Inflation in Ghana?
Kovanen, Arto

11/273
On the Stability of Monety Demand in Ghana: A Bounds Testing Approach
Dagher, Jihad and Arto Kovanen

11/268
Oil-Price Boom and Real Exchange Rate Appreciation: Is There Dutch Disease in the CEMAC?
Treviño, Juan Pedro

11/266
The Design of Fiscal Adjustment Strategies in Botswana, Lesotho, Namibia, and Swaziland
Basdevant, Olivier, Dalmacio Benicio, Borislava Mircheva, Joannes Mongardini, Geneviève Verdier, Susan Yang, and Luis-Felipe Zanna

11/246
Do Remittances Reduce Aid Dependency?
Kpodar, Kangni and Maelan Le Goff

11/233
Determinants of Non-oil Growth in the CFA-Zone Oil Producing Countries: How do they Differ?
Tabova, Alexandra and Carol L. Baker

11/232
Inflation Dynamics in the CEMAC Region
Caceres, Carlos, Marcos Poplawski-Ribeiro, and Darlena Tartari

11/207
External Sustainability of Oil-Producing Sub-Saharan African Countries
Takebe, Misa, and Robert C. York

11/205
The Cyclicality of Fiscal Policies in the CEMAC Region
Mpatswe, Gaston K., Sampawende J. Tapsoba, and Robert C. York

11/204
South Africa: The Cyclical Behavior of the Markups and Its Implications for Monetary Policy
Klein, Nir

11/202
Burkina Faso—Policies to Protect the Poor from the Impact of Food and Energy Price Increases
Arze del Granado, Javier, and Isabell Adenauer

11/198
De Jure versus De Facto Exchange Rate Regimes in Sub-Saharan Africa
Slavov, Slavi T.

11/196
Financial Deepening, Property Rights and Poverty: Evidence from Sub-Saharan Africa
Singh, Raju Jan, and Yifei Huang

11/178
FDI from BRICs to LICs: Emerging Growth Driver?
Mlachila, Montfort, and Misa Takebe

11/176
Determinants of Interest Rate Pass-Through: Do Macroeconomic Conditions and Financial Market Structure Matter?
Gigineishvili, Nikoloz

11/174
The Quest for Higher Growth in the WAEMU Region: The Role of Accelerations and Decelerations
Kinda, Tidiane, and Montfort Mlachila

11/172
Fiscal Policy Implementation in Sub-Saharan Africa
Lledo, Victor Duarte, and Marcos Poplawski Ribeiro

11/149
Post-Conflict Recovery: Institutions, Aid, or Luck?
David, Antonio, Fabiano Rodrigues Bastos, and Marshall Mills

11/104
Ghana: Will It Be Gifted, or Will It Be Cursed?
Aydin, Burcu

11/102
Oil Spill(over)s: Linkages in Petroleum Product Pricing Policies in West African Countries
David, Antonio, Mohamed El Harrak, Marshall Mills, and Lorraine Ocampos

11/80
Feeling the Elephant's Weight: The Impact of Côte d'Ivoire's Crisis on WAEMU Trade
Egoumé-Bossogo, Philippe and Ankouvi Nayo

11/73
ICT, Financial Inclusion, and Growth Evidence from African Countries
Andrianaivo, Mihasonirina, and Kangni Kpodar

11/20
Feeling the Elephant's Weight: The Impact of Côte d'Ivoire's Crisis on WAEMU Trade
Egoumé-Bossogo, Philippe, and Nayo Ankouvi

11/69
Fiscal Sustainability and the Fiscal Reaction Function for South Africa
Burger, Philippe, Alfredo Cuevas, Ian Stuart, and Charl Jooste

11/64
Reviving the Competitive Storage Model: A Holistic Approach to Food Commodity Prices
Miao, Yanliang, Weifeng Wu, and Norbert Funke

11/59
Inflation Uncertainty and Relative Price Variability in WAEMU
Fernandez Valdovinos, Carlos, and Kerstin Gerling

11/57
Modeling Inflation in Chad
Kinda, Tidiane

11/48
Fiscal Expectations under the Stability and Growth Pact: Evidence from Survey Data
Poplawski-Ribeiro, Marcos and Jan-Christoph Rulke

11/40
Growth in Africa under Peace and Market Reforms
Korbut, Olessia, Gonzalo Salinas, and Cheikh A. Gueye

11/9
Capital Flows, Exchange Rate Flexibility, and the Real Exchange Rate
Kinda, Tidiane, Jean-Louis Combes, and Patrick Plane

10/292
Weathering the Global Storm: The Benefits of Monetary Policy Reform in the LA5 Countries
Canales Kriljenko, Jorge Iván, Luis Ignacio Jácome, Ali Alichi, and Ivan Luis de Oliveira Lima

10/269
Export Tax and Pricing Power: Two Hypotheses on the Cocoa Market in Côte d'Ivoire
Kireyev, Alexei

10/225
What Can International Cricket Teach Us About the Role of Luck in Labor Markets?
Aiyar, Shekhar, and Rodney Ramcharan

10/217
Performance of Fiscal Accounts in South Africa in a Cross-Country Setting
Aydin, Burcu

10/216
Cyclicality of Revenue and Structural Balances in South Africa
Aydin, Burcu

10/210
Mother, Can I Trust the Government? Sustained Financial Deepening—A Political Institutions View
Quintyn, Marc, and Geneviève Verdier

10/195
Islamic Banking: How Has It Diffused?
Imam, Patrick A., and Kangni Kpodar

10/191
A Macro Model of the Credit Channel in a Currency Union Member: The Case of Benin
Samaké, Issouf

10/166
How Do International Financial Flows to Developing Countries Respond to Natural Disasters?
David, Antonio

10/162
Exchange Rate Assessment for Sub-Saharan Economies
Aydin, Burcu

10/148
Balance Sheet Vulnerabilities of Mauritius during a Decade of Shocks
Imam, Patrick A., and Rainer Koehler

10/140
Beyond Aid: How Much Should African Countries Pay to Borrow?
Gueye, Cheikh A., and Amadou N.R. Sy

10/136
Banking Efficiency and Financial Development in Sub-Saharan Africa
Kablan, Sandrine

10/132
FDI Flows to Low-Income Countries: Global Drivers and Growth Implications
Dabla-Norris, Era, Jiro Honda, Amina Lahrèche-Révil, and Geneviève Verdier

10/118
The Linkage between the Oil and Nonoil Sectors—A Panel VAR Approach
Klein, Nir

10/115
Short- versus Long-Term Credit and Economic Performance: Evidence from the WAEMU
Kpodar, Kangni and Kodzo Gbenyo

10/80
Budget Institutions and Fiscal Performance in Low-Income Countries
Dabla-Norris, Era, Richard Allen, Luis-Felipe Zanna, Tej Prakash, Eteri Kvintradze, Victor Duarte Lledo, Irene Yackovlev, and Sophia Gollwitzer

10/66
ICT Equipment Investment and Growth in Low- and Lower-Middle-Income Countries
Haacker, Markus

10/58
The Real Exchange Rate and Growth Revisited: The Washington Consensus Strikes Back?
Berg, Andrew, and Yanliang Miao

10/49
Firm Productivity, Innovation, and Financial Development
Dabla-Norris, Era, Eramus Kersting, and Geneviève Verdier

09/274
Cyclical Patterns of Government Expenditures in Sub-Saharan Africa: Facts and Factors
Lledo, Victor, Irene Yackovlev, and Lucie Gadenne

09/269
A Framework to Assess the Effectiveness of IMF Technical Assistance in National Accounts
Pastor, Gonzalo C.

09/260
Improving Surveillance across the CEMAC Region
Iossifov, Plamen, Noriaki Kinoshita, Misa Takebe, Robert C. York, and Zaijin Zhan

09/244
A Rule Based Medium-Term Fiscal Policy Framework for Tanzania
Kim, Daehaeng, and Mika Saito

09/227
Analyzing Fiscal Space Using the MAMS Model: An Application to Burkina Faso
Gottschalk, Jan, Vu Manh Le, Hans Lofgren, and Kofi Nouve

09/216
Determinants and Macroeconomic Impact of Remittances in Sub-Saharan Africa
Singh, Raju Jan, Markus Haacker, and Kyung-woo Lee

09/215
São Tomé and Príncipe: Domestic Tax System and Tax Revenue Potential
Farhan, Nisreen

09/192
The Gambia: Demand for Broad Money and Implications for Monetary Policy Conduct
Sriram, Subramanian S.

09/182
Understanding the Growth of African Markets
Yartey, Charles Amo, and Mihasonirina Andrianaivo

09/180
Credit Growth in Sub-Saharan Africa—Sources, Risks, and Policy Responses
Iossifov, Plamen, and May Y. Khamis

09/155
Spillovers from the Rest of the World into Sub-Saharan African Countries
Drummond, Paulo, Flavio Nacif, and Gustavo Ramirez

09/148
In Search of Successful Inflation Targeting: Evidence from an Inflation Targeting Index
Miao, Yanliang

09/146
Introducing the Euro as Legal Tender—Benefits and Costs of Eurorization for Cape Verde
Imam, Patrick A.

09/115
The Macroeconomics of Scaling Up Aid: The Gleneagles Initiative for Benin
Mongardini, Joannes, and Issouf Samaké

09/114
Sub-Saharan Africa's Integration in the Global Financial Markets
Deléchat, Corinne, Gustavo Ramirez, Smita Wagh, and John Wakeman-Linn

09/113

Financial Deepening in the CFA Franc Zone: The Role of Institutions

Singh, Raju, Kangni Kpodar, and Dhaneshwar Ghura

09/107

Madagascar: A Competitiveness and Exchange Rate Assessment

Eyraud, Luc

09/98

Understanding Inflation Inertia in Angola

Klein, Nir, and Alexander Kyei

09/75

Grants, Remittances, and the Equilibrium Real Exchange Rate in Sub-Saharan African Countries

Mongardini, Joannes, and Brett Rayner

09/37

Dedollarization in Liberia—Lessons from Cross-Country Experience

Erasmus, Lodewyk, Jules Leichter, and Jeta Menkulasi

09/36

The Macroeconomic Impact of Scaled-Up Aid: The Case of Niger

Farah, Abdikarim, Emilio Sacerdoti, and Gonzalo Salinas

09/27

The Value of Institutions for Financial Markets: Evidence from Emerging Markets

Akitoby, Bernardin, and Thomas Stratmann

09/25

Why Isn't South Africa Growing Faster? A Comparative Approach

Eyraud, Luc

09/15

The Determinants of Commercial Bank Profitability in Sub-Saharan Africa

Flamini, Valentina, Calvin A. McDonald, and Liliane Schumacher

09/14

Bank Efficiency in Sub-Saharan African Middle-Income Countries

Chen, Chuling

09/11

How Can Burundi Raise Its Growth Rate? The Impact of Civil Conflicts and State Intervention on Burundi's Growth Performance

Basdevant, Olivier